



# S A W P A

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

<b>Meeting Access Via Computer (Zoom):</b>	<b>Meeting Access Via Telephone:</b>
<ul style="list-style-type: none"> <li>• <a href="https://sawpa.zoom.us/j/83397215678">https://sawpa.zoom.us/j/83397215678</a></li> <li>• Meeting ID: 833 9721 5678</li> </ul>	<ul style="list-style-type: none"> <li>• 1 (669) 900-6833</li> <li>• Meeting ID: 833 9721 5678</li> </ul>

This meeting will be conducted in person at the address listed above. As a convenience to the public, members of the public may also participate virtually using one of the options set forth above. Any member of the public may listen to the meeting or make comments to the Commission using the call-in number or Zoom link above. However, in the event there is a disruption of service which prevents the Authority from broadcasting the meeting to members of the public, the meeting will not be postponed or rescheduled but will continue without remote participation. The remote participation option is provided as a convenience to the public and is not required. Members of the public are welcome to attend the meeting in-person.

## REGULAR COMMISSION MEETING TUESDAY, SEPTEMBER 19, 2023 – 9:30 A.M.

### AGENDA

**1. CALL TO ORDER/PLEDGE OF ALLEGIANCE (Bruce Whitaker, 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).

Members of the public may make comments in-person or electronically for the Commissions' consideration by sending them to [publiccomment@sawpa.org](mailto:publiccomment@sawpa.org) with the subject line "Public Comment". Submit your electronic comments by 5:00 p.m. on Monday, September 18, 2023. All public comments will be provided to the Chair and may be read into the record or compiled as part of the record. Individuals have a limit of three (3) minutes to make comments and will have the opportunity when called upon by the Commission.

**4. ITEMS TO BE ADDED OR DELETED**

Pursuant to Government Code §54954.2(b), items may be added on which there is a need to take immediate action and the need for action came to the attention of the SAWPA Commission subsequent to the posting of the agenda.

**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: SEPTEMBER 5, 2023.....7**

**Recommendation:** Approve as posted.

**B. INLAND EMPIRE BRINE LINE RESERVE FUNDS REVIEW (CM#2023.56).....11**

**Recommendation:** It is recommended that the Commission:

1. Set target limit for R-01 Brine Line Operating Reserves to \$2,179,659 for FYE 2024 and transfer the amount over target of \$141,358 to R-07 Pipeline Replacement and Capital Investment, and

2. Keep the current balances at 06/30/2023 and continue to accrue interest for the following reserves:
  - a. R-02 Brine Line Debt Service
  - b. R-04 Pipeline Capacity Management
  - c. R-05 OC Future Treatment & Disposal Capacity

**6. WORKSHOP DISCUSSION AGENDA**

**A. LEGISLATIVE REPORT**

**Presenter:** Michael Boccadoro and Beth Olhasso, West Coast Advisors  
**Recommendation:** Receive and file.

**7. NEW BUSINESS**

**A. SANTA ANA RIVER WATERSHED WEATHER MODIFICATION PILOT PROGRAM UPDATE (CM#2023.57) .....37**

**Presenter:** Rachel Gray  
**Recommendation:** Receive and file.

**8. INFORMATIONAL REPORTS**

**Recommendation:** Receive for information.

**A. CASH TRANSACTIONS REPORT – JULY 2023 .....63**  
**Presenter:** Karen Williams

**B. INTER-FUND BORROWING – JULY 2023 (CM#2023.58) .....69**  
**Presenter:** Karen Williams

**C. PERFORMANCE INDICATORS/FINANCIAL REPORTING – JULY 2023 (CM#2023.59) ....75**  
**Presenter:** Karen Williams

**D. OWOW QUARTERLY STATUS REPORT: APRIL – JUNE 2023 .....97**  
**Presenter:** Rachel Gray

**E. ROUNDTABLES QUARTERLY STATUS REPORT: APRIL – JUNE 2023 .....105**  
**Presenter:** Rachel Gray

**F. GENERAL MANAGER REPORT .....119**  
**Presenter:** Jeff Mosher

**G. STATE LEGISLATIVE REPORT .....121**  
**Presenter:** Jeff Mosher

**H. CHAIR’S COMMENTS/REPORT**

**I. COMMISSIONERS’ COMMENTS**

**J. COMMISSIONERS’ REQUEST FOR FUTURE AGENDA ITEMS**

**9. CLOSED SESSION**

There were no Closed Session items anticipated at the time of the posting of this agenda.

**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](mailto: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](http://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 September 14, 2023, a copy of this agenda has been uploaded to the SAWPA website at [www.sawpa.org](http://www.sawpa.org) and posted at SAWPA's office at 11615 Sterling Avenue, Riverside, California.

**2023 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.)

<b>January</b>	<b>February</b>
1/3/23 <del>Commission Workshop</del> [cancelled] 1/17/23 Regular Commission Meeting	2/7/23 Commission Workshop 2/21/23 Regular Commission Meeting
<b>March</b>	<b>April</b>
3/7/23 Commission Workshop 3/21/23 Regular Commission Meeting	4/4/23 Commission Workshop 4/18/23 Regular Commission Meeting
<b>May</b>	<b>June</b>
5/2/23 <del>Commission Workshop</del> [cancelled] 5/16/23 Regular Commission Meeting 5/9 – 5/11/23 ACWA Spring Conference, Monterey, CA	6/6/23 Commission Workshop 6/20/23 Regular Commission Meeting
<b>July</b>	<b>August</b>
7/4/23 <del>Commission Workshop</del> [cancelled] 7/18/23 Regular Commission Meeting	8/1/23 <del>Commission Workshop</del> [cancelled] 8/15/23 <del>Regular Commission Meeting</del> [cancelled]
<b>September</b>	<b>October</b>
9/5/23 Commission Workshop 9/19/23 Regular Commission Meeting	10/3/23 Commission Workshop 10/17/23 Regular Commission Meeting
<b>November</b>	<b>December</b>
11/7/23 Commission Workshop 11/21/23 Regular Commission Meeting 11/28 – 11/30/23 ACWA Fall Conference, Indian Wells, CA	12/5/23 Commission Workshop 12/19/23 Regular Commission Meeting

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## SAWPA COMPENSABLE MEETINGS

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: SEPTEMBER 2023

DATE	TIME	MEETING DESCRIPTION	LOCATION
9/5/23	10:00 AM	PA 24 Committee Mtg	Hybrid (SAWPA & Virtual/Teleconference)
9/12/23	8:30 AM	PA 22 Committee Mtg	CANCELLED
9/12/23	11:00 AM	Santa Ana Sucker Conservation Team	Virtual/Teleconference
9/21/23	1:00 PM	Lake Elsinore/Canyon Lake TMDL Task Force	CANCELLED
9/25/23	9:00 AM	Basin Monitoring Program Task Force Mtg	Virtual/Teleconference
9/28/23	11:00 AM	OWOW Steering Committee Mtg	CANCELLED

### MONTH OF: OCTOBER 2023

DATE	TIME	MEETING DESCRIPTION	LOCATION
10/3/23	8:30 AM	PA 23 Committee Mtg	Hybrid (SAWPA & Virtual/Teleconference)
10/3/23	10:00 AM	PA 24 Committee Mtg	Hybrid (SAWPA & Virtual/Teleconference)
10/19/23	4:00 PM	LESJWA Board of Directors Mtg	Hybrid (Elsinore Valley MWD, 31315 Chaney Street, Lake Elsinore, CA 92530 & Virtual/Teleconference)
10/24/23	2:30 PM	Emerging Constituents Program Task Force	Virtual/Teleconference

*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  
September 5, 2023**

**COMMISSIONERS PRESENT**

Bruce Whitaker, Chair, Orange County Water District  
T. Milford Harrison, Secretary-Treasurer, San Bernardino Valley  
Municipal Water District  
David J. Slawson, Eastern Municipal Water District  
Jasmin A. Hall, Inland Empire Utilities Agency

**COMMISSIONERS ABSENT**

Mike Gardner, Vice Chair, Western Municipal Water District

**ALTERNATE COMMISSIONERS  
PRESENT; NON-VOTING**

Kelly Rowe, Orange County Water District  
Gil Botello, San Bernardino Valley Municipal Water District

**STAFF PRESENT**

Jeff Mosher, Karen Williams, Edina Goode, David Ruhl, Ian  
Achimore, Dean Unger, Sara Villa, Zyanya Ramirez, Marie Jauregui,  
John Leete, Melissa Bustamonte

**OTHERS PRESENT**

Andrew Turner, Lagerlof, LLP; Shivaji Deshmukh, Inland Empire  
Utilities Agency; Kevin O'Toole, Orange County Water District; Lisa  
Haney, Orange County Water District; Craig Miller, Western  
Municipal Water District; Mallory O'Connor, Western Municipal Water  
District; Robert Ennis, City of Riverside; Nan Jia, CWE; Jason  
Pereira, CWE

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

**1. CALL TO ORDER**

**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 items to be added or deleted.

**5. CONSENT CALENDAR**

**A. APPROVAL OF MEETING MINUTES: JULY 18, 2023**

**Recommendation:** Approve as posted.

**B. 2024 MEDICAL INSURANCE CAP (CM#2023.50)**

**Recommendation:** To direct staff to adjust the medical insurance cap from \$1,944.00 to \$2,057.56 which is equal to the ACWA/JPIA 2024 Kaiser Family Plan Rate.

**MOVED**, to approve the Consent Calendar as posted.

Result:	Adopted by Roll Call Vote
Motion/Second:	Harrison/Hall
Ayes:	Hall, Harrison, Slawson, Whitaker
Nays:	None
Abstentions:	None
Absent:	Gardner

## 6. **NEW BUSINESS**

### A. **BASIN MONITORING PROGRAM TASK FORCE CONTRACT APPROVAL | SURFACE WATER QUALITY MONITORING (CM#2023.51)**

Ian Achimore provided a presentation titled Basin Monitoring Program (BMP) Task Force Contract Approval | Surface Monitoring, contained in the agenda packet on pages 23-34. On June 20, 2023, the SAWPA Commission approved the release of Request for Proposals (RFP) to utilize consulting services for surface water quality monitoring within several reaches for the Santa Ana River. Three (3) proposals were received August 1, 2023, from CWE, ECORP Consulting, and West Yost & Associates. SAWPA staff and the BMP Task Force Scoping Committee reviewed and rated the proposals received and contacted the references for each firm; with CWE resulting in being the highest ranked. Sufficient funding has been budgeted by the BMP Task Force for the execution of the scope through a task order due to this work being included in the Task Force's current budget. If approved, the next steps are to hold a Kickoff Meeting September 14<sup>th</sup> and prepare for monitoring and develop a Quality Assurance Project Plan (QAPP), and the monitoring is anticipated 2024 through 2026. There was no discussion.

**MOVED**, to authorize the General Manager to execute the General Services Agreement and Task Order CWE374-01 with CWE in the amount not to exceed \$93,711.00 for the Consulting Services of Surface Water Quality Monitoring.

Result:	Adopted by Roll Call Vote
Motion/Second:	Slawson/Hall
Ayes:	Hall, Harrison, Slawson, Whitaker
Nays:	None
Abstentions:	None
Absent:	Gardner

### B. **HEADWATERS ARUNDO REMOVAL UPDATE (CM#2023.52)**

Ian Achimore provided a presentation titled Headwaters Arundo Removal Update, contained in the agenda packet on pages 79-92. Arundo donax is an invasive plant, noxious weed that uses approximately 528 gallons of water per meter annually. The growth rate is 1.5 to 4 inches per day under optimal conditions and is highly combustible and survives fire and thrives causing flooding by altering flow regimes. Per the SAWPA Commission's approval of the Inland Empire Resource Conservation District (IERCD) five-year task order on July 19, 2022, the invasive weed Arundo donax has been surveyed and removed in several key areas in the Upper Santa Ana River Watershed's headwaters. Through the Task Order, IERCD has done 10,000+ acres of surveys using aerial imagery and, in the field, to determine the most upstream occurrences of Arundo in the watershed. There are six (6) areas in the upper watershed with the weed present per the survey results; Cajon and Lytle Creeks, Waterman Canyon, Santa Ana River Mainstem upstream of Highway 10, Redlands area, Yucaipa area, and San Timoteo Creek.



Over the course of Fiscal Year Ending (FYE) 2023, IERCD has acquired right of entry agreements from property owners in the Cajon Creek, Redlands Area, Yucaipa Area, and Yucaipa Creek. In FYE 2023, removal of the weed has taken place in the Redlands Area, Yucaipa Area, and Yucaipa Creek. For FYE 2024, follow up treatment with approved herbicide is planned for the Redlands Area, Yucaipa Area, and Yucaipa Creek. Initial removal is planned for the Cajon Creek Area, and possibly Lytle Creek.

There is outreach anticipated in the Cajon and San Timoteo areas. This involves community presentations, and letters to be distributed with a follow up “door knocking” for individual property owners by IERCD staff. Outreach is also to be performed in the Santa Ana River mainstem, Lytle Creek and Waterman Canyon which will include individual meetings with large scale property owners like Flood Control Districts and Native American Tribe.

It was questioned if the Arundo removal is done by a contractor. Mr. Achimore noted that the work is done by a subcontractor to a nonprofit like the Resource Conservation District or Santa Ana Watershed Association. It was asked if there is a use for it that can be produced into some type of revenue resource that could be grinded and used for cow feed. Mr. Achimore noted that there were discussions about a year ago with a firm based in North Carolina to use Arundo to make waterproof plywood and they were looking into the regulations of planting it like a crop in North Carolina, though there were issues due to Arundo being labeled as a noxious weed. It was suggested that staff reach out to the universities to see if they have any research opportunities for future projects in the removal of Arundo.

This is to receive and file; no action will be taken on Agenda Item No. 6.B.

## **7. INFORMATIONAL REPORTS**

Recommendation: Receive for Information.

### **A. CASH TRANSACTIONS REPORT – JUNE 2023**

### **B. INTER-FUND BORROWING – JUNE 2023 (CM#2023.53)**

### **C. PERFORMANCE INDICATORS/FINANCIAL REPORTING – JUNE 2023 (CM#2023.54)**

### **D. PROJECT AGREEMENT 25 – OWOW FUND – FINANCIAL REPORT, JUNE 2023**

### **E. PROJECT AGREEMENT 26 – ROUNDTABLE FUND – FINANCIAL REPORT, JUNE 2023**

### **F. GENERAL MANAGER REPORT**

Jeff Mosher informed the Commission that SAWPA’s leadership staff has embarked on a transformative leadership development program that is led by Nate Sassman. SAWPA and its member agencies recently participated in the California Adaptation Forum Conference. Each of the member agencies talked about projects that are in line with increasing our resiliency in the watershed. Mr. Mosher noted that staff submitted the proposal under the ICARP program, and the grant is expected to be awarded in the November timeframe.

### **G. STATE LEGISLATIVE REPORT**

### **H. CHAIR’S COMMENTS/REPORT**

Chair Whitaker noted that the recent hurricane brought more than 2 1/2 inches of rain over a short period which is about a third of the entire previous year's total at the Anaheim Station of OCWD.

**I. COMMISSIONERS' COMMENTS**

There were no Commissioners' comments received.

**J. COMMISSIONERS' REQUEST FOR FUTURE AGENDA ITEMS**

There were no requests for future agenda items.

**8. CLOSED SESSION**

There was no closed session.

**9. ADJOURNMENT**

There being no further business for review, Chair Bruce Whitaker adjourned the meeting at 10:15 a.m.

**Approved at a Regular Meeting of the Santa Ana Watershed Project Authority Commission on Tuesday, September 19, 2023.**

\_\_\_\_\_  
Bruce Whitaker, Chair

Attest:

\_\_\_\_\_  
Sara Villa, Clerk of the Board

## COMMISSION MEMORANDUM NO. 2023.56

**DATE:** September 19, 2023  
**TO:** SAWPA Commission  
**SUBJECT:** Inland Empire Brine Line Reserve Funds Review  
**PREPARED BY:** Karen Williams, Deputy General Manager/Chief Financial Officer

### RECOMMENDATION

It is recommended that the Commission:

1. Set target limit for R-01 Brine Line Operating Reserves to \$2,179,659 for FYE 2024 and transfer the amount over target of \$141,358 to R-07 Pipeline Replacement and Capital Investment, and
2. Keep the current balances at 06/30/2023 and continue to accrue interest for the following reserves:
  - a. R-02 Brine Line Debt Service
  - b. R-04 Pipeline Capacity Management
  - c. R-05 OC Future Treatment & Disposal Capacity

### DISCUSSION

SAWPA's Reserve Policy was established to ensure that sufficient funding is available for current operating, capital, and debt service needs. The Reserve Policy describes how and why specific reserves are established and maintained to provide SAWPA's member agencies with assurance that reserve balances will be maintained at prudent and fiscally responsible levels. SAWPA currently maintains six (6) distinct reserves that pertain to the Brine Line. The six (6) reserves are as follows:

- R-01 Brine Line Operating
- R-02 Brine Line Debt Retirement
- R-04 Pipeline Capacity Management
- R-05 OC San Future Treatment & Disposal Capacity
- R-06 OC San Pipeline Rehabilitation
- R-07 Brine Line Replacement and Capital Investment

As per the approved Reserve Policy, funding above the target level in the reserve will be discussed and approved with the PA24 and the Commission annually and during the biennial budget adoption process. For those reserves under the target level, staff will involve member agencies in reviewing the timing for each reserve to achieve its target. During the FYE 2024 and 2025 budget process, contributions to the two reserve accounts that are under the target levels were reviewed and contribution amounts were approved for the next two years. There are four reserves that are over the target levels set in the Reserve Policy. The following table shows each reserve level on June 30, 2023, the minimum balance, target, and the amount over or under the target.

This item was taken to the September 5, 2023, PA24 Committee Meeting. A presentation was given and the PA24 Committee approved the recommendation listed above.

**Reserve Balances as of June 30, 2023**

Reserve Fund	No.	Balance @ 06/30/2023	Minimum Balance	Target	Amount Over/(Under) Target	Comments
Brine Line Operating	R-01	\$2,321,017	\$2,273,388	\$2,273,388	\$47,629	Interest through 06/30/2023
Debt Retirement	R-02	\$2,899,430	\$1,709,476	\$1,709,476	\$1,189,954	1.5x annual debt plus interest through 06/30/2023
Pipeline Capacity Management	R-04	\$12,330,705	\$3,894,181	\$9,735,454	\$2,595,251	Funds from pipeline capacity sales plus interest
OC San Future Treatment and Disposal Capacity	R-05	\$1,887,871	\$1,842,396	\$1,842,396	\$45,475	Target set at 06/30/2022 balance. Interest through 06/30/2023
OC San Pipeline Rehabilitation	R-06	\$2,448,640	\$2,425,147	\$7,250,000	(\$4,801,360)	Budget contributions in FYE 2024 and 2025 (\$325,309, \$155,786)
Pipeline Replacement and Capital Investment	R-07	\$32,448,955	\$17,503,000	\$42,911,000	(\$10,462,045)	Budget contributions in FYE 2024 and 2025 (\$1.9 million each year)
<b>Totals</b>		<b>\$54,336,618</b>	<b>\$29,647,588</b>	<b>\$65,721,714</b>	<b>(\$11,385,096)</b>	

R-01 Brine Line Operating

The target set for this reserve is \$2,273,388. The target level set for this reserve is 25% of total operating expenses each year. Interest is earned each quarter and is based on the average monthly balance. It is recommended that the target level for this reserve be changed to \$2,179,659 based on budgeted operating expenses of \$8,718,636 for FYE 2024. The balance should be transferred to R-07 Pipeline Replacement and Capital Investment.

R-02 Debt Retirement

The target set for this reserve is \$1,709,476. The target level set for this reserve is equivalent to the annual debt service payments and is required per the SRF Loan agreements. Interest is earned each quarter and is based on the average monthly balance. Currently, this reserve is over the target. Staff recommends that this reserve be allowed to continue to earn interest and keep a balance over the target level.

In the 10-year CIP there are over \$54 million in projects that may qualify for SRF loan funding. If we were to receive an SRF Loan in the amount of \$22.8 million for the Reach IV-D Corrosion Repair project, the annual debt service payment would be \$1,278,798. This amount would need to be in the Debt Retirement Reserve. The total required amount for the reserve would be

\$2,988,274. By continuing to earn interest each quarter the reserve amount would grow over time and no additional contributions would be needed.

#### R-04 Pipeline Capacity Management

The target set for this reserve is \$9,735,454. The target level set for this reserve is equal to 25% of the annual average CIP project costs associated with managing pipeline capacity. Interest is earned each quarter and is based on the average monthly balance. Currently, this reserve is over the target. Staff recommends that this reserve be allowed to continue to earn interest and keep a balance over the target level.

The current balance of \$12,232,268 is from pipeline capacity sales to Eastern Municipal Water District and Western Municipal Water District, and interest earned. Until more is known regarding the future costs of this project, all funds should remain in this reserve account.

#### R-05 OC San Future Treatment & Disposal Capacity

The target set for this reserve is \$1,842,396. The target level set for this reserve was the June 30, 2022, reserve balance. Interest is earned each quarter and is based on the average monthly balance. Funds in this reserve are from treatment capacity purchases from San Bernardino Valley Municipal Water District. These funds will be used to purchase treatment & disposal capacity from OC Sanitation District. The current price to purchase 1 MGD of treatment & disposal capacity is \$6.8 million. Currently, this reserve is over the target. Staff recommends that this reserve be allowed to continue to earn interest and keep a balance over the target level.

#### R-06 OC San Pipeline Rehabilitation

The target set for this reserve is \$7,250,000. The target level set for this reserve is based on SAWPA's share of future OC San capital project costs. Currently this reserve is at \$2,448,640, which is below the target level. During the FYE 2024 and 2025 budget process, contributions to this reserve were set at \$325,309 and \$155,786. Interest is earned each quarter and is based on the average monthly balance.

#### R-07 Brine Line Replacement and Capital Investment

The target set for this reserve is \$42,911,000. The target level set for this reserve is based on three components (Resiliency, CIP, and Renew and Replacement) and is reviewed each year. Currently this reserve is at \$32,448,955, which is below the target level. During the FYE 2024 and 2025 budget process, contributions to this reserve were set at \$1.9 million each year. Interest is earned each quarter and is based on the average monthly balance.

### **RESOURCE IMPACTS**

There are no resource impacts at this time.

#### Attachments:

1. Approved Updated SAWPA Reserve Policy
2. Presentation

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## SANTA ANA WATERSHED PROJECT AUTHORITY

# RESERVE POLICY

### POLICY STATEMENT

A key element of prudent financial planning is to ensure that sufficient funding is available for current operating, capital, and debt service needs. Additionally, fiscal responsibility requires anticipating the likelihood of, and preparing for, unforeseen events. The Santa Ana Watershed Project Authority (“SAWPA”) desires to identify and provide a calculation methodology and/or maintained level of all existing and future needs of the agency where reserve funds are required and/or necessary. The SAWPA Commission and the Project Agreement 24 Committee (PA 24) realizes the importance of reserves in providing reliable service to its member agencies, financing long-term capital projects, and the funding of emergencies, should they arise. In this context, SAWPA will at all times strive to have sufficient funding available to meet its operating, capital, and debt service obligations. Funds will be accumulated and maintained to allow SAWPA to fund expenditures in a manner consistent with SAWPA’s long range financial plan and the Capital Improvement Plan (“CIP”), and avoid significant rate fluctuations due to changes in cash flow requirements.

The Commission and PA 24 may designate specific reserve accounts and maintain minimum reserve balances consistent with statutory obligations that it has determined to be in the best interest of SAWPA. The Policy directives outlined in this document are intended to ensure SAWPA has sufficient funds to meet current and future needs. The Commission and PA 24 will annually review the level of reserve funding. Considerations to continue or the establishment of a new reserve will be determined based on the following criteria:

- ◆ Reason for the reserve.
- ◆ Availability and source of funds to continue, replenish or establish the reserve.
- ◆ Operating expenditure levels approved within the biennial budget process.
- ◆ Future capital expenditure and debt service requirements of the agency.
- ◆ Commission and PA 24 approval of the reserve policy.

SAWPA recognizes the importance of operating an agency or company with a sound business plan in place that provides for unanticipated/emergency costs should they arise within a budgeted fiscal year. In keeping SAWPA’s member agencies’ best interest in mind, these costs would be set aside to avoid, once a biennial budget has been approved, a request for additional funding from member agencies within a fiscal year.

It is staff’s intent through this policy to describe how and why specific reserves are established and maintained at SAWPA and to provide SAWPA’s member agencies with assurance that reserve balances will be maintained at prudent and fiscally responsible levels.

## DEFINITIONS

This policy describes the reserves to be maintained in connection with: i) the Inland Empire Brine Line (Brine Line) and ii) the General Fund. In general, there are two types of reserve fund classifications:

- I. **RESTRICTED FUNDS:** Restrictions on the use of these funds are imposed by an outside source such as creditors, grantors, contributors, laws, or regulations governing use. These funds are specifically governed by a written contract with SAWPA or outlined within the debt covenants of a debt financing.
- II. **UNRESTRICTED FUNDS:** These funds have no externally imposed use restrictions. The use of Unrestricted Funds is at the discretion of the SAWPA Commission and PA 24. Unrestricted Funds are designated for a specific purpose, which is determined by the Commission and PA 24. The Commission and PA 24 also have the authority to redirect the use of these funds as the needs of SAWPA change.

The restricted and unrestricted funds can further be subdivided into Capital Funds and Liquidity (Operating) Funds. The Capital Funds are designated for specific purposes and utilized primarily to fund capital and asset replacement costs. The Liquidity Funds are established to safeguard SAWPA's financial viability and stability and are funded from accumulated net revenues.

Further, for internal control purposes, SAWPA accumulates, maintains, and segregates its reserves into the following categories:

- ◆ *Restricted and Designated Reserves* – Reserves that are designated for a particular purpose and whose use is restricted to only that purpose. The Restricted and Designated Reserves consist of the Debt Retirement Reserve (R-02).
- ◆ *Board Designated Reserves* – Reserves earmarked for the purpose of funding items such as new capital facilities, repair or replacement of existing facilities, and general operating reserves designated for a specific purpose and use by the Commission and PA 24. The Board Designated Reserves are comprised of the following reserve accounts: Brine Line Operating Reserves (R-01), Debt Retirement Reserve (R-02), Pipeline Capacity Management Reserve (R-04), OC San Future Treatment and Disposal Capacity Reserve (R-05), OC San Pipeline Rehabilitation Reserve (R-06) Pipeline Replacement and Capital Investment Reserve (R-07), General Fund Operating Reserve (R-10), and General Fund Building Reserve (R-11).
- ◆ *Board Restricted (Obligated) Reserves* – Reserves set aside to meet financial commitments for services not yet fulfilled and purchases that will take place in the future. These reserves consist of the Capital Improvement Construction Reserve (R-12).
- ◆ *Contractually Restricted Reserves* – Funds held to satisfy limitations set by external requirements established by creditors, grant agencies or contributors, or law. Examples include stipulated bond covenants, capital improvement fees, and service deposits. These reserves consist of the Debt Retirement Reserve (R-02).



## **GENERAL PROVISIONS**

SAWPA will maintain its operating and capital funds in designated accounts in a manner that ensures its financial soundness and provides transparency to its member agencies. The fund balance minimum and target levels are intended to maintain SAWPA's fiscal strength and flexibility and adequately provide for:

- ◆ Compliance with applicable statutory requirements.
- ◆ Financing of future capital projects and repair and replacement of existing assets.
- ◆ Cash flow requirements.
- ◆ Economic uncertainties, local disasters, and other financial hardships or downturns in the local or national economy.
- ◆ Contingencies or unforeseen operating or capital needs.

In the context of funding future capital projects and maintaining and replacing existing assets, in each instance, SAWPA will analyze the benefits and tradeoffs of utilizing pay-as-you-go (cash financed) and/or debt financing and determine the optimal funding strategy or combination of funding strategies. The analysis should consider SAWPA's current and projected operating and capital positions, as well as the impact of inflation, depreciation, the cost of service, and other factors on the operations of SAWPA and its Capital Improvement Plan (CIP).

Through a variety of policy documents and plans, including the Brine Line CIP, the long-range financial plan, and the Brine Line Financial Study and Rate Model, the Commission and PA 24 have set forth a number of long-term goals for SAWPA. A fundamental purpose of SAWPA's policy documents and plans is to link what must be accomplished with the necessary resources to successfully do so.

SAWPA has established and will maintain the reserves outlined in the following sections. A principal tenet of SAWPA's Reserve Policy shall be the crediting of interest income to specific funds. Unless otherwise stated in this Reserve Policy, interest derived from reserve balances will be credited to the reserve account from which it was earned. Reserve balances will be reviewed by the Chief Financial Officer ("CFO") on a monthly basis, as well as biennially during the budget review process in order to determine how reserve balances compare with the budgeted projections and how they measure against the goals outlined in this Policy. The CFO will involve member agencies in reviewing SAWPA's long range financial plan during the biennial budget process to determine if the current annual funding amounts for each reserve, if applicable, should be raised, lowered, or maintained.

The minimum level established for each reserve represents the baseline financial condition that is acceptable to SAWPA from risk and long-range financial planning perspectives. The target level established represents the goal amount to be held in each reserve fund at any time. The maximum level funding for the reserves are these target levels. The target level may at times be above the target level due to the accumulation of funds to meet SAWPA's operating, capital and debt service obligations. Funding above the target level in the reserve will be discussed and approved with the Commission and PA24 annually and during the biennial budget adoption process. SAWPA will involve member agencies in reviewing the timing for each reserve to achieve its target. Maintaining reserve funding at appropriate levels is a prudent, ongoing

business process that consists of an iterative, dynamic assessment and application of various funding alternatives. These alternatives (either alone or in combination with each other) include, but are not limited to: rates, loans and grants, debt financing, investment of funds, and levels of capital expenditures.

The Commission or PA 24 shall approve any reallocation of funds or any transfers among reserve funding.

### **SPECIFIC PROVISIONS**

SAWPA will maintain the following reserves at or above the respective minimum levels, with a goal of achieving the respective target levels (if applicable):

- 1.) Brine Line Operating Reserve (R-01): The Brine Line Operating Reserve is established to cover temporary cash flow deficiencies that occur as a result of timing differences between the receipt of operating revenue and expenditure requirements. The reserve is utilized as needed to pay outstanding Brine Line Enterprise expenditures prior to the receipt of anticipated operating revenues. The reserve is also intended to mitigate the effects of occasional shortfalls in revenue due to a number of events such as weather factors (wet weather or drought events and natural disasters), increased water conservation, poor regional economic conditions, and unplanned or unexpectedly large rate adjustments/increases. This reserve may also be utilized in the event that a meter error occurs and the discharger is over-billed.

Minimum Level – Funding shall at a minimum be equal to 90 days (i.e., 25%) of SAWPA’s Brine Line Enterprise total annual operating expenditures. If SAWPA elects to issue variable rate debt, the minimum required balance in this reserve might need to be higher.

Target Level – Same as minimum level.

Events and Conditions Prompting the Use of the Reserve – This reserve is utilized as needed to pay outstanding Brine Line Enterprise expenditures prior to the receipt of anticipated operating revenues, to mitigate the effects of occasional revenue shortfalls, and to refund dischargers in the event that a meter error occurs and the discharger is over-billed.

Funding Source – Primary source of funding is through Brine Line Rates. Funding may be provided through reallocation of funds or any transfers among reserves as approved by PA 24.

Periodic Review Dates for Balances – Reviewed and recalibrated through the normal biennial budget and annual rate-setting process. Funding above the target level in the reserve will be discussed with PA 24 during the biennial budget adoption process.

- 2.) Debt Retirement Reserve (R-02) – This reserve was initially established with funds received from SAWPA’s member agencies for the purchase of pipeline capacity (30 MGD) in the Brine Line system to provide future funding on debt service payments for SRF loans

required to build the Brine Line system. Treasury-strips (“T-Strips”) were purchased with maturities to match annual principal and interest payments due on the long-term debt associated with the State loans. This reserve will be maintained and/or adjusted at levels set forth in future “bond covenants” or other debt obligation instruments as approved by PA 24.

Minimum Level – Funding shall at a minimum equal the amount stipulated in any formal loan agreements and/or bond covenants. Additionally, SAWPA shall meet or exceed all required debt service coverage ratios as stipulated in any formal loan agreements and/or bond covenants.

Target Level – Same as minimum level.

Additionally, SAWPA shall target a debt service coverage ratio equal to the higher of:

- ◆ 1.5 times the highest annual debt service; or
- ◆ The highest annual debt service times the sum of the minimum debt service coverage ratio plus 0.25

Events and Conditions Prompting the Use of the Reserve – This reserve is utilized as needed to pay when due debt service payments on SAWPA’s obligations. The PA 24 shall take action to approve annual debt service obligations of the Agency as presented in the biennial budget. Any other use (debt obligations approved and entered into following adoption of the biennial budget) shall require prior PA 24 approval before the expense of funds from this reserve.

Funding Source – Primary source of funding is through Brine Line Rates. Funding may be provided through reallocation of funds or any transfers among reserves as approved by PA 24.

Periodic Review Dates for Balances – Reviewed by staff on a semi-annual basis (i.e., every interest and/or principal payment date) and as part of the biennial budget process.

3.) Pipeline Capacity Management Reserve (R-04) – This reserve was established to set aside 100% of the funding derived from pipeline capacity sales to provide funds for future pipeline capacity needs within the Brine Line. As the pipeline reaches capacity, other alternatives will be needed to ensure the ability to discharge and achieve salt balance within the Santa Ana Watershed. All of the funding derived from pipeline capacity sales will be deposited and maintained in this reserve.

Minimum Level – Funding shall at a minimum equal 25% of annual average CIP project costs associated with managing pipeline capacity. These projects may involve Brine Line flow concentration, flow reduction, or other alternative solutions to ensure sufficient capacity.

Target Level – The target funding level shall equal 2.5 times the minimum level.

Events and Conditions Prompting the Use of the Reserve – This reserve is to be utilized to cover costs required to manage capacity within the pipeline, including the cost to further concentrate Brine Line flows, reduction of flows to meet capacity needs, additional pipeline capacity, additional CIP, and other changes as appropriate.

Funding Source – Funding derived from pipeline capacity sales and through Brine Line Rates. Funding may be provided through reallocation of funds or any transfers among reserves as approved by PA 24.

Periodic Review Dates for Balances – Reviewed as part of the biennial budget process. Funding above the target level in the reserve will be discussed with PA 24 during the biennial budget adoption process.

- 4.) OC San Future Treatment and Disposal Capacity Reserve (R-05) – This reserve is established to provide future funding as it becomes necessary for SAWPA to acquire (purchase) additional treatment and disposal capacity (minimum of 1 MGD increments) in the OC San treatment plant facility. As incremental treatment plant capacity is purchased by member agencies from SAWPA at an agreed upon rate set by SAWPA resolution, funds would be deposited into this reserve account which can then be used by SAWPA to purchase treatment and disposal capacity from OC San.

Reserve levels will depend on the rate of growth and capacity sales. As capacity purchases are made by member agencies, funds will be deposited in this reserve so that its balance will be sufficient to cover anticipated additional treatment and disposal capacity purchases as and when they come due. Capacity lease revenue may also be deposited in this reserve to provide funding for future purchases of treatment and disposal capacity from OC San required to serve Brine Line lessees.

Minimum Level – Funding shall at a minimum equal the sum of past reserve contributions from member agencies not yet spent by SAWPA to purchase additional treatment and disposal capacity from OC San.

Target Level – Same as minimum level.

Events and Conditions Prompting the Use of the Reserve – This reserve may only be utilized to purchase additional treatment capacity in the OC San plant as approved by PA 24. Any other use of this reserve shall not occur without prior authorization from PA 24.

Funding Source – Funding derived from treatment and disposal capacity sales, capacity lease revenues and Brine Line Rates. Funding may be provided through reallocation of funds or any transfers among reserves as approved by PA 24.

Periodic Review Dates for Balances – Reviewed as part of the biennial budget process. Funding above the target level in the reserve will be discussed with PA 24 during the biennial budget adoption process.

- 5.) OC San Pipeline Rehabilitation Reserve (R-06) – This reserve was established to fund SAWPA's share of capital costs associated with its proportionate share of capacity right

ownership in the Santa Ana Regional Interceptor (SARI) Line maintained by OC San. Since these costs are expected to vary significantly in timing and size, an approach has been developed to normalize these expenditures into equal annual payments. The objective is for SAWPA to make equal annual contributions (adjusted for inflation) into this interest earning reserve fund, and then make withdrawals from this fund when payments to OC San for the SARI Line come due. According to the Brine Line Financial Study, this approach will mitigate significant capital cost spikes for SAWPA.

Minimum Level – Funding shall at a minimum equal 2% of SAWPA’s estimated share of SARI Line asset value.

Target Level – The target funding level shall equal the higher of the following:

- ◆ The minimum level
- ◆  $[\% \text{ certainty of OC San's project costs}] \times [\text{SAWPA share in project}] \times [\% \text{ of project cost to be cash financed}]$

Events and Conditions Prompting the Use of the Reserve – This reserve is utilized as needed to pay when due SAWPA’s share of OC San SARI Line capital costs.

Funding Source – Primary source of funding is through Brine Line Rates. Funding may be provided through reallocation of funds or any transfers among reserves as approved by PA 24.

Periodic Review Dates for Balances – Reviewed and recalibrated through the normal biennial budget and if OC San revises its SARI Line capital costs. Funding above the target level in the reserve will be discussed with PA 24 during the biennial budget adoption process.

6.) Pipeline Replacement and Capital Investment Reserve (R-07): This reserve was established to provide capital replacement funding as the Brine Line system’s infrastructure (pipe) deteriorates over its expected useful life. This reserve is also intended to provide cash on hand for planned capital projects and emergency repairs. Maintaining this reserve serves two major purposes: i) provides a means of tracking funds designated for capital investment (such as capital revenues, depreciation funding, grants, etc.) and ensuring that they are used for their intended purpose and facilitating compliance with any applicable requirements, and ii) provides protection against the risk of cost overruns related to its capital improvement program.

Minimum Level – Funding shall at a minimum equal the sum of the following three components:

- ◆ Resiliency Component: Asset value times the lowest non-zero percentage of high and very high probability of failure (PoF) and consequence of failure (CoF) per SAWPA’s most recent Brine Line Criticality Assessment
- ◆ CIP Component: Annual average cash financed project costs in the 10-year inflated CIP

- ◆ **Renewal & Replacement (R&R) Component:** The sum of the following formula calculated individually for each pipeline reach:  

$$[10\% \text{ equity financing}] \times [\text{asset value}] \div [75\text{-year replacement period}] \times [\text{age of reach in years}]$$

Target Level – The target funding level shall equal the sum of the following three components:

- ◆ **Resiliency Component:** The minimum of:
  - 1) Asset value times half of the highest percentage of high and very high PoF and CoF per SAWPA’s most recent Brine Line Criticality Assessment
  - 2) \$5 million
- ◆ **CIP Component:** 2.5 times the annual average cash financed projects in the 10-year inflated CIP
- ◆ **Renewal & Replacement Component:** The sum of the following formula calculated individually for each pipeline reach:  

$$[25\% \text{ equity financing}] \times [\text{asset value}] \div [75\text{-year replacement period}] \times [\text{age of reach in years}]$$

Events and Conditions Prompting the Use of the Reserve – Through the biennial budget process, staff shall recommend anticipated asset replacement projects. The PA 24 shall take action to approve recommended project appropriations from this reserve. This reserve shall be utilized to cover out of pocket insurance losses experienced by SAWPA. Any reimbursement received by SAWPA from the insurance company as a result of a submitted claim shall be deposited back into the reserve as replenishment for the loss. Should emergency replacement be necessary during any fiscal year, PA 24 ~~the~~ may take action to amend the budget and appropriate needed funds as required by such emergency. In addition, in certain circumstances SAWPA may elect to fund one-time operating expenditures related to specific projects through the use of this reserve rather than rate increases.

Funding Source – Primary source of funding is through Brine Line Rates. Funding may be provided through reallocation of funds or any transfers among reserves as approved by PA 24.

Periodic Review Dates for Balances – Reserve balances and projected replacement projects will be reviewed by staff and PA 24 during the preparation and approval of the biennial budget and on an as-needed basis in the case of emergencies. Funding above the target level in the reserve will be discussed with PA 24 during the biennial budget adoption process.

7.) General Fund Operating Reserve (R-10) – Established to provide cash flow for unbudgeted and/or unexpected expenditures and to mitigate potential delays between the time when expenditures are incurred and the time when revenues are received. This reserve also holds accrued employee vacation and sick time funds owed to SAWPA employees.

Minimum Level – None.

Target Level – A prudent target level will be equal to 180 days of SAWPA’s General Fund total budgeted operating expenditures. This reserve will be funded only based on realized efficiencies in the General Fund resulting in actual year-end expenditures being under budget.

Events and Conditions Prompting the Use of the Reserve – This reserve is designated to maintain working capital for current operations and to meet routine cash flow needs. Upon Commission approval, this reserve may be routinely utilized by staff to cover temporary cash flow deficiencies caused by timing differences between revenues and expenditures and extraordinary decreases in revenues and unexpected increases in expenditures. This reserve is also used to pay accrued employee vacation and sick time per the SAWPA Employee Manual.

Funding Source – Primary source of funding is from member agency contributions.

Periodic Review Dates for Balances – Reviewed during the preparation and approval of the biennial budget process. Funding above the target level in the reserve will be discussed with the Commission during the biennial budget adoption process.

8.) General Fund Building Reserve (R-11) - Established to provide for the accumulation of funds towards a building reserve set aside to cover major repair/maintenance work on SAWPA’s Headquarters Office unless directed otherwise by Commission action during the biennial budget process.

Minimum Level – Funding shall be at a minimum amount equal \$300,000 at all times.

Target Level – None.

Events and Conditions Prompting the Use of the Reserve – This reserve is designated to maintain a building repair and replacement reserve. Upon Commission approval, this reserve may be routinely utilized by staff for building-related purposes.

Funding Source – Primary source of funding is from member agency contributions.

Periodic Review Dates for Balances – Reviewed during the preparation and approval of the biennial budget process.

9.) Capital Improvement Construction Reserve (R-12) – This is a restricted reserve established to set aside 100% of the funding derived from the construction fund money proceeds of a bond issue required to support specific capital projects identified and approved by PA 24 in SAWPA’s CIP. The use of these proceeds is restricted by conditions set in the respective legal bond documents.

Minimum Level – None. The balance in this reserve will be determined based on the amount of construction fund moneys generated as part of the bond proceeds and the spend-down requirements for the particular CIP project being financed.

Target Level – Same as minimum level.

Events and Conditions Prompting the Use of the Reserve – The use of this reserve is for the sole purpose of paying for those capital expenditures identified within the SAWPA Commission approved CIP Program budget. Specific construction fund proceeds will be spent on applicable projects. The reserve will be depleted as the approved capital projects are completed. In the event that SAWPA has more than one bond issue outstanding, separate sub-funds will be created within this reserve with bond proceeds from each debt issue deposited in that issue’s respective sub-account. Sub-accounts will be kept segregated at all times.

Funding Source – Proceeds from bond issuance. Funding may also be provided through reallocation of funds or any transfers among reserves as approved by PA 24.

Periodic Review Dates for Balances – Reviewed by staff on semi-annual basis whenever SAWPA has issued bonds and this reserve has a balance.

## **INVESTMENT GUIDELINES**

It has been SAWPA’s practice to rely primarily on a pay-as-you-go (pay-go) strategy and some use of SRF loans to fund capital improvements and replacement of existing assets. Maintaining a balance between debt and pay-go sources may provide an added benefit to SAWPA in terms of allowing for a more optimal investment strategy. In the context of these policies and in circumstances where such balance is present, the investment portfolio can be separated into short and long portfolios to maximize investment returns. The balance in the Liquidity (Operating) Funds should be kept in short-term investments. Moneys in the Capital Funds, however, may be invested for a longer horizon as the funds are needed in the later years.

## **DELEGATION OF AUTHORITY**

The Commission and PA 24 have sole authority to amend or revise this Reserve Policy. Through approval of this Policy, the Commission and PA 24 have established written procedures and guidelines for staff to follow in the management of SAWPA’s Reserves.





# Inland Empire Brine Line Reserve Funds Review

Karen Williams, Deputy General Manager/ Chief Financial Officer  
Commission Meeting  
September 19, 2023

# Brine Line Reserve Policy

- The updated Reserve Policy was approved by:
  - PA24 on November 1, 2022
  - SAWPA Commission on December 20, 2022
- PA24 approved the elimination of 3 reserves and transferred the balance of \$5.5 million to R-07 Pipeline Replacement and Capital Investment on February 7, 2023.
- As per the approved Reserve Policy, funding above the target level in the reserve will be discussed and approved with the PA24 and the Commission annually and during the biennial budget adoption process. For those reserves under the target level, staff will involve member agencies in reviewing the timing for each reserve to achieve its target. Staff will bring the evaluation of reserves above the targets to PA24 and the Commission in September 2023, after the new budget is adopted.

# Reserve Balances as of 06/30/2023 (including 4<sup>th</sup> Qtr. Interest)

Fund	06/30/2023 Ending Balance	Minimum	Target	Over or Under Target	Amount Over or (Under) Target	Comment
R-01 Brine Line Operating	\$2,321,017	\$2,273,388	\$2,273,388	Over	\$47,629	Interest through 06/30/2023
R-02 Debt Retirement	\$2,899,430	\$1,709,476	\$1,709,476	Over	\$1,189,954	Interest through 06/30/2023
R-04 Pipeline Capacity Management	\$12,330,705	\$3,894,181	\$9,735,454	Over	\$2,595,251	Funds from pipeline capacity sales
R-05 OC San Future Treatment and Disposal Capacity	\$1,887,871	\$1,842,396	\$1,842,396	Over	\$45,475	Target set at 06/30/22 balance Interest through 06/30/23
R-06 OC San Pipeline Rehabilitation	\$2,448,640	\$2,425,147	\$7,250,000	Under	(\$4,801,360)	Contributions for FYE 2024 and 2025 are \$325,309 and \$155,786
R-07 Pipeline Replacement and Capital Investment	\$32,448,955	\$17,503,000	\$42,911,000	Under	(\$10,462,045)	Contributions for FYE 2024 and 2025 are \$1.9 million each year
Resiliency Component		\$2,338,000	\$5,000,000	--	--	--
CIP Component		\$3,013,000	\$7,531,000	--	--	--
R&R Component		\$12,152,000	\$30,380,000	--	--	--
<b>Total - Unrestricted</b>	\$52,627,142	\$27,938,112	\$64,012,238	--	--	--
<b>Total – Restricted</b>	\$1,709,476	\$1,709,476	\$1,709,476	--	--	--
<b>Total</b>	\$54,336,618	\$29,647,588	\$65,721,714	--	--	-- 27

## R-01 Brine Line Operating

- Target set at \$2,273,388 (25% of budgeted operating costs).
- Interest earned in 2023 = \$51,054.
- Balance at 06/30/2023 = \$2,321,017.

### **Recommendation:**

- Set new target at \$2,179,659 (25% of budgeted operating costs for 2024 - \$8,718,636).
- Transfer \$141,358 to R-07 Pipeline Replacement and Capital Investment.

## R-02 Debt Retirement

- Target set at \$1,709,476 (1x annual debt service payment).
- Interest earned in 2023 = \$69,840.
- Balance at 06/30/2023 = \$2,899,430.

### Recommendation:

- Keep the \$2,899,430 balance in this reserve and continue to accrue interest.
- 10-year CIP of \$54 million that qualify for SRF Loans.
  - Reach IV-D Corrosion Repair SRF Loan of \$22.8 million with estimated annual loan payment of \$1,278,798 (\$2,988,274 1x annual debt service payment reserve requirement).

## R-04 Pipeline Capacity Management

- Target set at \$9,735,454.
- Interest earned in 2023 = \$297,017.
- Balance at 06/30/2023 = \$12,330,705.

### **Recommendation:**

- Keep the \$12,330,705 balance in this reserve and continue to accrue interest until more information is known on the future costs of this project.
- Funds in this account are from pipeline capacity sales to EMWD and WMWD, and interest earned.

## R-05 OC San Future Treatment and Disposal Capacity

- Target set at \$1,842,396
- Interest earned in 2023 = \$45,474
- Balance at 06/30/2023 = \$1,887,871

### **Recommendation:**

- Keep the \$1,887,871 in this reserve and continue to accrue interest.
- The current price for 1 MG of treatment & disposal capacity is \$6.8 million. Funds in this reserve will be used to purchase additional treatment capacity.
- Funds in this reserve are from SBVMWD treatment capacity purchases and interest earned.

## R-06 OC San Pipeline Rehabilitation

- Target set at \$7,250,000.
- Interest earned in 2023 = \$58,982.
- Balance at 06/30/2023 = \$2,448,640.

### **Recommendation:**

- Continue to contribute to this fund.
  - FYE 2024 contribution = \$325,309.
  - FYE 2025 contribution = \$155,786.



## R-07 Pipeline Replacement and Capital Investment

- Target set at \$42,911,000 based on three components (Resiliency, CIP, and Renew and Replacement).
- Interest earned in 2023 = \$650,171.
- Transfers from eliminated reserves = \$5,525,046.
- Contributions in 2023 = \$1,467,543.
- RBF loan payment = \$260,432.
- Use of reserves in 2023 = (\$212,742).
- Balance at 06/30/2023 = \$32,448,955.

### **Recommendation:**

- Continue to contribute to this fund.
- FYE 2024 and 2025 contribution = \$1,900,000 per year.
- Use of \$2,928,845 for capital projects in FYE 2024 and \$1,870,013 in FYE 2025.

## Recommendation:

It is recommended that the Commission:

- Set the target limit for R-01 Brine Line Operating to \$2,179,659 for FYE 2024 and transfer the amount over the target of \$ 141,358 to R-07 Pipeline Replacement and Capital Investment.
- Keep the current balance at 06/30/2023 in the reserve and continue to accrue interest for the following reserves:
  - R-02 Brine Line Debt Service,
  - R-04 Pipeline Capacity Management Reserve,
  - R-05 OC Future Treatment & Disposal Capacity.

**Questions?**

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## **COMMISSION MEMORANDUM NO. 2023.57**

**DATE:** September 19, 2022

**TO:** SAWPA Commission

**SUBJECT:** Santa Ana River Watershed Weather Modification Pilot Program Update

**PREPARED BY:** Rachel Gray, Water Resources and Planning Manager

### **RECOMMENDATION**

Receive and file.

### **DISCUSSION**

On July 19, 2022, the SAWPA Commission authorized an award of contract with North American Weather Consultants Inc. to conduct the SAWPA Santa Ana River Watershed Weather Modification Pilot operations. Subsequently, the SAWPA Commission authorized an award to the Board of Regents of the Nevada System of Higher Education on behalf of the Desert Research Institute (DRI) for the independent validation of the Santa Ana River Watershed Weather Modification Pilot Project.

The pilot project is a four-year project spanning the four winter seasons starting in 2023 and running between November 15 and April 15 for each season. The operations are based on past work described in the SAWPA feasibility study published in 2020, updated seeding site analysis, and reflects requirements from CEQA, and comments from SAWPA member agency staff and other stakeholders. The focus of the pilot will be on seeding the four target areas identified in the feasibility study surrounding the watershed with an emphasis on increasing snow precipitation.

Since the start of the project in August 2022, site access agreements have been secured with eleven (11) project sponsors to locate the fifteen (15) ground-based cloud seeding units. A preliminary biological survey was conducted in July 2023, and a schedule for final biological survey, site improvements, equipment installation, and operator training was developed and is will in October 2023.

Concurrently, an Operations Plan documenting project communication, operational criteria for cloud seeding, and suspension criteria for the program was developed. A SAWPA Communications Plan documenting communication with SAWPA Member Agencies, local funding partners, stakeholders, and the public, is being prepared that includes outreach and communication materials. The pilot project is set to begin on November 15, 2023.

SAWPA is also coordinating the pilot project planning with Desert Research Institute (DRI) on the validation competent of the pilot. DRI will be conducting an independent review of the cloud seeding pilot operations and validating the increases in precipitation and stream flows.

### **CRITICAL SUCCESS FACTORS**

- Successful implementation of an integrated regional water resource plan that reflects the watershed management needs of the public and the environment.
- Data and information needed for decision-making is available to all.

**RESOURCE IMPACTS**

In April 2023, SAWPA was notified by the Department of Water Resources (DWR) that the SAWPA Santa Ana River Weather Modification Pilot Program will receive a grant valued at \$861,400 under the Proposition 1 Round 2 funding program. Local funding has been secured totaling \$94,000. Project operations and validation study costs are budgeted and reflected in the FYE 23-24, FYE 24-25, FYE 25-26 and FYE 26-27 SAWPA Budgets.

Attachments:

1. PowerPoint Presentation



# Santa Ana River Weather Modification Pilot Program Status Update

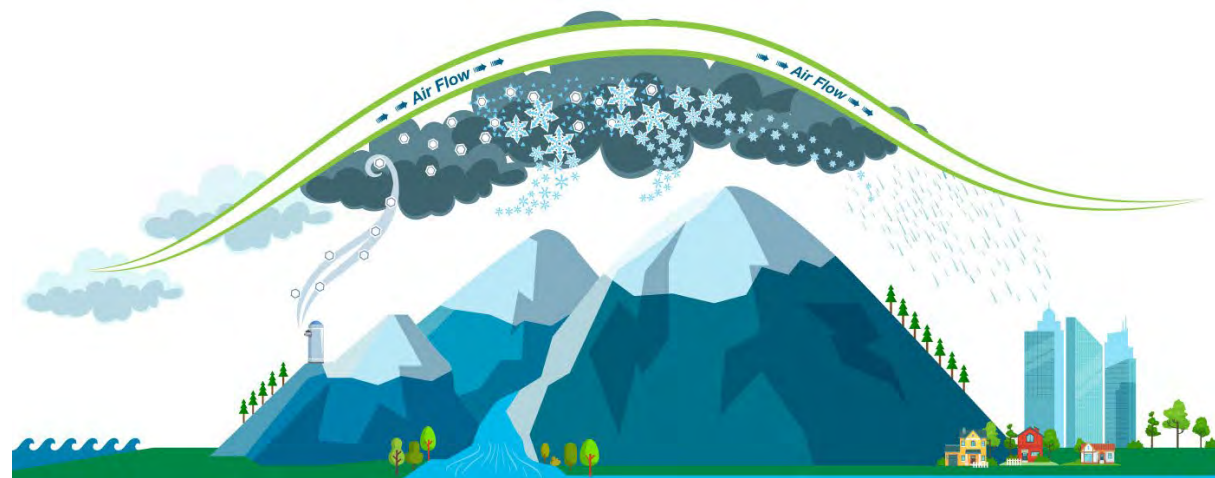
Item No. 7.A

Rachel Gray

Water Resources and Planning Manager

# Presentation Overview

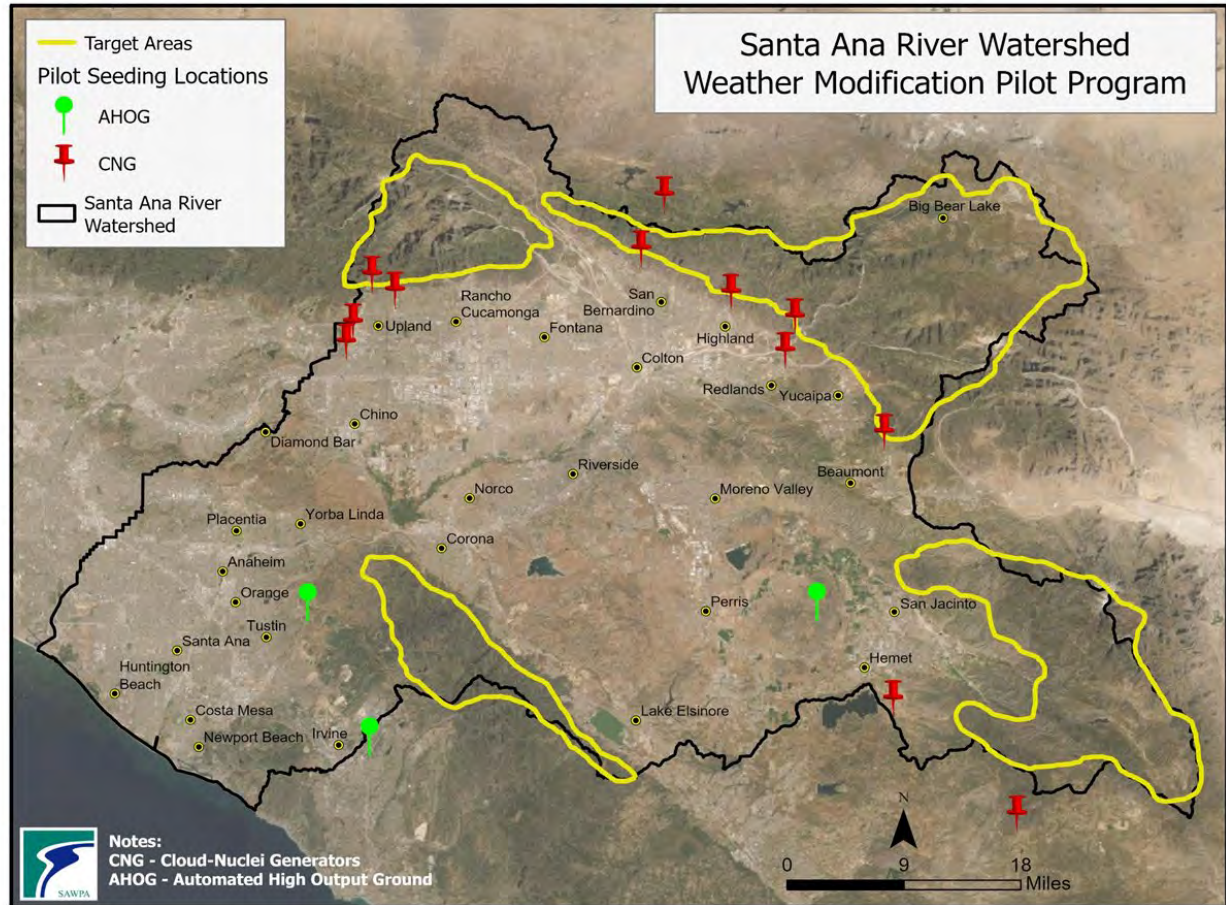
- Background Information
  - Pilot Program Overview
  - Funding
- Operations
  - Cloud Seeding Locations
  - CEQA
  - Operations Plan
- Validation
- Communications Plan
- Program Schedule





# Pilot Project Overview

- Feasibility Study (2020)
- Pilot Program Proposal (2022)
  - North American Weather Consultants (NAWC) selected
- Pilot Program
  - 4-year study
  - 4 Target Areas (NW, NE, SW, SE)
  - Use of ground-seeding units (15)
  - Use of Validation Study to assess increases in precipitation
  - Communications Plan



# Agency Funding Partners



SAN GORGONIO PASS  
WATER AGENCY  
*Established 1961*



SAWPA Member Agencies

Big Bear City Community Services District

Big Bear Lake Department of Water & Power

Chino Basin Water Conservation District

City of Corona Utilities Department

City of Santa Ana Municipal Utility Services

Lake Elsinore and San Jacinto Watersheds Authority

San Antonio Water Company

San Geronio Pass Water Agency

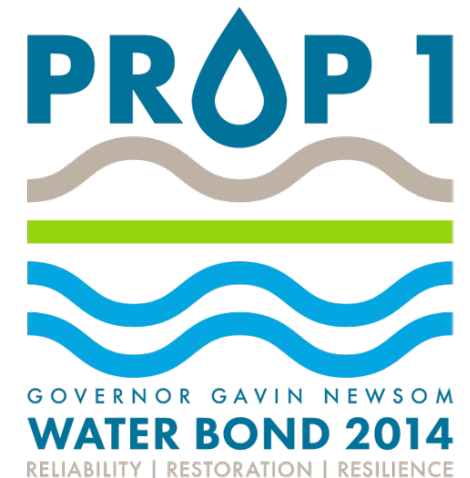


# DWR Funding

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## Proposition 1 Round 2 Grant

In April 2023, SAWPA was notified by the Department of Water Resources (DWR) that the Pilot Program will receive a grant valued at \$861,400 under the Proposition 1 Round 2 funding program.



# Pilot Funding

Source	Amount
Prop 1 Round 2 Grant (DWR)	\$861,400
SAWPA (IEUA, WMWD, EMWD, SBVMWD, OCWD)	\$691,000
Local Funding Partners: <ul style="list-style-type: none"><li>• Big Bear City Community Services District</li><li>• Big Bear Lake Department of Water &amp; Power</li><li>• Chino Basin Water Conservation District</li><li>• City of Corona Utilities Department</li><li>• City of Santa Ana Municipal Utility Services</li><li>• Lake Elsinore and San Jacinto Watersheds Authority</li><li>• San Antonio Water Company</li><li>• San Geronimo Pass Water Agency</li></ul>	\$94,000
Total (4 years)	\$1,646,400



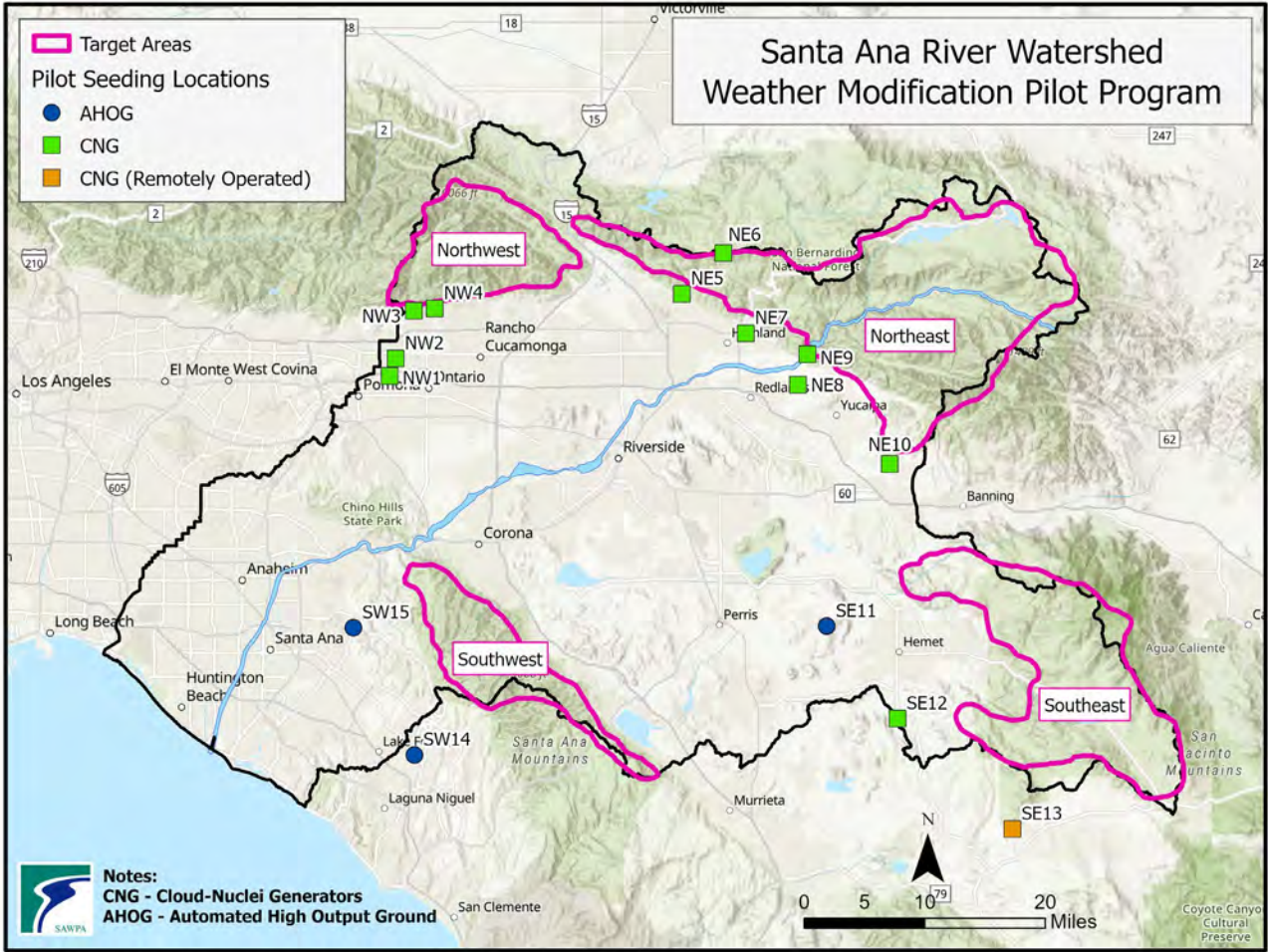
# Operations

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# Cloud Seeding Ground-Based Unit Locations

Site (15)	Sponsors (11)
<b>Northwest</b>	
NW1	Chino Basin Water Conservation District
NW2	
NW3	San Antonio Water Company
NW4	
<b>Northeast</b>	
NE5	City of San Bernardino MWD
NE6	Private Landowner
NE7	San Bernardino Valley MWD
NE8	San Bernardino Valley Water Conservation District
NE9	
NE10	San Geronio Pass Water Agency
<b>Southeast</b>	
SE11	Eastern Municipal Water District
SE12	
SE13	Private Landowner
<b>Southwest</b>	
SW14	El Toro Water District
SW15	East Orange County Water District

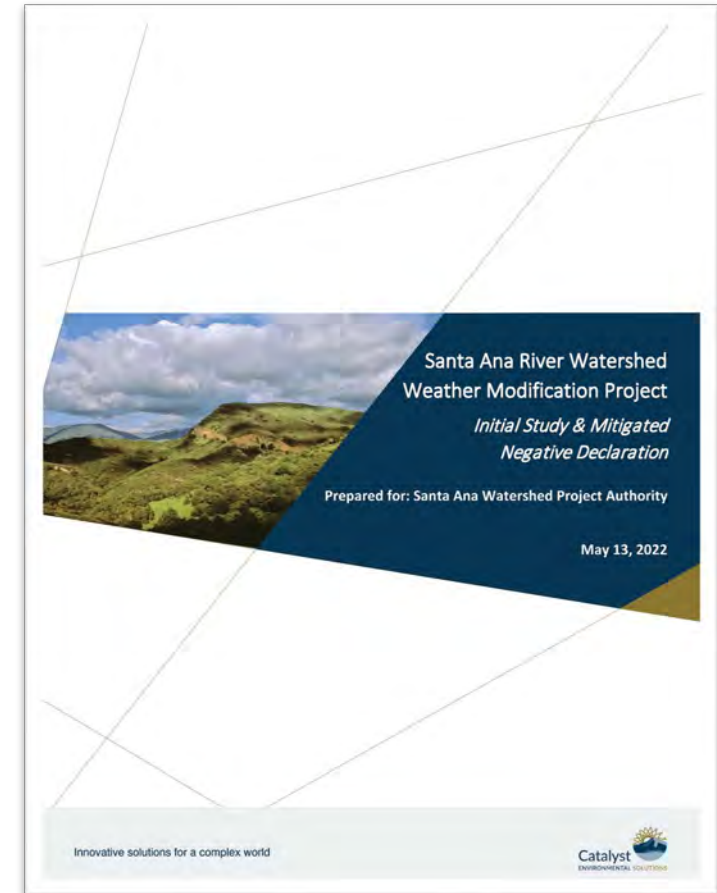


\\sws\gl01\GIS\projects\Mark\_Norton\WeatherMod\_21\WeatherMod2.aprx LoPilotProgramSites SW-3108

# CEQA Requirements

## Mitigation Measures:

- **BIO-1.** A qualified botanist will conduct pre-construction clearance surveys within 10 days prior to the start of construction.
- **BIO-2.** The nesting season generally occurs from February 1 to September 15. Pre-construction nesting bird surveys will be conducted by a qualified biologist no more than 14 days before initiation of any construction activities.
- **CUL-1.** In the event that any archaeological features are discovered during installation, all work shall stop within a 60-foot buffer of the find, and a qualified archaeologist shall be notified.
- **TCR-1.** SAWPA shall prepare and implement an Unanticipated Discoveries Plan prior to installing any of the cloud seeding units.



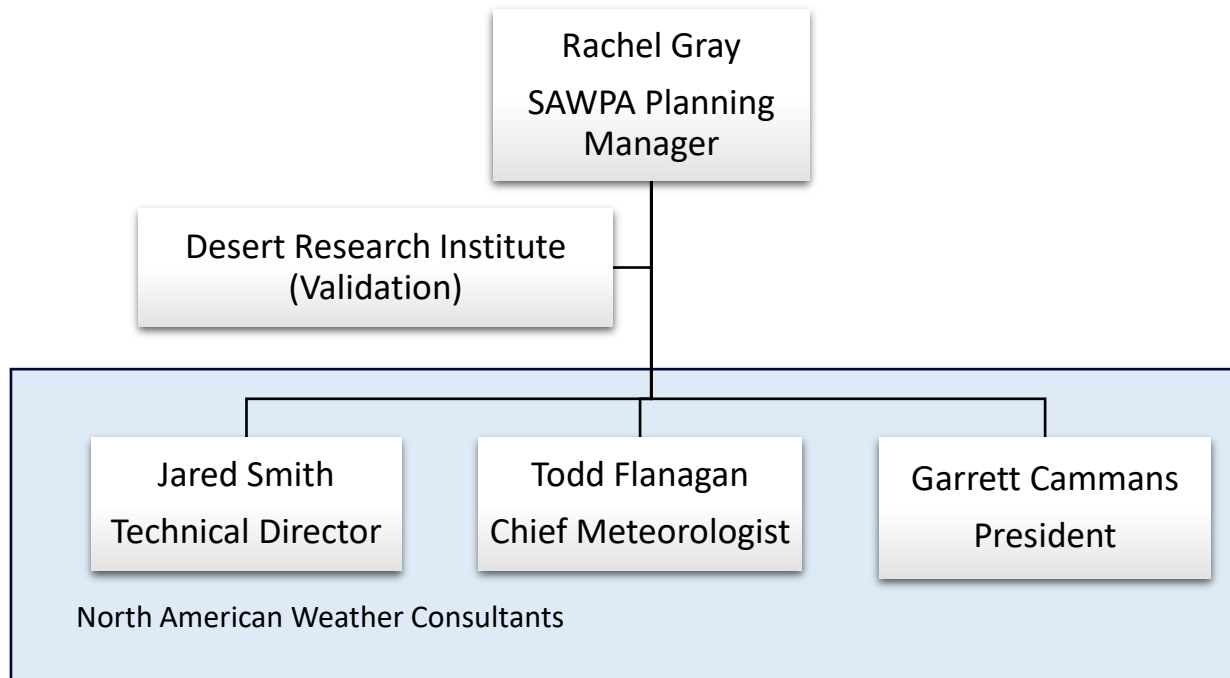
# Preliminary Biological Review Results

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- Preliminary Biological Survey
  - Conducted by Blue Consulting Group (July 2023)
  - No significant findings were identified
- Comments provided:
  - No special status plant species were observed
  - All locations were classified as disturbed or developed
  - SE-11 (EMWD northern site): adjacent to Chaparral but site is disturbed
  - SE-12 (EMWD southern site)
    - Original location had Coastal Sage Scrub on slope on south side of the water tank
    - Location relocated to the north side of the water tank



# NAWC Operations Plan



## OPERATIONS PLAN FOR: Weather Modification Pilot Program for the Santa Ana River Watershed

### PREPARED FOR:

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



### PREPARED BY:

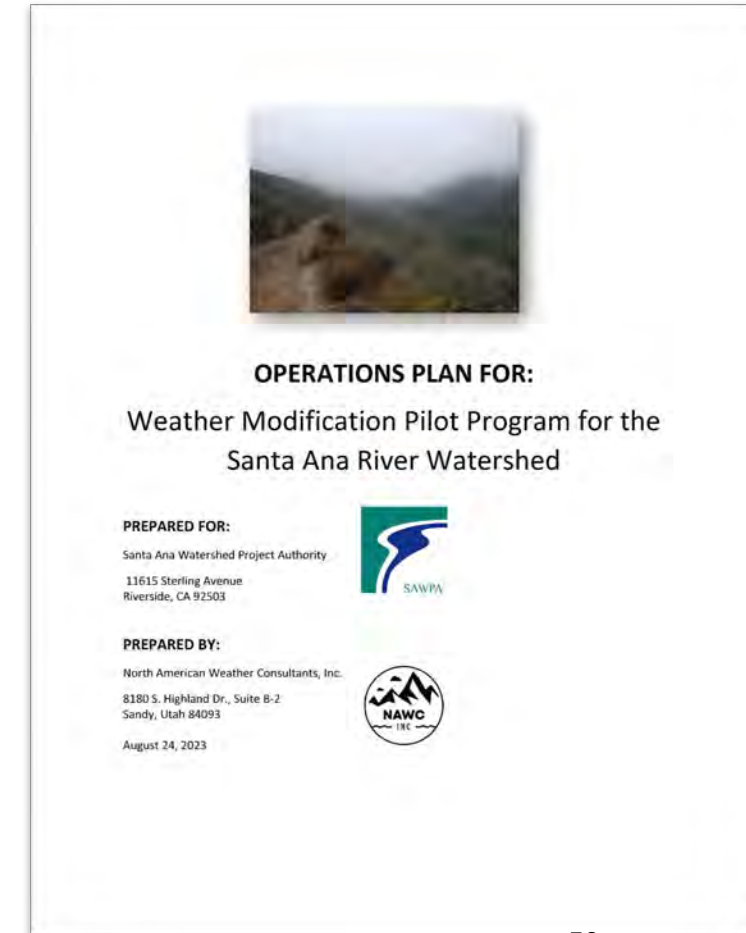
North American Weather Consultants, Inc.  
8180 S. Highland Dr., Suite B-2  
Sandy, Utah 84093




August 24, 2023

# NAWC Operations Plan – Topics

- Operational Criteria
  - Generalized Cloud Seeding Criteria: Storm Conditions
  - Site-specific Seeding Criteria
  - Meteorological Data and Computer Modeling Data to Assess Criteria
- Seeding Suspension Criteria
  - Flooding
  - Severe Weather
  - Burn Areas
- Project Communication
  - NAWC/SAWPA
  - NAWC/Site Operators



# Timeline of Key Tasks



Task	Completion Date or Time Period*
Preliminary Biological Surveys	July 31, 2023 (completed)
45-Day Public Notice Submission	September 28, 2023
10 Day Biological Surveys Before Construction	October 5-9, 2023
Equipment Set Up, Propane Tank Delivery, and Equipment Testing	October 9-20, 2023
Operator Training	October 23-27, 2023
Program Kick Off Meeting	November 1, 2023
FY23-24 Program Start	November 15, 2023
FY23-24 Program Operational Period	November 15, 2023 – April 15, 2024
FY23-24 Program End	April 15, 2024
Equipment Collected (summer storage)	May 30, 2024
Draft Seasonal Report Delivered	June 1, 2024

\*Planned dates

# Schedule: Site Improvements and Installation

Project Start Date 10/5/2023 (Thursday)  
 Project Lead Jared

Display Week 1

SITE	TASK	Team	START	END	DAYS	% DONE	WORK DAYS	Week 1 2 Oct 2023							Week 2 9 Oct 2023						
								2	3	4	5	6	7	8	9	10	11	12	13	14	15
								M	T	W	T	F	S	S	M	T	W	T	F	S	S
<b>1 &amp; 2</b>	<b>NW1 &amp; NW2 - Chino Basin Water Conservation District-CNG</b>			-			-														
	NW1 Chain Link Fence Install with concrete	1	Mon 10/09/23	Tue 10/10/23	5	0%	2														
	NW1 Combo Lock install/daisy chain	1	Mon 10/09/23	Mon 10/09/23	5	0%	1														
	NW1 Equipment Install	1	Mon 10/09/23	Mon 10/09/23	4	0%	1														
	NW1 Biologist Review		Thu 10/05/23	Thu 10/05/23	4	0%	1														
<b>3 &amp; 4</b>	<b>NW3 &amp; NW4 - San Antonio Water Company-CNG Friday Access</b>			-			-														
	NW3 Install Combination lock on Entry Gate	1	Mon 10/09/23	Mon 10/09/23	4	0%	1														
	NW3 Equipment Install	1	Mon 10/09/23	Mon 10/09/23	3	0%	1														
	NW3 Biologist review		Thu 10/05/23	Thu 10/05/23	3	0%	1														
<b>5</b>	<b>NE5-SBMWD-CNG</b>			-			-														
	NE5 Equipment Install	1	Tue 10/10/23	Tue 10/10/23	1	0%	1														
	NE5 Biologist Review		Thu 10/05/23	Thu 10/05/23	1	0%	1														
<b>6</b>	<b>NE6-Rim Forest-CNG</b>			-			-														
	NE6 Equipment Install	1	Tue 10/10/23	Tue 10/10/23	1	0%	1														
	NE6 Install Fence with privacy screen	1	Tue 10/10/23	Tue 10/10/23	1	0%	1														
	NE6 Biologist Review		Mon 10/9/23	Mon 10/09/23	1	0%	1														
<b>7</b>	<b>NE7-SBVMWD-CNG</b>			-			-														
	NE7 Equipment Install	1	Tue 10/10/23	Tue 10/10/23	1	0%	1														
	NE7 Biologist Review		Mon 10/09/23	Mon 10/09/23	1	0%	1														
<b>8</b>	<b>NE8-SBVWCD Maintenance Yard-CNG</b>			-			-														
	NE8 Equipment Install	1	Tue 10/10/23	Tue 10/10/23	1	0%	1														
	NE8 Biologist review		Mon 10/09/23	Mon 10/09/23	1	0%	1														
<b>9</b>	<b>NE9-SBVWCD Santa Ana Diversion Structure-CNG Friday access</b>			-			-														
	NE9 Chain Link Install	1	Tue 10/10/23	Tue 10/10/23	1	0%	1														
	NE9 Combination lock installed	1	Tue 10/10/23	Tue 10/10/23	1	0%	1														
	NE9 Equipment Install	1	Tue 10/10/23	Tue 10/10/23	1	0%	1														
	NE9 Biologist Review	1	Mon 10/09/23	Mon 10/09/23	1	0%	1														





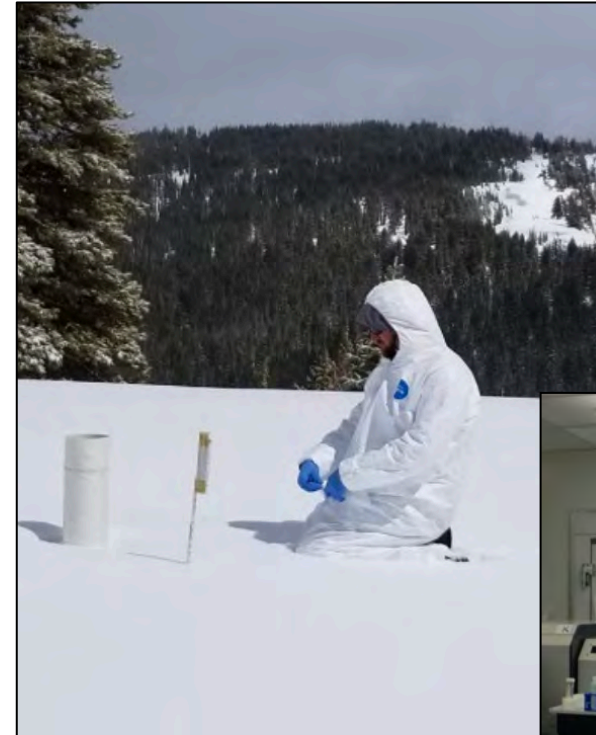
# Validation

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# Cloud Seeding Independent Validation

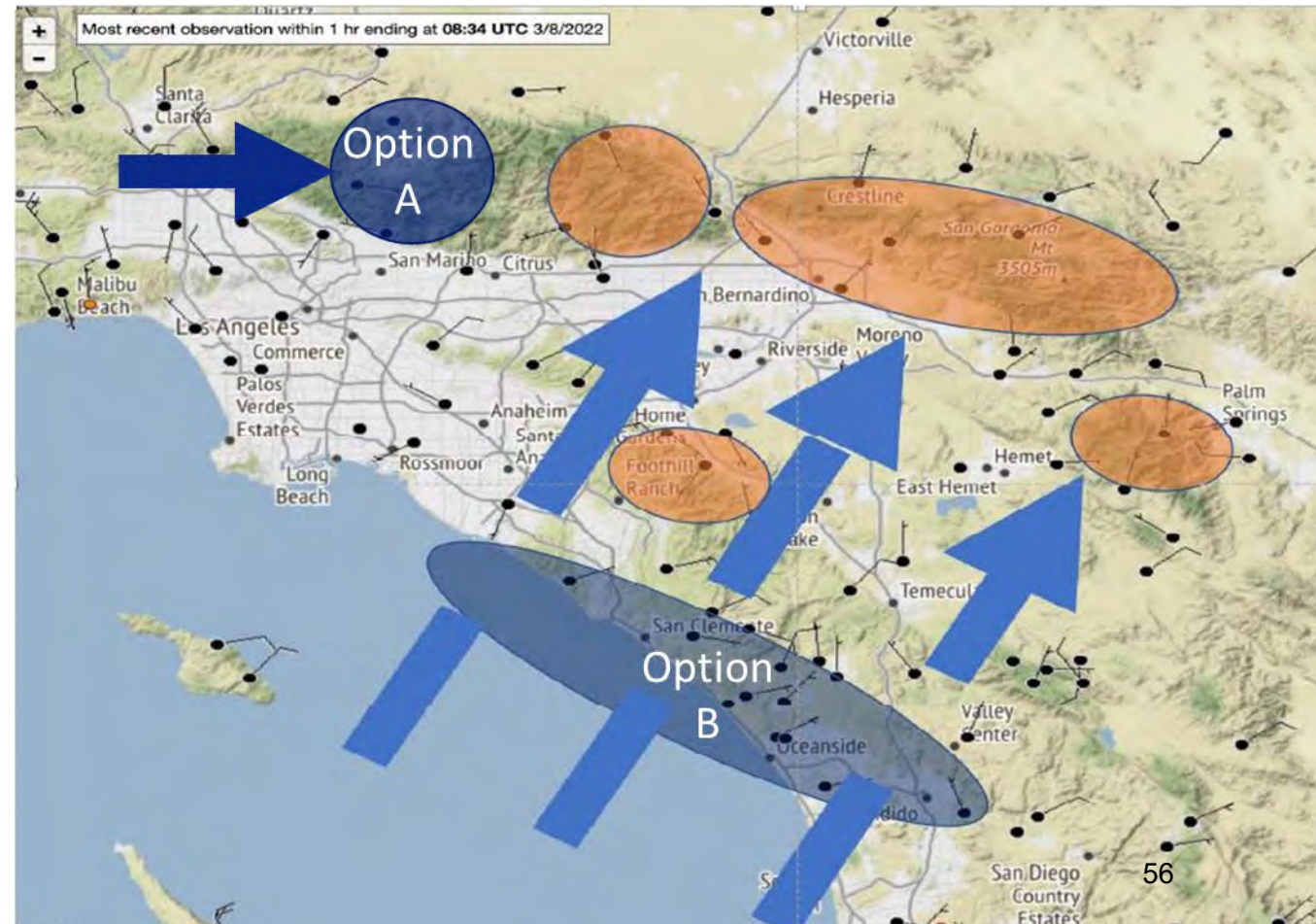
- Validation Consultant
  - Desert Research Institute (Reno, NV)
  - Frank McDonough, Associate Research Scientist
- Purpose
  - Verify deposition of silver iodide
  - Verify increases in precipitation and stream flows
  - Evaluate increases by target areas in watershed
  - Review of operations
  - Review of suspension criteria



# Validation Study Approach (4-Year Study)

## Control Area Options:

- Verify deposition
  - Measure elemental **silver** in snow before and after cloud seeding
- Verify increases in precipitation
  - Compare “Target Areas” to “Control Areas”
  - Two options: A and B
- Outcomes
  - Estimated precipitation increases
  - Estimated stream flow increases
  - Assess benefits/costs







# Communications

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# SAWPA's Pilot Program Communications Plan

- Communications with Project Stakeholders
  - Internal SAWPA communications
  - Member Agencies
  - Funding Partners
- Materials
  - Fact Sheet
  - Brochure
  - External FAQ
  - Webpage on SAWPA's website
- Outreach and Engagement
  - Certain neighborhoods (such as door hangers)
  - Public agencies
  - General public
  - Media





# Pilot Program Schedule

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# Pilot Program Schedule

Program Elements	2020	2021	2022	2023	2024	2025	2026	2027
Feasibility Study	█							
Outreach: Local Cost Share for Prop 1 Round 2 Grant		█						
Ground Seeding Site Analysis		█						
CEQA		█						
DRW Prop 1 Round 2 Grant Application and Award			█					
Pilot Project					█	█	█	█
Outreach/Public Engagement		█	█	█	█	█	█	█



# Questions

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Santa Ana Watershed Project Authority  
Cash Transaction Report  
Month of July 2023

Below is a summary of cash transactions completed during the month in the Authority's checking account with US Bank. Attached are summaries by major revenue and expense classifications.

Cash Receipts and Deposits to Account	\$ 2,842,755.39
Net Investment Transfers	(481,065.89)
Cash Disbursements	<u>(899,356.39)</u>
Net Change for Month	\$ 1,462,333.11
Balance at Beginning of Month	<u>731,601.93</u>
Balance at End of Month per General Ledger	<u><b>\$ 2,193,935.04</b></u>
Collected Balance per Bank Statement	<u><u>\$ 2,207,447.56</u></u>

**ACCOUNTS PAYABLE RECONCILIATION**

Accounts Payable Balance @ 06/30/2023	\$ 7,122,449.04
Invoices Received for July 2023	1,410,109.41
Invoices Paid by check/wire during July 2023 (see attached register)	<u>(567,610.87)</u>
Accounts Payable Balance @ 07/31/2023	<u><u>\$ 7,964,947.58</u></u>

### CASH RECEIPTS

Brine Line Operating Revenues	\$	1,041,906.08
Rialto Bioenergy Loan Payment #2	\$	291,683.84
Member Agency Contributions		1,384,965.00
Participant Fees		17,476.00
LESJWA Admin Reimbursement		23,494.96
Grant Proceeds - Drought Relief Grant		82,594.75
Other		<u>634.76</u>
Total Receipts and Deposits	\$	2,842,755.39

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### INVESTMENT TRANSFERS

Transfer of Funds:		
From (to) US Bank	\$	-
From (to) LAIF		-
From (to) Legal Defense Fund		-
From (to) LESJWA		-
From (to) Investments		<u>(481,065.89)</u>
Total Investment Transfers	\$	(481,065.89)

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### CASH DISBURSEMENTS

By Check or ACH:		
Payroll	\$	-
Operations		<u>567,610.87</u>
Total Checks Drawn	\$	567,610.87
By Cash Transfer:		
Payroll	\$	214,111.79
Payroll Taxes		<u>117,633.73</u>
Total Cash Transfers	\$	331,745.52
Total Cash Disbursements	\$	<u><u>899,356.39</u></u>



**Santa Ana Watershed Project Authority**  
**Check Detail**  
**Jul-23**

Category	Check #	Check Date	Type	Vendor	Check Amount
398 Program Expenses	5601	7/20/2023	CHK	City of Fullerton	\$ 994.64
398 Program Expenses	EFT05378	7/20/2023	CHK	California Rural Water Association	\$ 70,724.00
<b>398 Program Expenses Total</b>					<b>\$ 71,718.64</b>
Asset	EFT05400	7/26/2023	CHK	Gillis & Panichapan Architects	\$ 12,300.00
<b>Asset Total</b>					<b>\$ 12,300.00</b>
Auto Expense	5596	7/13/2023	CHK	County of Riverside	\$ 1,040.79
Auto Expense	5604	7/26/2023	CHK	County of Riverside	\$ 1,157.88
Auto Expense	EFT05358	7/13/2023	CHK	County of Riverside/Transportation	\$ 498.94
Auto Expense	EFT05392	7/26/2023	CHK	County of Riverside/Transportation	\$ 404.96
<b>Auto Expense Total</b>					<b>\$ 3,102.57</b>
Benefits	5605	7/26/2023	CHK	Mutual Of Omaha	\$ 3,179.82
Benefits	EFT05347	7/13/2023	CHK	MissionSquare	\$ 3,889.37
Benefits	EFT05353	7/13/2023	CHK	MissionSquare	\$ 437.42
Benefits	EFT05369	7/20/2023	CHK	ACWA JPIA	\$ 45,721.68
Benefits	EFT05371	7/20/2023	CHK	Aflac	\$ 410.63
Benefits	EFT05385	7/26/2023	CHK	MissionSquare	\$ 3,889.37
Benefits	EFT05390	7/26/2023	CHK	MissionSquare	\$ 447.26
Benefits	P045040	7/13/2023	WDL	CalPERS Supplemental Income	\$ 4,236.14
Benefits	P045041	7/13/2023	WDL	Public Employees' Retirement	\$ 24,868.91
Benefits	P045127	7/26/2023	WDL	CalPERS Supplemental Income	\$ 4,535.39
Benefits	P045128	7/26/2023	WDL	Public Employees' Retirement	\$ 24,826.12
Benefits	WDL000006149	7/3/2023	WDL	WageWorks	\$ 39.70
Benefits	WDL000006150	7/6/2023	WDL	WageWorks	\$ 128.34
Benefits	WDL000006152	7/7/2023	WDL	WageWorks	\$ 384.61
Benefits	WDL000006169	7/20/2023	WDL	WageWorks	\$ 384.61
Benefits	WDL000006174	7/25/2023	WDL	WageWorks	\$ 95.06
Benefits	WDL000006175	7/28/2023	WDL	WageWorks	\$ 78.76
Benefits	WDL000006177	7/31/2023	WDL	WageWorks	\$ 9.78
<b>Benefits Total</b>					<b>\$ 117,562.97</b>
Building Lease	5607	7/26/2023	CHK	Wilson Property Services, Inc	\$ 2,448.00
Building Lease	5608	7/26/2023	CHK	Wilson Property Services, Inc	\$ 2,499.84
Building Lease	5609	7/26/2023	CHK	Wilson Property Services, Inc	\$ 2,232.34
<b>Building Lease Total</b>					<b>\$ 7,180.18</b>
Consulting	EFT05352	7/13/2023	CHK	CDM Smith, Inc.	\$ 56,606.02
Consulting	EFT05354	7/13/2023	CHK	Integrated Systems Solutions	\$ 185.00
Consulting	EFT05356	7/13/2023	CHK	Dudek	\$ 31,678.75
Consulting	EFT05357	7/13/2023	CHK	Woodard & Curran Inc.	\$ 7,408.75
Consulting	EFT05364	7/13/2023	CHK	Kahn Soares & Conway	\$ 6,507.64
Consulting	EFT05366	7/13/2023	CHK	Nevada System of Higher Education	\$ 2,386.39
Consulting	EFT05367	7/13/2023	CHK	Rincon Consultants, Inc.	\$ 9,501.25
Consulting	EFT05375	7/20/2023	CHK	Dudek	\$ 3,415.00
Consulting	EFT05376	7/20/2023	CHK	Woodard & Curran Inc.	\$ 100,538.54
Consulting	EFT05382	7/20/2023	CHK	West Yost & Associates, Inc.	\$ 52,465.60
Consulting	EFT05386	7/26/2023	CHK	West Coast Advisors	\$ 9,750.00
Consulting	EFT05389	7/26/2023	CHK	Santa Ana Watershed Association	\$ 738.74
Consulting	EFT05399	7/26/2023	CHK	JPW Communications	\$ 2,916.85
<b>Consulting Total</b>					<b>\$ 284,098.53</b>
Contributions	EFT05373	7/20/2023	CHK	WateReuse Association	\$ 3,000.00
<b>Contributions Total</b>					<b>\$ 3,000.00</b>
Credit Cards	P045084	7/11/2023	WDL	US Bank	\$ 10,027.52
<b>Credit Cards Total</b>					<b>\$ 10,027.52</b>
Director Costs	EFT05391	7/26/2023	CHK	Jasmin Hall	\$ 68.12
Director Costs	EFT05394	7/26/2023	CHK	Bruce Whitaker	\$ 78.60
Director Costs	EFT05398	7/26/2023	CHK	T. Milford Harrison	\$ 57.64
Director Costs	EFT05401	7/26/2023	CHK	Gilbert Botello	\$ 53.71
<b>Director Costs Total</b>					<b>\$ 258.07</b>

**Santa Ana Watershed Project Authority**  
**Check Detail**  
**Jul-23**

Category	Check #	Check Date	Type	Vendor	Check Amount
Employee Reimbursement	EFT05346	7/13/2023	CHK	Richard Whetsel	\$ 19.13
Employee Reimbursement	EFT05351	7/13/2023	CHK	Dean Unger	\$ 150.00
Employee Reimbursement	EFT05360	7/13/2023	CHK	Sonya San Juan	\$ 150.00
Employee Reimbursement	EFT05368	7/13/2023	CHK	Melissa Bustamonte	\$ 32.23
Employee Reimbursement	EFT05377	7/20/2023	CHK	Brian Collier	\$ 325.00
Employee Reimbursement	EFT05379	7/20/2023	CHK	Bonnie Gallagher	\$ 329.99
Employee Reimbursement	EFT05381	7/20/2023	CHK	Brian Henderson	\$ 325.00
<b>Employee Reimbursement Total</b>					<b>\$ 1,331.35</b>
Equipment Rented	EFT05348	7/13/2023	CHK	Konica Minolta - Rental	\$ 678.07
<b>Equipment Rented Total</b>					<b>\$ 678.07</b>
Facility Repair & Maintenance	EFT05350	7/13/2023	CHK	Innerline Engineering	\$ 17,592.50
Facility Repair & Maintenance	EFT05355	7/13/2023	CHK	TNT Elevator Inc	\$ 280.00
Facility Repair & Maintenance	EFT05361	7/13/2023	CHK	Riverside Cleaning Systems	\$ 1,625.00
<b>Facility Repair &amp; Maintenance Total</b>					<b>\$ 19,497.50</b>
Insurance Expense	5599	7/20/2023	CHK	Alliant Insurance Services	\$ 36.00
Insurance Expense	EFT05362	7/13/2023	CHK	Zenith Insurance Company	\$ 4,658.00
<b>Insurance Expense Total</b>					<b>\$ 4,694.00</b>
Lab Costs	EFT05374	7/20/2023	CHK	E. S. Babcock & Sons, Inc.	\$ 1,707.92
Lab Costs	EFT05387	7/26/2023	CHK	E. S. Babcock & Sons, Inc.	\$ 1,438.00
<b>Lab Costs Total</b>					<b>\$ 3,145.92</b>
Landscape Maintenance	EFT05359	7/13/2023	CHK	Sims Tree Health Specialists	\$ 3,320.00
Landscape Maintenance	EFT05388	7/26/2023	CHK	Green Meadows Landscape	\$ 801.00
<b>Landscape Maintenance Total</b>					<b>\$ 4,121.00</b>
Legal	EFT05363	7/13/2023	CHK	Lagerlof, LLP	\$ 2,010.00
Legal	EFT05380	7/20/2023	CHK	Lagerlof, LLP	\$ 8,844.00
<b>Legal Total</b>					<b>\$ 10,854.00</b>
Payroll	WDL000006145	7/14/2023	WDL	Direct Deposit 7/14/2023	\$ 88,324.04
Payroll	WDL000006146	7/14/2023	WDL	Direct Deposit 7/14/2023	\$ 25,781.89
Payroll	WDL000006156	7/14/2023	WDL	PR Tax - Federal	\$ 38,179.41
Payroll	WDL000006157	7/14/2023	WDL	PR Tax - State	\$ 8,242.78
Payroll	WDL000006158	7/14/2023	WDL	PR Tax - State AZ	\$ 97.79
Payroll	WDL000006159	7/14/2023	WDL	PR Tax - Federal	\$ 16,519.42
Payroll	WDL000006160	7/14/2023	WDL	PR Tax - State	\$ 4,900.59
Payroll	WDL000006162	7/20/2023	WDL	PR Tax - State	\$ 353.76
Payroll	WDL000006170	7/28/2023	WDL	Direct Deposit 7/28/2023	\$ 100,005.86
Payroll	WDL000006171	7/28/2023	WDL	PR Tax - Federal	\$ 40,225.02
Payroll	WDL000006172	7/28/2023	WDL	PR Tax - State	\$ 9,013.17
Payroll	WDL000006173	7/28/2023	WDL	PR Tax - State AZ	\$ 101.79
<b>Payroll Total</b>					<b>\$ 331,745.52</b>
Safety	5606	7/26/2023	CHK	City of Riverside	\$ 90.00
Safety	EFT05349	7/13/2023	CHK	Underground Service Alert	\$ 205.45
Safety	EFT05393	7/26/2023	CHK	Industrial Fire Protection	\$ 525.21
<b>Safety Total</b>					<b>\$ 820.66</b>
Security	5600	7/20/2023	CHK	SafeT Security	\$ 443.40
<b>Security Total</b>					<b>\$ 443.40</b>
Shipping/Postage	EFT05372	7/20/2023	CHK	General Logistics Systems US	\$ 41.16
<b>Shipping/Postage Total</b>					<b>\$ 41.16</b>
Subscriptions	EFT05365	7/13/2023	CHK	Verizon Connect	\$ 104.70
Subscriptions	EFT05383	7/20/2023	CHK	Vox Civic Communications	\$ 5,000.00
<b>Subscriptions Total</b>					<b>\$ 5,104.70</b>
Temporary Services	EFT05345	7/13/2023	CHK	AppleOne, Inc.	\$ 694.34
Temporary Services	EFT05370	7/20/2023	CHK	AppleOne, Inc.	\$ 332.75
Temporary Services	EFT05384	7/26/2023	CHK	AppleOne, Inc.	\$ 289.94
<b>Temporary Services Total</b>					<b>\$ 1,317.03</b>

**Santa Ana Watershed Project Authority**  
**Check Detail**  
**Jul-23**

Category	Check #	Check Date	Type	Vendor	Check Amount
Utilities	5594	7/13/2023	CHK	Riverside Public Utilities	\$ 111.08
Utilities	5595	7/13/2023	CHK	Riverside Public Utilities	\$ 1,764.92
Utilities	5597	7/20/2023	CHK	AT&T	\$ 967.97
Utilities	5598	7/20/2023	CHK	Burrtec Waste Industries, Inc	\$ 263.50
Utilities	5602	7/26/2023	CHK	AT&T	\$ 868.94
Utilities	5603	7/26/2023	CHK	AT&T	\$ 1,007.38
Utilities	EFT05395	7/26/2023	CHK	Verizon Wireless Services LLC	\$ 993.46
Utilities	EFT05396	7/26/2023	CHK	Verizon Wireless Services LLC	\$ 288.29
Utilities	EFT05397	7/26/2023	CHK	Verizon Wireless Services LLC	\$ 48.06
<b>Utilities Total</b>					<b>\$ 6,313.60</b>
<b>Grand Total</b>					<b>\$ 899,356.39</b>

	Accounts Payable
Checks	\$ 497,995.93
Wire Transfers	\$ 69,614.94
	<u>\$ 567,610.87</u>

Other	\$ -
Payroll	\$ 331,745.52
	<u>\$ 899,356.39</u>

Total Disbursements for July 2023

Santa Ana Watershed Project Authority  
Consulting  
*Jul-23*

Check #	Check Date	Task #	Task Description	Vendor Name	Total Contract	Check Amount	Remaining Contract Amount	Notes/Comments
EFT05352	7/13/2023	CDM386-16	Implementation of SAR regional Bacteria Monitoring Program	CDM Smith	\$ 1,126,600.00	\$ 56,606.02	\$ 352,132.11	
EFT05356	7/13/2023	DUDK240-07	Inland Empire Brine Line Master Plan	Dudek	\$ 399,980.00	\$ 4,398.75	\$ 324,268.61	
EFT05356	7/13/2023	DUDK240-08	Hydraulic Modeling Assistance	Dudek	\$ 20,000.00	\$ 3,265.00	\$ 12,142.50	
EFT05356	7/13/2023	DUDK328-01	Agua Mansa Lateral Bidding Services	Dudek	\$ 38,450.00	\$ 24,015.00	\$ 8,627.50	
EFT05375	7/20/2023	DUDK328-01	Agua Mansa Lateral Bidding Services	Dudek	\$ 38,450.00	\$ 3,415.00	\$ 8,627.50	
EFT05354	7/13/2023	INSOL100-20	Great Plains and Journyx Support	Integrated Systems Solutions	\$ 5,000.00	\$ 185.00	\$ 1,170.50	
EFT05399	7/26/2023	JPW392-01	Emerging Constituents Program Social Media Support	JPW Communications	\$ 105,000.00	\$ 2,916.65	\$ 375.05	
EFT05364	7/13/2023	KSC374-02	Basin Monitoring Program TF Regulatory Support	Kahn, Soares, & Conway	\$ 116,000.00	\$ 2,775.00	\$ 17,422.50	
EFT05364	7/13/2023	KSC384-02	MSAR Pathogen TMDL TF Regulatory Support	Kahn, Soares, & Conway	\$ 149,750.00	\$ 3,732.64	\$ 80,498.36	
EFT05366	7/13/2023	DRI378-01	Weather Modification Pilot Program	Board of Regents of the Nevada System of Higher Education	\$ 155,000.00	\$ 2,386.39	\$ 146,471.65	
EFT05367	7/13/2023	RINC373-01	ICARP RRRG Strategic Planning and Grant Assistance	Rincon Consultants	\$ 49,632.00	\$ 9,501.25	\$ 13,597.25	
EFT05389	7/26/2023	SAWA381-01	Van Buren Bridge Sucker Restoration	Santa Ana Watershed Association	\$ 37,097.56	\$ 738.74	\$ 3,867.27	
EFT05386	7/26/2023	WCA100-03-05	State Legislative Consulting Services	West Coast Advisors	\$ 117,000.00	\$ 9,750.00	\$ 39,000.00	
EFT05382	7/20/2023	WEST374-01	Workplan for Basin Monitoring Program TF Regulatory Support	West Yost & Associates	\$ 427,207.00	\$ 23,140.75	\$ 26,909.27	
EFT05382	7/20/2023	WEST374-02	Ambient Water Quality Pilot Study for Nitrogen and TDS	West Yost & Associates	\$ 339,960.00	\$ 29,324.85	\$ 173,923.21	
EFT05357	7/13/2023	RMC504-401-09	SARCCUP Program Mgmt Services	Woodard & Curran	\$ 84,030.00	\$ 7,408.75	\$ 35,300.00	
EFT05376	7/20/2023	W&C320-01	Reach IV and IV-B DIP Condition Assessment	Woodard & Curran	\$ 392,356.00	\$ 100,538.54	\$ 238,728.14	
					<b>\$ 284,098.33</b>			

## COMMISSION MEMORANDUM NO. 2023.58

**DATE:** September 19, 2023  
**TO:** SAWPA Commission  
**SUBJECT:** Inter-Fund Borrowing – July 2023  
**PREPARED BY:** Karen Williams, DGM/CFO

### RECOMMENDATION

It is recommended that the Commission receive and file the informational report on short-term, cash-flow inter-fund borrowing.

### DISCUSSION

On December 13, 2005, the Commission approved Resolution No. 452, Inter-Fund and Inter-Project Loan Policy. Staff was directed to bring back an accounting of the loans each month for review when the total exceeded \$250,000 in aggregate.

The following projects, with negative cash flow, are listed below with the amounts borrowed from SAWPA General Fund Reserves in July 2023. The total amount borrowed is over the aggregate \$250,000 amount recommended in Resolution No. 452, Inter-Fund and Inter-Project Loan Policy. The Commission has requested that this item be brought back each month as an informational item when the loan amount is over the \$250,000 aggregate amount.

Fund	Fund Name	06/30/2023 Balance	Loan Receipts	New Charges	07/31/2023 Balance
135	Proposition 84 Admin R2	\$76,959.54	(\$0.00)	\$0.00	\$76,959.54
145	Proposition 84 Admin R4	461,994.01	(0.00)	44,563.14	506,557.15
150	Proposition 1 – Admin	126,576.10	(0.00)	18,768.16	145,344.26
397	Energy – Water DAC	43,503.95	(0.00)	2,728.57	46,232.52
398	DCI 2021 Drought Relief	17,375.48	(82,594.75)	74,179.67	8,960.40
477	LESJWA Administration	22,131.64	(23,494.96)	9,708.66	8,345.34
	Total Funds Borrowed	\$748,540.72	(\$106,089.71)	\$149,948.20	\$792,399.21
	General Fund Reserves Balance		\$2,544,201.07		
	Less Amount Borrowed		<u>792,339.21</u>		
	Balance of General Fund Reserves		\$1,751,861.86		

The following table lists each fund that has a negative cash flow, the source of funding for the fund, how often the fund is billed, and the projected rate of payment for the fund.

**NEGATIVE CASH-FLOW FUNDS**

<b>Fund No.</b>	<b>Source of Funding</b>	<b>Billing Frequency</b>	<b>Projected Payment Time</b>
135, 145,150 – Proposition 1 & 84 Admin	DWR – Prop 1 & 84 Grant	Monthly/Quarterly	Up to 4 months
397 – Energy – Water DAC	City of Riverside Grant	Quarterly	Up to 4 months
398 – DCI 2021 Drought Relief	DWR – Grant	Monthly	Up to 4 months
477 – LESJWA Admin	Reimbursement from LESJWA	Monthly	2 to 4 weeks
504 – Proposition 84 SARCCUP Projects	DWR – Prop 84 Grant	Monthly/Quarterly	Up to 4 months

**Fund 135**

This fund is for the administration of Proposition 84 Round II grant funds. These funds will be billed quarterly and 10% will be withheld for retention.

**Fund 145**

This fund is for the administration of Proposition 84 Round 2015 grant funds. These funds will be billed quarterly and 10% will be withheld for retention.

**Fund 150**

This fund is for the administration of Proposition 1 grant funds. Once the contract has been signed by DWR these funds will be billed quarterly and 10% will be withheld for retention.

**Fund 397**

This fund is for the transformative climate communities grant provided by a sub-recipient agreement between SAWPA and the City of Riverside. These funds will be billed on a quarterly basis.

**Fund 398**

This fund is for the DCI 2021 Drought Relief Grant. These funds will be billed monthly and 10% will be withheld for retention.

**Fund 477**

Each month LESJWA is billed the cost for administering the JPA. Once the bill is received, LESJWA submits payment within two weeks.

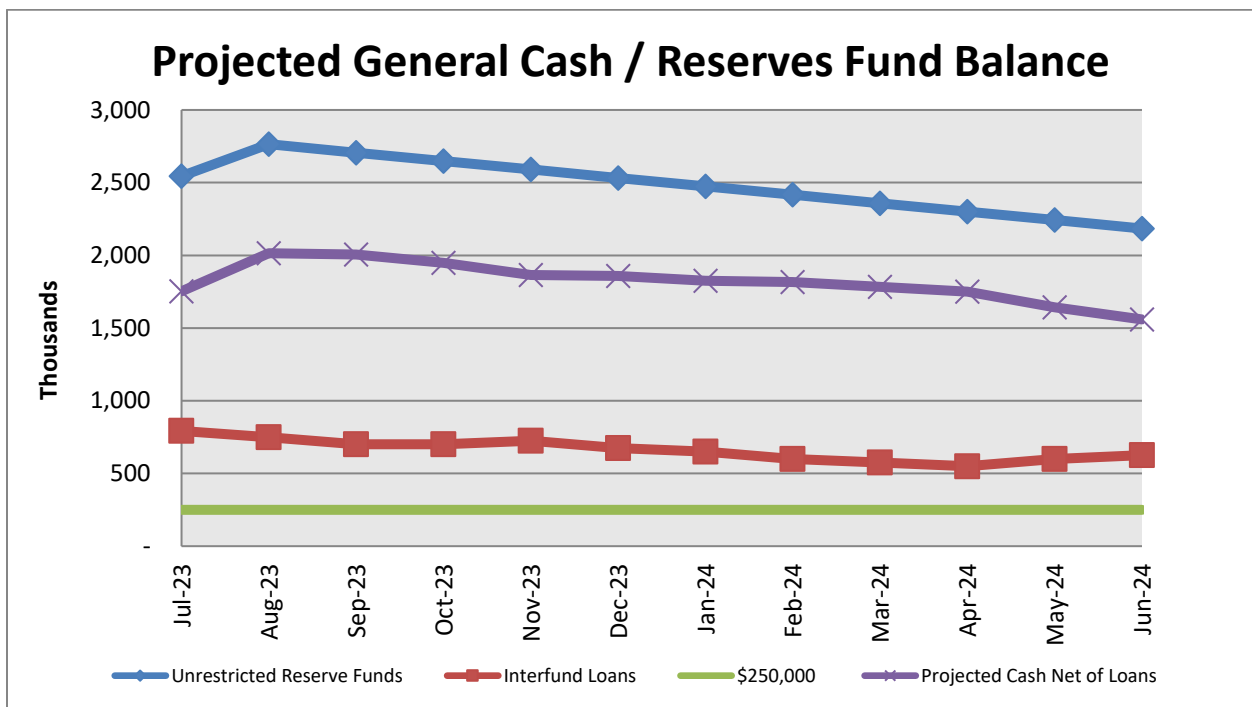
**Fund 504**

This fund is for the implementation of SARCCUP projects which are administered through PA22 and PA23.

The following graph shows the total budget, total project costs to date, and the amount remaining on each grant.

Fund	Fund Name	Total Budget	Costs Through 07/31/2023	Remaining Grant Budget
145	Proposition 84 Admin R4	\$3,213,384	(\$1,834,305)	\$1,379,079
150	Proposition 1 Admin	1,157,000	(466,421)	690,579
397	WECAN – City of Riverside	592,417	(71,485)	520,932
398	DCI 2021 Drought Grant	5,000,000	(109,241)	4,890,759
504	Prop 84 – 2015 Round (SARCCUP)	1,543,810	(944,047)	599,763
505	Prop 1 – Round 1 Capital Projects	500,000	(362,374)	137,626
Totals		\$12,006,611	(\$3,787,873)	\$8,218,738

The following graph shows projected inter-fund loan balances, total unrestricted General Fund Reserves available for loans, and projected cash net of loans through June 2024. The projected loan balance is expected to remain over the \$250,000 aggregate limit through June 2024 because of Proposition 1 and 84 grants but can be covered by General Fund Reserves without a major impact on cash flow.



**RESOURCE IMPACTS**

The funds borrowed from the General Fund Reserves will be paid back with interest when the funding is received. Interfund loans for grants are not charged interest unless the grant contract specifically states that interest is eligible for reimbursement. There is sufficient cash available to cover proposed borrowings and to pay budgeted expenditures for the General Fund.

Attachments:

1. Resolution No. 452 | Amending the Inter-Fund, Inter-Project and Inter-Agency Loan Policy

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## RESOLUTION NO. 452

### **A RESOLUTION OF THE COMMISSION OF THE SANTA ANA WATERSHED PROJECT AUTHORITY AMENDING THE INTER-FUND, INTER-PROJECT AND INTER-AGENCY LOAN POLICY**

**WHEREAS**, the Commission of the Santa Ana Watershed Project Authority (hereafter "SAWPA") previously adopted, by minute action taken on August 3, 1996, an "Inter-Fund/Inter-Project Loan Policy" to regulate loans from one SAWPA Fund or Project to another SAWPA Fund or Project; and

**WHEREAS**, the Commission desires to amend the "Inter-Fund Fund/Project Loan Policy" by formally adopting such Policy, by way of this Resolution, regulating how and in what manner such inter-fund or inter-project loans are to take place and mandating that all such loans require Commission approval in advance as contemplated by the policy adopted on August 3, 1996.

**NOW, THEREFORE, BE IT RESOLVED** that the Commission of the Santa Ana Watershed Project Authority hereby amends the following Loan Policy for any loan from one SAWPA Fund or Project to another SAWPA Fund or Project:

1. Loans from any SAWPA Fund or Project to another SAWPA Fund, Project or another public agency shall be approved in advance by the SAWPA Commission. The approval shall be in written format and include documentation of the specifics of the transaction. The approval shall include a finding that the loan will not expose the lending SAWPA Fund or Project to significant financial or operational risk.
2. Unless otherwise provided for by the Commission, the borrowing Fund, Project or public agency shall be required to repay the loan within a specific period of time and at a rate of interest as determined by the Commission. For the purposes of this policy, SAWPA's calculated quarterly rate of return may be used as the basis for interest payable on the outstanding principal for any loan. The period for repayment of the loan shall be determined by the Commission, but shall be no longer than the life of the lending Fund or Project.
3. The borrowing Fund's, Project's or public agency's repayment source shall be identified and included in the approval action by the Commission and the "loan documentation". The "loan documentation" shall include a written agreement, resolution or other document approved by the Commission setting forth all of the foregoing terms and conditions.

4. Loans to reimbursable SAWPA grant contract projects and related efforts for short-term (i.e., current fiscal year) operating cash flow purposes may be borrowed from the SAWPA General Fund Reserve without prior Commission approval. But all such loans shall be reported to the Commission within 30 days of each such loan. Such loans shall be paid off on a continuous basis. The total funds loaned for all such grant contract projects and related efforts shall not exceed \$250,000.00 in the aggregate for each fiscal year, without prior written approval by the Commission. Payment of interest will be based on the actual interest that would have been earned by the SAWPA General Fund Reserve had those funds not been borrowed. Cash flow and receivables will be reported at least quarterly to forecast needs and demonstrate compliance.
5. Prior to June 30<sup>th</sup> of each year, staff shall provide to the Commission an annual written report of all such Inter-fund, Inter-project or Inter-agency loans, amounts repaid and any outstanding loan balances.

**ADOPTED** this 13th day of December 2005.

SANTA ANA WATERSHED PROJECT AUTHORITY

By: *Mark W. Bulot*  
Mark Bulot, Chair



## COMMISSION MEMORANDUM NO. 2023.59

**DATE:** September 19, 2023  
**TO:** SAWPA Commission  
**SUBJECT:** Performance Indicators and Financial Reporting – July 2023  
**PREPARED BY:** Karen Williams, DGM/CFO

### RECOMMENDATION

It is recommended that the Commission receive and file staff's report.

### DISCUSSION

The attached reports have been developed to keep the Commission informed as to SAWPA's business and budget performance. These reports are categorized into the following groups: financial reporting, cash and investments, and performance indicators. They are explained in detail below. As new reports are developed, they will be added for the Commission's review.

#### Financial Reporting

Balance Sheet by Fund Type	Lists total assets, liabilities, and equity by fund type for a given period.
Revenue & Expense by Fund Type	Lists total revenue and expenses by fund type for a given period.
Receivables Management	Shows total outstanding accounts receivable by age.
Open Task Order Schedule	Shows SAWPA's total outstanding obligation for open task orders.
List of SAWPA Funds	Shows each SAWPA Fund with the fund description and fund group.
Debt Service Funding Analysis	Shows total annual income by source used to make debt service payments through debt maturity at FYE 2048.
Debt Service Payment Schedule	Shows total debt service interest and principal payments through debt maturity at FYE 2048.

#### Cash and Investments

Total Cash and Investments (chart)	Shows the changes in cash and investments balance for the last twelve months.
Cash Balance & Source of Funds	Shows total cash and investments for all SAWPA funds and the types of investments held for each fund.
Cash & Investments (pie chart)	Shows total cash and investments for all SAWPA funds and the percentage of each investment type.
Reserve Account Analysis	Shows changes to each reserve account for the year and projected ending balance for each.

Twelve Month Security Schedule (chart)	Shows the maturity dates for securities held and percentage of securities in each category.
Treasurer's Report	Shows book and market value for both Treasury strips and securities held by the Agency.

**Performance Indicators**

Average Daily Flow by Month	Shows total flow in the Brine Line System by month compared to total treatment capacity owned. This is an indicator of the available capacity in the line. As we add yearly flows, it will show trends in flow throughout the year.
Summary of Labor Multipliers	Summarizes the information generated from the following two reports and compares the actual benefit and Indirect Cost Allocation rates to the total budgeted rates.
General Fund Costs	Lists total Fund No. 100 costs to date and the amount of those costs recovered through the Indirect Cost Allocation and member contributions.
Benefit Summary	Lists total employee benefit costs actual to budget and projects them through the end of the year. This report compares how the actual benefit rate compares to the budgeted rate.
Labor Hours Budget vs. Actual	Shows total budgeted hours for each project and compares them to the actual hours charged to each.

**RESOURCE IMPACTS**

Staff expects minimal impacts to SAWPA or its member agencies related to this effort.

Attachments:

- |                                       |   |
|---------------------------------------|---|
| 1. Balance Sheet by Fund Type         | 10. Reserve Account Analysis                    |
| 2. Revenue & Expense by Fund Type     | 11. Twelve-Month Maturity Schedule - Securities |
| 3. Accounts Receivable Aging Report   | 12. Treasurer's Report                          |
| 4. Open Task Order Schedule           | 13. Average Daily Flow by Month                 |
| 5. List of SAWPA Funds                | 14. Summary of Labor Multipliers                |
| 6. Debt Service Funding Analysis      | 15. General Fund Costs                          |
| 7. Debt Service Payment Schedule      | 16. Benefits                                    |
| 8. Total Cash and Investments (chart) | 17. Labor Hours Budgeted vs. Actual             |
| 9. Cash Balance & Source of Funds     |   |

Santa Ana Watershed Project Authority  
Balance Sheet by Fund Type  
For the Twelve Months Ending Friday, June 30, 2023

	General Fund	Brine Line Enterprise	Capital Projects	OWOW Projects	Roundtable Projects	Fund Totals
<b>Assets</b>						
<b>Current Assets</b>						
Cash and Investments	\$2,982,298.57	\$57,209,890.38	\$0.00	\$1,145,243.07	\$2,439,936.53	\$63,777,368.55
Accounts Receivable	0.00	2,301,520.10	0.00	7,783,301.51	23,638.45	10,108,460.06
Installment Notes Receivable	0.00	1,084,839.00	0.00	0.00	0.00	1,084,839.00
Interest Receivable	32,233.09	350,741.96	0.00	4,669.94	18,597.63	406,242.62
Prepays and Deposits	169,401.35	245,218.20	0.00	0.00	0.00	414,619.55
Total Current Assets	<u>3,183,933.01</u>	<u>61,192,209.64</u>	<u>0.00</u>	<u>8,933,214.52</u>	<u>2,482,172.61</u>	<u>75,791,529.78</u>
<b>Fixed Assets</b>						
Property, Plant & Equipment						
less accum depreciation	1,268,857.58	70,815,137.43	0.00	0.00	0.00	72,083,995.01
Work In Process	0.00	0.00	432,429.67	0.00	0.00	432,429.67
Total fixed assets	<u>1,268,857.58</u>	<u>70,815,137.43</u>	<u>432,429.67</u>	<u>0.00</u>	<u>0.00</u>	<u>72,516,424.68</u>
<b>Other Assets</b>						
Wastewater treatment/disposal rights, net of amortization	0.00	20,533,541.01	0.00	0.00	0.00	20,533,541.01
Inventory - Mitigation Credits	0.00	0.00	0.00	0.00	1,910,560.00	1,910,560.00
Leased Assets, net of amortization	36,044.25	228,320.24	0.00	0.00	0.00	264,364.49
Total Other Assets	<u>36,044.25</u>	<u>20,761,861.25</u>	<u>0.00</u>	<u>0.00</u>	<u>1,910,560.00</u>	<u>22,708,465.50</u>
<b>Total Assets</b>	<u><u>\$4,488,834.84</u></u>	<u><u>\$152,769,208.32</u></u>	<u><u>\$432,429.67</u></u>	<u><u>\$8,933,214.52</u></u>	<u><u>\$4,392,732.61</u></u>	<u><u>\$171,016,419.96</u></u>
<b>Liabilities and Fund Equity</b>						
<b>Current Liabilities</b>						
Accounts Payable/Accrued Expenses	(\$494,719.20)	\$835,281.36	\$143,700.56	\$6,971,763.59	\$201,517.18	\$7,657,543.49
Accrued Interest Payable	0.00	180,774.19	0.00	0.00	0.00	180,774.19
Customer Deposits	0.00	14,385.42	0.00	0.00	0.00	14,385.42
<b>Noncurrent Liabilities</b>						
Long-term Debt	0.00	22,233,314.18	0.00	0.00	0.00	22,233,314.18
Lease Liability	35,811.27	230,000.68	0.00	0.00	0.00	265,811.95
Deferred Revenue	0.00	59,012,531.38	0.00	0.00	0.00	59,012,531.38
Total Liabilities	<u>(458,907.93)</u>	<u>82,506,287.21</u>	<u>143,700.56</u>	<u>6,971,763.59</u>	<u>201,517.18</u>	<u>89,364,360.61</u>
<b>Fund Equity</b>						
Contributed Capital	0.00	20,920,507.03	0.00	0.00	0.00	20,920,507.03
Retained Earnings	6,431,774.72	44,794,169.15	389,473.60	2,159,833.33	4,164,775.99	57,940,026.79
Revenue Over/Under Expenditures	(1,484,031.95)	4,548,244.93	(100,744.49)	(198,382.40)	26,439.44	2,791,525.53
Total Fund Equity	<u>4,947,742.77</u>	<u>70,262,921.11</u>	<u>288,729.11</u>	<u>1,961,450.93</u>	<u>4,191,215.43</u>	<u>81,652,059.35</u>
<b>Total Liabilities &amp; Fund Equity</b>	<u><u>\$4,488,834.84</u></u>	<u><u>\$152,769,208.32</u></u>	<u><u>\$432,429.67</u></u>	<u><u>\$8,933,214.52</u></u>	<u><u>\$4,392,732.61</u></u>	<u><u>\$171,016,419.96</u></u>

Santa Ana Watershed Project Authority  
Revenue & Expenses by Fund Type  
For the Twelve Months Ending Friday, June 30, 2023

	General Fund	Brine Line Enterprise	Capital Projects	OWOW Projects	Roundtable Projects	Fund Totals
<b>Operating Revenue</b>						
Discharge Fees	\$0.00	\$12,310,367.96	\$0.00	\$0.00	\$0.00	\$12,310,367.96
Grant Proceeds	0.00	0.00	0.00	8,544,842.65	0.00	8,544,842.65
Financing Proceeds	0.00	0.00	0.00	0.00	203,714.35	203,714.35
Total Operating Revenue	0.00	12,310,367.96	0.00	8,544,842.65	203,714.35	21,058,924.96
<b>Operating Expenses</b>						
Labor	2,043,774.50	1,161,934.18	7,217.43	601,210.32	146,384.59	3,960,521.02
Benefits	859,172.21	488,012.38	3,031.31	252,508.34	61,481.57	1,664,205.81
Indirect Costs	0.00	1,868,390.13	11,605.64	966,746.17	235,386.37	3,082,128.31
Education & Training	22,848.73	1,236.00	0.00	115.61	0.00	24,200.34
Consulting & Professional Services	296,920.32	113,549.39	253,037.94	693,870.00	945,481.96	2,302,859.61
Operating Costs	2,144.73	2,936,071.91	0.00	1,291.17	141.11	2,939,648.92
Repair & Maintenance	63,996.89	90,313.98	0.00	0.00	0.00	154,310.87
Phone & Utilities	54,382.27	9,326.67	0.00	0.00	0.00	63,708.94
Equipment & Computers	208,171.24	53,572.05	0.00	2,000.00	0.00	263,743.29
Meeting & Travel	44,252.25	2,054.89	0.00	8,443.13	326.71	55,076.98
Other Administrative Costs	166,088.55	43,554.42	0.00	18,694.38	10,242.14	238,579.49
Indirect Costs Applied	(3,087,445.42)	0.00	0.00	0.00	0.00	(3,087,445.42)
Other Expenses	75,831.85	189,742.50	38,594.00	0.00	0.00	304,168.35
Construction	0.00	0.00	0.00	7,720,587.39	0.00	7,720,587.39
Total Operating Expenses	750,138.12	6,957,758.50	313,486.32	10,265,466.51	1,399,444.45	19,686,293.90
Operating Income (Loss)	(750,138.12)	5,352,609.46	(313,486.32)	(1,720,623.86)	(1,195,730.10)	1,372,631.06
<b>Nonoperating Income (Expense)</b>						
Member Contributions	725,435.00	0.00	0.00	1,324,325.00	20,000.00	2,069,760.00
Participant Fees	0.00	0.00	0.00	177,233.33	1,138,155.00	1,315,388.33
Pipeline & Treatment Capacity Sales	0.00	2,510,154.00	0.00	0.00	0.00	2,510,154.00
Interest Income	91,159.49	943,648.97	0.00	20,683.12	47,567.00	1,103,058.58
Capital Contributions - RBF	0.00	260,432.00	0.00	0.00	0.00	260,432.00
Interest Expense - Debt Service	0.00	(502,104.73)	0.00	0.00	0.00	(502,104.73)
Other Income	7,371.58	40,540.83	0.00	0.00	0.00	47,912.41
Retiree Medical Benefits	(77,861.10)	0.00	0.00	0.00	0.00	(77,861.10)
Other Expense	(793.12)	(2,973.40)	0.00	0.00	0.00	(3,766.52)
Total Nonoperating Income (Expense)	745,311.85	3,249,697.67	0.00	1,522,241.45	1,205,722.00	6,722,972.97
Excess Rev over (under) Exp	(\$4,826.27)	\$8,602,307.13	(\$313,486.32)	(\$198,382.41)	\$9,991.90	\$8,095,604.03

Aging Report  
Santa Ana Watershed Project Authority  
Receivables as of July 31, 2023

Customer Name	Project	Total	0-30 Days	31-60 Days	61 and Over
Alpha Petroleum Transport, Inc.	Brine Line	250.00	250.00		
Banning, City of	Basin Monitoring	29,071.05	29,071.05		
Beaumont Cherry Valley Water District	Basin Monitoring	29,071.05	29,071.05		
Beaumont, City of	Basin Monitoring	29,071.05	29,071.05		
Chino Basin Desalter Authority	Brine Line	173,492.21		173,492.21	
Chino Basin Watermaster	Basin Monitoring, MSAR TMDL	33,428.05	24,071.05	9,357.00	
Claremont, City of	MSAR TMDL	12,476.00		12,476.00	
Corona, City of	MSAR TMDL, Basin Monitoring	41,547.05	29,071.05	12,476.00	
Department of Water Resources	Prop 84, Prop 1	7,184,264.82		335,108.66	6,849,156.16
Eastern Municipal Water District	Brine Line, Basin Monitoring	240,704.89	47,464.80	193,240.09	
Eastvale, City of	MSAR TMDL	12,476.00		12,476.00	
Elsinore Valley Municipal Water District	Basin Monitoring	29,071.05	29,071.05		
Environmental Management Technologies	Brine Line	250.00	250.00		
Haz Mat Trans, Inc.	Brine Line	250.00	250.00		
Inland Empire Utilities Agency	Brine Line, Basin Monitoring	137,538.32	29,971.05	107,567.27	
Irvine Ranch Water District	Basin Monitoring	24,071.05	24,071.05		
Jurupa Community Services District	Basin Monitoring	24,071.05	24,071.05		
Jurupa Valley, City of	MSAR TMDL	12,476.00		12,476.00	
K-VAC Environmental Services	Brine Line	250.00	250.00		
Lake Elsinore & San Jacinto Watersheds Authority	Administration	15,676.43	15,676.43		
Orange County Water District	Basin Monitoring, SA Sucker	44,071.05	29,071.05	15,000.00	
Orange, County of	Water Quality Monitoring	26,467.00		26,467.00	
Pomona, City of	MSAR TMDL	12,476.00		12,476.00	
Rayne Water Conditioning	Brine Line	250.00	250.00		
Redlands, City of	Basin Monitoring	24,071.05	24,071.05		
Rialto, City of	Basin Monitoring	29,071.05	29,071.05		
Rialto BioEnergy	Brine Line	8,896.88	8,896.88		
Riverside, City of Wastewater Treatment	Basin Monitoring	29,071.05	29,071.05		
RIX Treatment Facility	Basin Monitoring	29,071.05	29,071.05		
San Bernardino County Flood Control District	Water Quality Monitoring, MSAR TMDL	258,685.00		258,685.00	
San Bernardino Valley Municipal Water District	Brine Line, Basin Monitoring	191,288.79	30,571.05	160,717.74	
SB Industrial Vacuum Services	Brine Line	250.00	250.00		
Temescal Valley Water District	Basin Monitoring	25,650.00	25,650.00		
Triumvirate Environmental	Brine Line	250.00	250.00		
University of California, Riverside	MSAR TMDL	12,476.00		12,476.00	
Western Environmental Services	Brine Line	250.00	250.00		
Western Municipal Water District	Brine Line	344,816.67	1,800.00	343,016.67	
Western Riverside County Regional Wastewater Authority	Basin Monitoring	29,071.05	29,071.05		
Yucaipa Valley Water District	Basin Monitoring	29,071.05	29,071.05		
Total Accounts Receivable		9,124,759.76	490,632.81	1,697,507.64	6,849,156.16

Santa Ana Watershed Project Authority  
Open Task Orders Schedule  
Jul-23  
(Reflects Invoices Received as of 08/16/2023)

Task Order No. Project Contracts	Fund No.	Vendor Name	Task Description	Begin Date	End Date	Original Contract	Change Orders	Total Contract	Billed To Date	Contract Balance	SAWPA Manager	Comments
ACS100-26	100-00	Accent Computer Solutions	IT Services	01/01/2023	12/31/2026	\$ 288,000.00	\$ -	\$ 288,000.00	\$ 54,557.85	\$ 233,442.15	Dean Unger	
ACS100-27	100-00	Accent Computer Solutions	Server Replacement Project	08/01/2023	06/30/2024	\$ 66,000.00	\$ -	\$ 66,000.00	\$ -	\$ 66,000.00	Dean Unger	
BGB100-02	100-00	BGB Design Group	SAWPA Irrigation Replacement and Landscape Refresh	05/16/2023	06/30/2024	\$ 6,520.00	\$ -	\$ 6,520.00	\$ 6,005.00	\$ 515.00	Edina Goode	
FOST100-01	100-00	Foster & Foster	GASB 68 Cost-Sharing Risk Pool Plan for 2023	03/01/2023	06/30/2024	\$ 1,600.00	\$ -	\$ 1,600.00	\$ -	\$ 1,600.00	Karen Williams	
GPA100-01	100-00	Gillis & Panichapan Architects	SAWPA Building Renovations	10/13/2020	12/31/2023	\$ 45,200.00	\$ 27,500.00	\$ 72,700.00	\$ 64,941.65	\$ 7,758.35	Edina Goode	
GPA100-02	100-00	Gillis & Panichapan Architects	Lobby Security Improvements - Bid Documents and Support	04/19/2023	04/18/2024	\$ 74,600.00	\$ -	\$ 74,600.00	\$ 16,685.00	\$ 57,915.00	Edina Goode	
INSOL100-19	100-00	Integrated Systems Solutions	HRIS - Greenshades	03/01/2022	12/31/2023	\$ 17,294.06	\$ 11,323.30	\$ 28,617.36	\$ 23,279.02	\$ 5,338.34	Edina Goode	
KON100-08	100-00	Konica Minolta	Copiers and Scanners Lease	01/15/2021	01/15/2025	\$ 29,040.00	\$ -	\$ 29,040.00	\$ 20,201.31	\$ 8,838.69	Dean Unger	
LSGK100-12	100-00	Lagerlof, LLP	Legal Services	07/01/2023	06/30/2024	\$ 94,720.00	\$ -	\$ 94,720.00	\$ 100.50	\$ 94,619.50	Jeff Mosher	
NEO100-01	100-00	NEOGOV	NEOGOV and Governmentjobs.com	05/17/2023	06/30/2025	\$ 13,527.00	\$ -	\$ 13,527.00	\$ -	\$ 13,527.00	Edina Goode	
NICO100-09	100-00	Nicolay Consulting Group	GASB 75 Interim Valuation	05/22/2023	06/01/2024	\$ 2,500.00	\$ -	\$ 2,500.00	\$ -	\$ 2,500.00	Karen Williams	
NICO100-10	100-00	Nicolay Consulting Group	Actuarial Valuation for Adding Retiree Medical Benefits	06/19/2023	06/30/2024	\$ 4,500.00	\$ -	\$ 4,500.00	\$ 2,500.00	\$ 2,000.00	Karen Williams	
NSL100-01	100-00	Nate Sassaman Leadership	SAWPA Leadership Services	07/01/2023	06/30/2024	\$ 24,000.00	\$ -	\$ 24,000.00	\$ 4,000.00	\$ 20,000.00	Edina Goode	
QOVO100-01	100-00	QOVO Solutions	Security Camera System	07/01/2023	06/30/2024	\$ 28,962.87	\$ -	\$ 28,962.87	\$ -	\$ 28,962.87	Dean Unger	
SOL100-15	100-00	Sol Media	Website Related Changes	07/01/2023	06/30/2024	\$ 17,280.00	\$ -	\$ 17,280.00	\$ 3,360.00	\$ 13,920.00	Dean Unger	
SOL100-16	100-00	Sol Media	Custom Web Hosting Plan	07/01/2023	10/29/2024	\$ 2,780.00	\$ -	\$ 2,780.00	\$ -	\$ 2,780.00	Dean Unger	
BMH100-03	100-03	Bell, McAndrews, & Hiltachk	FPPC Lobby Reporting	07/01/2022	06/30/2023	\$ 1,320.00	\$ -	\$ 1,320.00	\$ 365.00	\$ 955.00	Karen Williams	
WCA100-03-05	100-03	West Coast Advisors	State Legislative Consulting Services	01/01/2023	12/31/2023	\$ 117,000.00	\$ -	\$ 117,000.00	\$ 78,000.00	\$ 39,000.00	Jeff Mosher	
WO2024-1	240	E S Babcock	Wastewater Sample Collection and Analysis	07/01/2023	06/30/2024	\$ 88,295.50	\$ -	\$ 88,295.50	\$ 3,179.92	\$ 85,115.58	David Ruhl	
WO2024-2	240	E S Babcock	Special Events Sample Collection and Analysis	07/01/2023	06/30/2024	\$ 20,000.00	\$ -	\$ 20,000.00	\$ -	\$ 20,000.00	David Ruhl	
DOUG240-04	240	Douglas Environmental	On-Call Brine Line Flow Meter Calibration	07/01/2021	06/30/2024	\$ 21,575.00	\$ 7,147.50	\$ 28,722.50	\$ 17,935.00	\$ 10,787.50	Daniel Vasquez	
DUDK240-07	240	Dudek	Inland Empire Brine Line Master Plan	11/01/2022	12/31/2023	\$ 399,980.00	\$ -	\$ 399,980.00	\$ 75,711.39	\$ 324,268.61	David Ruhl	
DUDK240-08	240	Dudek	Hydraulic Modeling Assistance	03/27/2023	06/30/2024	\$ 20,000.00	\$ -	\$ 20,000.00	\$ 7,857.50	\$ 12,142.50	David Ruhl	
DUDK240-09	240	Dudek	Inland Empire Brine Line Engineering Services	07/01/2023	06/30/2024	\$ 15,000.00	\$ -	\$ 15,000.00	\$ 490.00	\$ 14,510.00	David Ruhl	
GIS240-01	240	GIS Surveying	On-Call Surveying Services	07/01/2023	06/30/2025	\$ 22,402.50	\$ -	\$ 22,402.50	\$ -	\$ 22,402.50	Daniel Vasquez	
INN240-04	240	Innerline Engineering	Brine Line On-Call Inspection Services	07/01/2021	06/30/2024	\$ 99,050.00	\$ -	\$ 99,050.00	\$ 15,616.38	\$ 83,433.62	Daniel Vasquez	
INN240-05	240	Innerline Engineering	Brine Line Pipeline Cleaning Services	07/01/2022	06/30/2024	\$ 264,880.00	\$ -	\$ 264,880.00	\$ 34,350.00	\$ 230,530.00	Daniel Vasquez	
PAT240-01	240	Patriot Environmental Services	On-Call Draining and Emergency Response	07/01/2023	06/30/2025	\$ 121,760.00	\$ -	\$ 121,760.00	\$ -	\$ 121,760.00	Daniel Vasquez	80
W&C320-01	320-03	Woodard & Curran	Reach IV & IV-B DIP Condition Assessment	02/01/2023	11/22/2023	\$ 392,356.00	\$ -	\$ 392,356.00	\$ 153,627.86	\$ 238,728.14	Daniel Vasquez	



Santa Ana Watershed Project Authority  
Open Task Orders Schedule  
Jul-23  
(Reflects Invoices Received as of 08/16/2023)

Task Order No. Project Contracts	Fund No.	Vendor Name	Task Description	Begin Date	End Date	Original Contract	Change Orders	Total Contract	Billed To Date	Contract Balance	SAWPA Manager	Comments
CES370-01	370-01	Catalyst Environmental Solutions	SAR Watershed Weather Modification Pilot Program CEQA	07/01/2021	11/15/2023	\$ 63,271.58	\$ 16,348.00	\$ 79,619.58	\$ 65,488.49	\$ 14,131.09	Rachel Gray	
DUDK373-07	373	Dudek	Grant Application Support for IRWM	10/04/2022	10/31/2023	\$ 22,200.00	\$ -	\$ 80,830.00	\$ 54,783.75	\$ 26,046.25	Ian Achimore	
RINC373-01	373	Rincon Consultants	ICARP RRGF Strategic Planning and Grant Assistance	03/15/2023	09/30/2023	\$ 49,632.00	\$ -	\$ 49,632.00	\$ 36,034.75	\$ 13,597.25	Rachel Gray	
WSC373-02	373	Water Systems Consulting	FYE 2024 Roundtable of Regions Network Coordinator	07/01/2023	06/30/2024	\$ 72,900.00	\$ -	\$ 72,900.00	\$ -	\$ 72,900.00	Ian Achimore	
KSC374-03	374	Kahn, Soares, & Conway	Basin Monitoring TF Regulatory Support	07/01/2023	06/30/2025	\$ 133,000.00	\$ -	\$ 133,000.00	\$ 5,800.00	\$ 127,200.00	Rachel Gray	
WEST374-01	374	West Yost	Workplan for Basin Monitoring Program TF Planning	07/01/2021	03/31/2024	\$ 339,102.00	\$ 88,105.00	\$ 427,207.00	\$ 400,297.73	\$ 26,909.27	Rachel Gray	
WEST374-02	374	West Yost	Ambient Water Quality Pilot Study for Nitrogen and TDS	01/01/2023	12/31/2023	\$ 339,960.00	\$ -	\$ 339,960.00	\$ 166,036.79	\$ 173,923.21	Rachel Gray	
CDM377-01	377-01	CDM Smith	PFAS Regional Analysis for Upper Santa Ana River Watershed	07/01/2022	09/30/2023	\$ 323,825.00	\$ -	\$ 323,825.00	\$ 323,825.00	\$ -	Rachel Gray	
DRI378-01	378	Board of Regents of the Nevada System of Higher Education	Weather Modification Pilot Validation	10/26/2022	10/17/2027	\$ 155,000.00	\$ -	\$ 155,000.00	\$ 8,528.35	\$ 146,471.65	Rachel Gray	
NAWC370-03	378	North American Weather Consultants	SAR Weather Modification Pilot Operations	07/01/2022	06/30/2026	\$ 1,061,912.00	\$ -	\$ 1,061,912.00	\$ 73,425.00	\$ 988,487.00	Rachel Gray	
SAWA381-01	381	Santa Ana Watershed Association	Van Buren Bridge Sucker Restoration	09/26/2018	10/31/2023	\$ 15,130.20	\$ 21,967.36	\$ 37,097.56	\$ 33,230.29	\$ 3,867.27	Ian Achimore	
GEI384-02	384-01	GEI Consultants	MSAR TMDL - Limited Basin Plan Amendment Revisions	07/01/2022	06/30/2024	\$ 67,000.00	\$ -	\$ 67,000.00	\$ 37,566.25	\$ 29,433.75	Rick Whetsel	
KSC384-03	384-01	Kahn, Soares, & Conway	MSAR Pathogen TMDL TF Regulatory Support	07/01/2023	06/30/2025	\$ 148,500.00	\$ -	\$ 148,500.00	\$ 2,120.00	\$ 146,380.00	Rick Whetsel	
CDM386-16	386	CDM Smith	Implementation of SAR Regional Bacteria Monitoring Program	01/01/2021	09/30/2024	\$ 1,070,535.00	\$ 56,065.00	\$ 1,126,600.00	\$ 774,467.89	\$ 352,132.11	Rick Whetsel	
IERCD387-01	387	Inland Empire Resource Conservation District	Arundo Donax Removal in the SAR Basin Headwaters	07/19/2022	12/31/2027	\$ 147,777.07	\$ -	\$ 147,777.07	\$ 30,986.22	\$ 116,790.85	Ian Achimore	
JPW392-02	392	JPW Communications	Emerging Constituents Program Public Relations Support	07/01/2023	06/30/2025	\$ 114,954.00	\$ -	\$ 114,954.00	\$ 2,095.00	\$ 112,859.00	Rachel Gray	
KSC392-03	392	Kahn, Soares, & Conway	Emerging Constituents Program TF Regulatory Support	07/01/2023	06/30/2025	\$ 48,000.00	\$ -	\$ 48,000.00	\$ 1,600.00	\$ 46,400.00	Rachel Gray	
ECOT397-04	397	EcoTech Services	WECAN Riverside Eastside Climate Collaborative Landscaping	07/19/2022	12/31/2025	\$ 567,150.00	\$ -	\$ 567,150.00	\$ 36,750.80	\$ 530,399.20	Rick Whetsel	
QUAN504-01	504-04	Quantum Spatial, Inc.	Water Efficiency Budget Assistance	02/10/2021	09/30/2023	\$ 594,387.00	\$ 20,000.00	\$ 614,387.00	\$ -	\$ 614,387.00	Ian Achimore	
RMC504-401-10	504-04	Woodard & Curran	SARCCUP Program Mgmt. Services	07/01/2023	06/30/2024	\$ 60,906.00	\$ -	\$ 60,906.00	\$ -	\$ 60,906.00	Ian Achimore	

\$ 5,366,571.25

## LIST OF SAWPA FUNDS

<b>Fund No.</b>	<b>Fund Description</b>	<b>Fund Group</b>
100-00	General Fund	General
100-03	State Legislative/Regulatory Outreach	General
100-04	Federal Legislative/Regulatory Outreach	General
145	Proposition 84 – Program Management – 2015 Round	OWOW
150	Proposition 1 – R1 Program Management	OWOW
155	Proposition 1 – R2 Program Management	OWOW
240	Brine Line Enterprise	Brine Line
320-01	Brine Line Protection – Downstream Prado	Capital Projects
320-03	Brine Line Protection Above Prado	Capital Projects
320-04	Brine Line Protection D/S Prado in Riverside County	Capital Projects
327	Reach IV-D Corrosion Repair	Capital Projects
328	Aqua Mansa Lateral Project	Capital Projects
370-01	Basin Planning General	OWOW
370-02	USBR Partnership Studies	OWOW
373	Watershed Management (OWOW)	OWOW
374	Basin Monitoring Program Task Force	Roundtable
377	PFAS Study	OWOW
378	Weather Modification	OWOW
381	Santa Ana River Fish Conservation	Roundtable
384-01	MSAR TMDL Task Force	Roundtable
386	Regional Water Quality Monitoring Task Force	Roundtable
387	Arundo Management & Habitat Restoration	Roundtable
392	Emerging Constituents Task Force	Roundtable
397	Energy – Water DAC Grant Project	OWOW
398	DCI 2021 Drought Relief Grant	OWOW
477	LESJWA Administration	Roundtable
504-01	Proposition 84 – Capital Projects Round 1 & 2	OWOW
504-04	Proposition 84 – Final Round SARCCUP	OWOW
505-00	Proposition 1 – SAWPA Capital Projects	OWOW
505-01	Proposition 1 – Round I Capital Projects	OWOW
505-02	Proposition 1 – Round II Capital Projects	OWOW

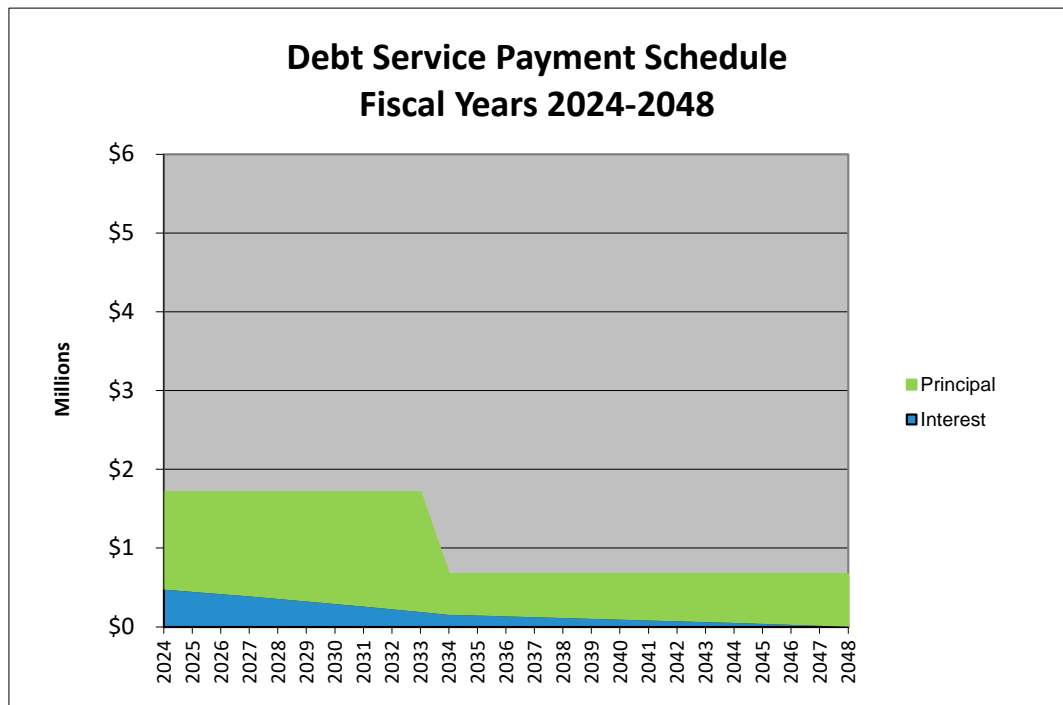
Santa Ana Watershed Project Authority  
 Brine Line Debt Service Funding Analysis  
 July 31, 2023

FYE	Rates	Loan Pymts	Interest Earned *	Excess Cash	Ending Cash Balance
Beginning Balance					2,899,430
2024	1,709,476	(1,709,476)	57,989	57,989	3,015,407
2025	1,709,476	(1,709,476)	60,308	60,308	3,075,715
2026	1,709,476	(1,709,476)	61,514	61,514	3,137,230
2027	1,709,476	(1,709,476)	62,745	62,745	3,199,974
2028	1,709,476	(1,709,476)	63,999	63,999	3,263,974
2029	1,709,476	(1,709,476)	65,279	65,279	3,329,253
2030	1,709,476	(1,709,476)	66,585	66,585	3,395,838
2031	1,709,476	(1,709,476)	67,917	67,917	3,463,755
2032	1,709,476	(1,709,476)	69,275	69,275	3,533,030
2033	1,709,476	(1,709,476)	70,661	70,661	3,603,691
2034	665,203	(665,203)	72,074	72,074	3,675,765
2035	665,203	(665,203)	73,515	73,515	3,749,281
2036	665,203	(665,203)	74,986	74,986	3,824,265
2037	665,203	(665,203)	76,485	76,485	3,900,752
2038	665,203	(665,203)	78,015	78,015	3,978,766
2039	665,203	(665,203)	79,575	79,575	4,058,341
2040	665,203	(665,203)	81,167	81,167	4,139,508
2041	665,203	(665,203)	82,790	82,790	4,222,298
2042	665,203	(665,203)	84,446	84,446	4,306,744
2043	665,203	(665,203)	86,135	86,135	4,392,879
2044	665,203	(665,203)	87,858	87,858	4,480,737
2045	665,203	(665,203)	89,615	89,615	4,570,351
2046	665,203	(665,203)	91,407	91,407	4,661,758
2047	665,203	(665,203)	93,235	93,235	4,754,993
2048	665,203	(665,203)	95,100	95,100	4,850,093
	27,072,795	(27,072,795)	1,892,675	1,892,675	-

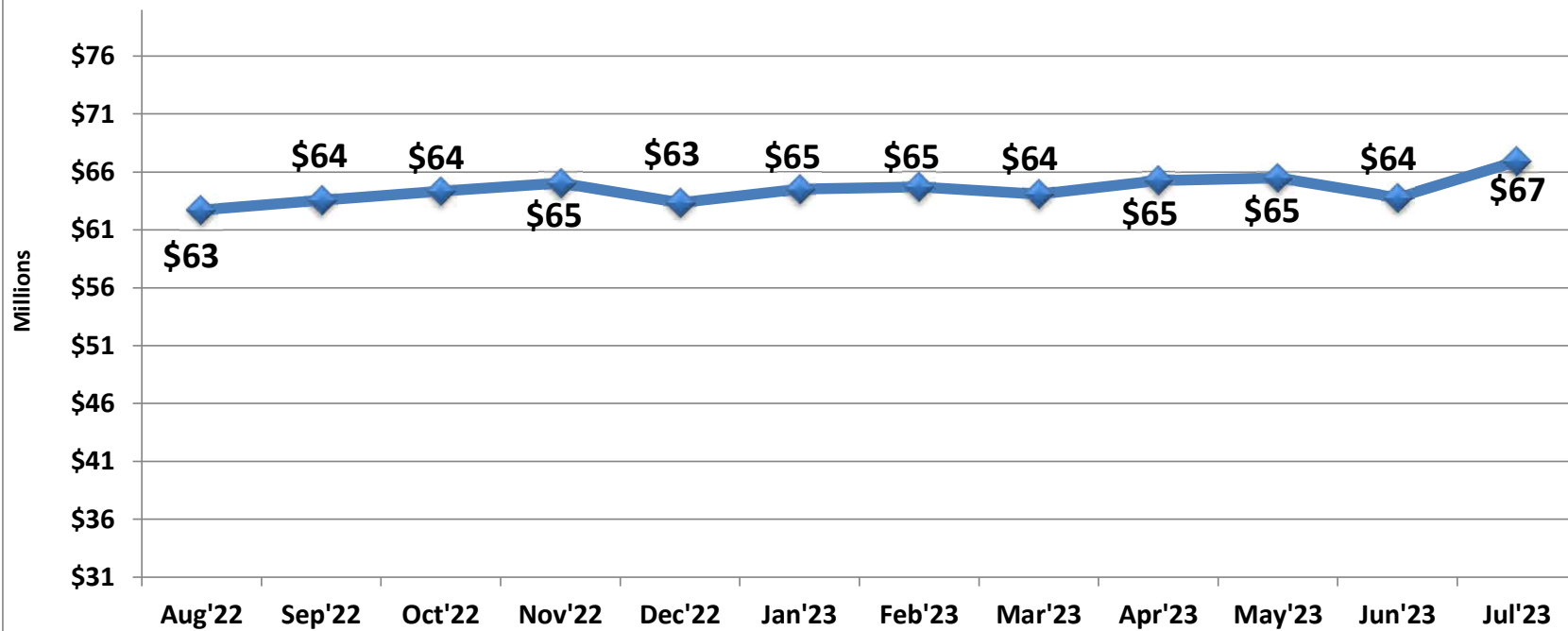
\*Interest earned is based on a conservative 2.00% average return over the period

Santa Ana Watershed Project Authority  
 Brine Line Debt Service Payment Schedule  
 July 31, 2023

FYE	Interest	Principal	Total Payment	Remaining Principal
2024	486,080	1,223,395	1,709,476	21,009,919
2025	457,181	1,252,295	1,709,476	19,757,624
2026	427,585	1,281,891	1,709,476	18,475,733
2027	397,276	1,312,199	1,709,476	17,163,534
2028	366,237	1,343,239	1,709,476	15,820,295
2029	334,449	1,375,027	1,709,476	14,445,268
2030	301,894	1,407,582	1,709,476	13,037,686
2031	268,553	1,440,923	1,709,476	11,596,763
2032	234,407	1,475,068	1,709,476	10,121,694
2033	199,437	1,510,039	1,709,476	8,611,656
2034	163,621	501,581	665,203	8,110,075
2035	154,091	511,111	665,203	7,598,964
2036	144,380	520,822	665,203	7,078,141
2037	134,485	530,718	665,203	6,547,424
2038	124,401	540,801	665,203	6,006,622
2039	114,126	551,077	665,203	5,455,545
2040	103,655	561,547	665,203	4,893,998
2041	92,986	572,217	665,203	4,321,782
2042	82,114	583,089	665,203	3,738,693
2043	71,035	594,167	665,203	3,144,526
2044	59,746	605,457	665,203	2,539,069
2045	48,242	616,960	665,203	1,922,109
2046	36,520	628,682	665,203	1,293,427
2047	24,575	640,627	665,203	652,799
2048	12,403	652,799	665,203	(0)



## Total Cash & Investments





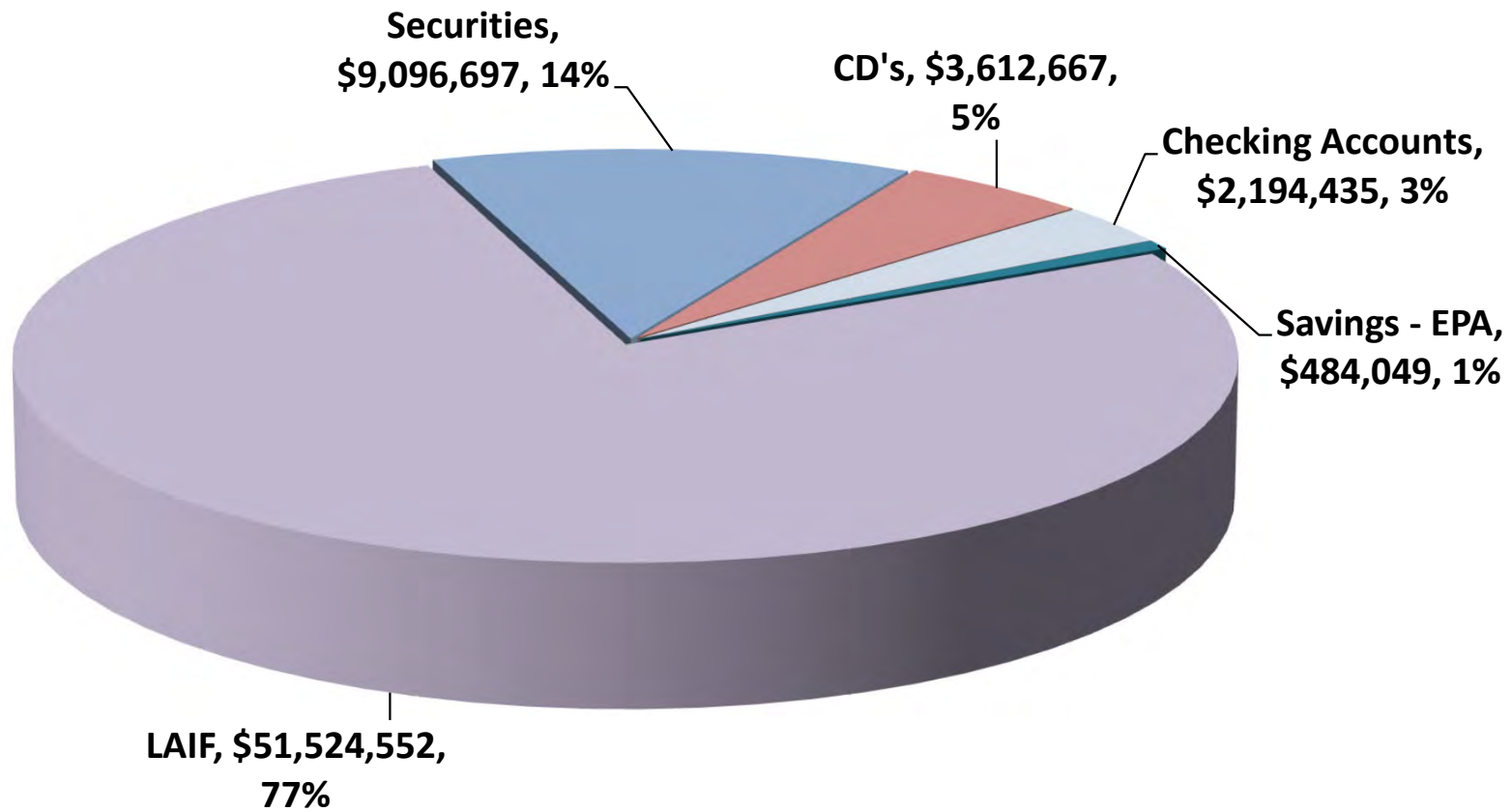
# CASH BALANCE & SOURCE OF FUNDS

July 31, 2023

Fund Accounts		Cash and Investments					
	Total	Checking (Cash)	LAIF Account	Savings EPA	Investment Securities	Certificates of Deposit	Total
100 General Fund	\$ 1,751,802	1,751,802	-	-	-	-	\$ 1,751,802
100 Building Reserve	\$ 843,603	-	843,603	-	-	-	\$ 843,603
370 Basin Planning General	\$ 340,524	-	340,524	-	-	-	\$ 340,524
370 USBR Partnership Studies	\$ 38,000	-	38,000	-	-	-	\$ 38,000
373 Watershed Management Plan	\$ 408,355	-	408,355	-	-	-	\$ 408,355
240 Brine Line Debt Retirement	\$ 2,899,430	-	2,899,430	-	-	-	\$ 2,899,430
240 Brine Line - Pipeline Replacement & Capital Improvement	\$ 34,509,700	-	21,800,336	-	9,096,697	3,612,667	\$ 34,509,700
240 Brine Line - OC San Pipeline Rehabilitation	\$ 2,773,949	-	2,773,949	-	-	-	\$ 2,773,949
240 Brine Line - Pipeline Capacity Management	\$ 12,330,705	-	12,330,705	-	-	-	\$ 12,330,705
240 Brine Line - OC San Future Treatment & Disposal Capacity	\$ 1,887,871	-	1,887,871	-	-	-	\$ 1,887,871
240 Brine Line - Operating Reserve	\$ 2,321,017	-	2,321,017	-	-	-	\$ 2,321,017
240 Brine Line - Operating Cash	\$ 2,505,100	442,633	2,062,467	-	-	-	\$ 2,505,100
401 Legal Defense Fund	\$ 484,049	-	-	484,049	-	-	\$ 484,049
374 Basin Monitoring Program TF	\$ 433,119	-	433,119	-	-	-	\$ 433,119
377 PFAS Study	\$ 325,102	-	325,102	-	-	-	\$ 325,102
378 Weather Modification	\$ 187,801	-	187,801	-	-	-	\$ 187,801
381 SAR Fish Conservation	\$ 110,606	-	110,606	-	-	-	\$ 110,606
384 Middle SAR TMDL TF	\$ 299,055	-	299,055	-	-	-	\$ 299,055
386 RWQ Monitoring TF	\$ 92,472	-	92,472	-	-	-	\$ 92,472
387 Mitigation Bank Credits	\$ 812,375	-	812,375	-	-	-	\$ 812,375
392 Emerging Constituents TF	\$ 133,062	-	133,062	-	-	-	\$ 133,062
504 Prop 84 - SARCCUP Projects	\$ 1,337,287	-	1,337,287	-	-	-	\$ 1,337,287
505 Prop 1 - Capital Projects	\$ 87,415	-	87,415	-	-	-	\$ 87,415
	\$ 66,912,400	\$ 2,194,435	\$ 51,524,552	\$ 484,049	\$ 9,096,697	\$ 3,612,667	\$ 66,912,400

# Cash & Investments - July 2023

## \$66,912,400

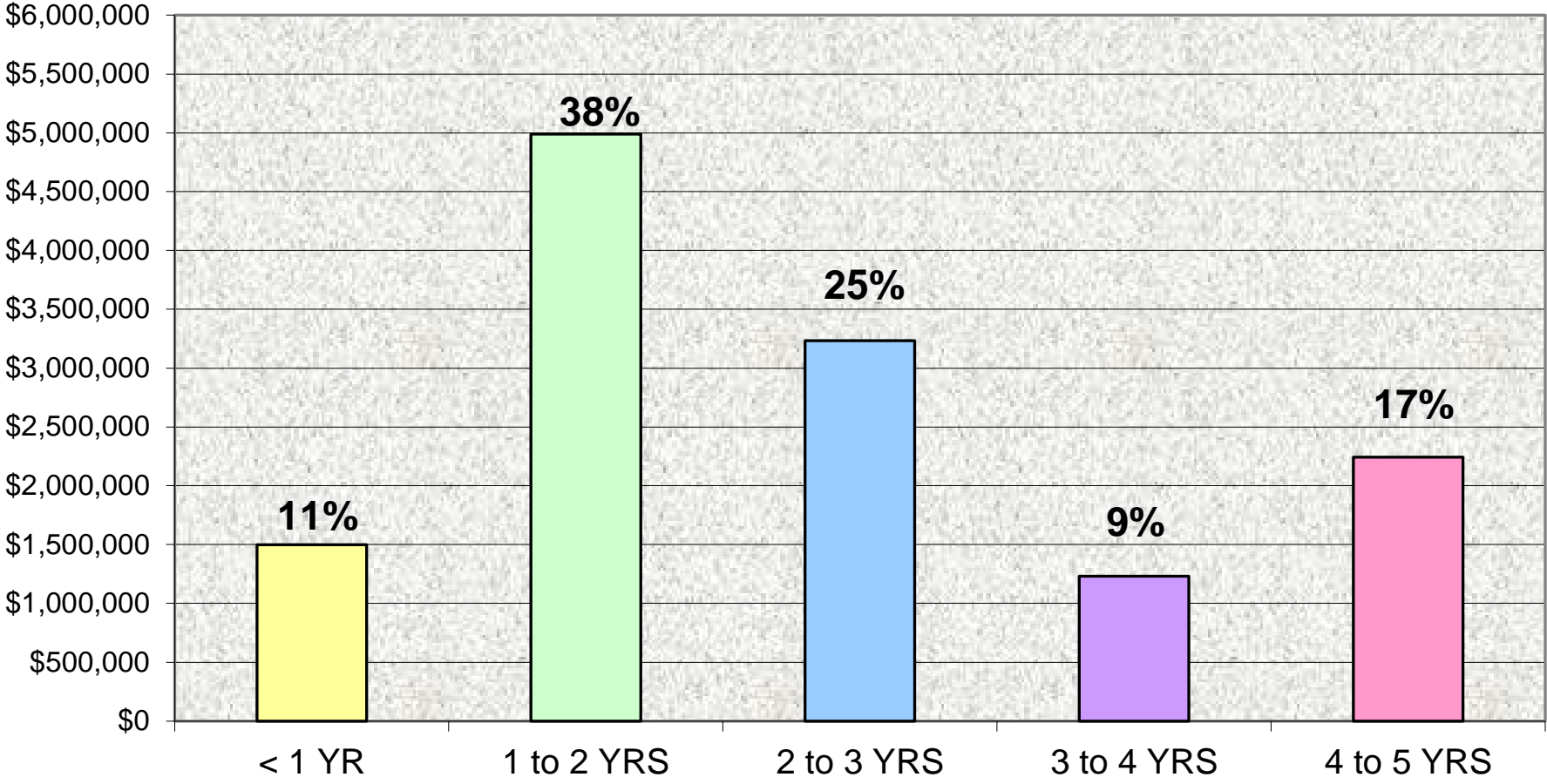


Santa Ana Watershed Project Authority  
Reserve Account Analysis  
July 31, 2023

Reserve Account	Balance @ 6/30/2023	Interest Earned	Fund Receipts/ Contributions	Inter-Fund Loans	Fund Expenses	Balance @ 6/30/2024	Estimated Fund Changes	Balance @ 6/30/2024
Brine Line Operating Cash	3,191,159	32,856	1,041,906		(1,760,822)	2,505,100		2,505,100
Brine Line Operating Reserve	2,302,489	18,529				2,321,017		2,321,017
OC San Future Treatment & Disposal Capacity	1,872,799	15,071				1,887,870		1,887,870
Pipeline Capacity Management	12,232,268	98,436				12,330,704		12,330,704
Pipeline Replacement & Capital Investment	32,305,799	174,408	2,160,432			34,640,639	(2,438,981)	32,201,658
OC San Pipeline Rehabilitation	2,429,092	19,548	325,309			2,773,948		2,773,948
Debt Retirement	2,876,283	23,146				2,899,430		2,899,430
General Fund	1,496,265	26,123	418,400	(792,399)	603,414	1,751,802		1,751,802
Building Reserve	737,493	6,110	100,000			843,603		843,603
	<u>59,443,647</u>	<u>414,227</u>	<u>4,046,047</u>	<u>(792,399)</u>	<u>(1,157,408)</u>	<u>61,954,114</u>	<u>(2,438,981)</u>	<u>59,515,133</u>



# Twelve Month Maturity Schedule Securities

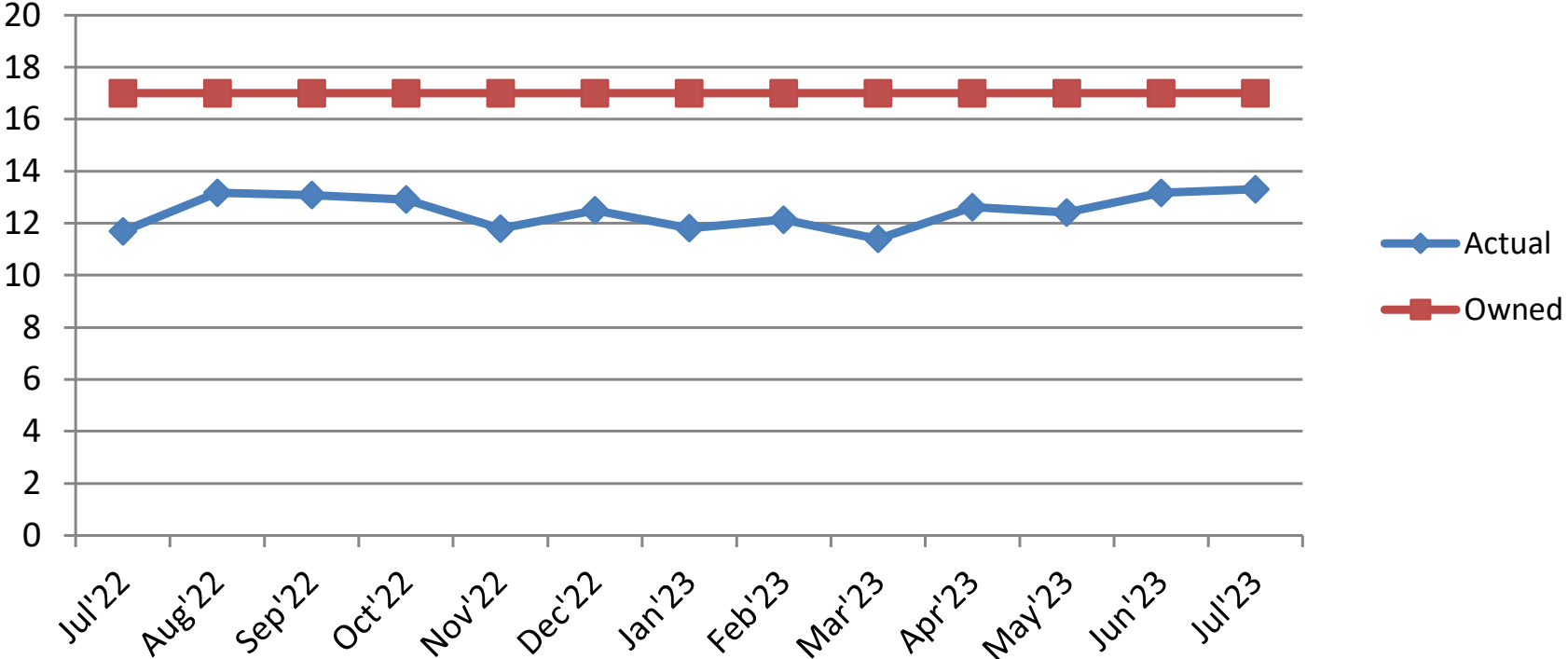


**SAWPA**  
**TREASURER'S REPORT**  
As of July 31, 2023

Investment Commercial  
Safekeeping US Bank

Type	Security	Purchase Date	Maturity Date	Unit Cost	Cost	Principal	Current Value	Market Value	Interest Rate	
Agency	FHLB	2/4/2020	12/13/2024	106.25	\$ 531,250.00	\$ 500,000.00	\$ 500,000.00	483,679.40	2.750%	
Agency	FHLB	6/21/2022	6/28/2024	99.11	\$ 991,130.00	\$ 1,000,000.00	\$ 1,000,000.00	976,267.39	2.750%	
Agency	FHLB	8/30/2022	11/27/2024	100.00	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	977,043.67	2.650%	
Agency	FHLB	10/28/2022	10/3/2024	99.89	\$ 998,910.00	\$ 1,000,000.00	\$ 1,000,000.00	989,688.16	4.500%	
Agency	FHLB	11/4/2022	9/10/2027	99.20	\$ 991,965.00	\$ 1,000,000.00	\$ 1,000,000.00	983,895.74	4.125%	
Agency	FHLB	6/6/2023	12/13/2024	99.99	\$ 499,966.50	\$ 500,000.00	\$ 500,000.00	495,497.92	4.625%	
Agency	FHLB	6/6/2023	6/9/2028	100.50	\$ 502,505.00	\$ 500,000.00	\$ 500,000.00	492,699.38	4.000%	
Agency	FNMA	2/4/2020	1/7/2025	101.08	\$ 505,380.00	\$ 500,000.00	\$ 500,000.00	475,331.28	1.625%	
Agency	FNMA	10/30/2020	8/25/2025	99.53	\$ 995,952.00	\$ 1,000,000.00	\$ 1,000,000.00	910,461.53	0.375%	
Agency	USTN	4/19/2021	11/30/2025	98.25	\$ 982,500.00	\$ 1,000,000.00	\$ 1,000,000.00	904,023.44	0.375%	
Agency	USTN	9/15/2021	5/31/2025	99.58	\$ 989,726.56	\$ 1,000,000.00	\$ 1,000,000.00	917,226.56	0.250%	
CORP	Toyota Motor Credit Corp.	10/15/2018	9/20/2023	99.55	\$ 497,747.50	\$ 500,000.00	\$ 500,000.00	498,443.00	3.450%	
CD	American Express Natl Bank	8/17/2022	8/19/2024	100.00	\$ 245,000.00	\$ 245,000.00	\$ 245,000.00	239,690.72	3.350%	
CD	Beal Bank USA	8/17/2022	8/12/2026	100.00	\$ 245,000.00	\$ 245,000.00	\$ 245,000.00	230,132.26	3.200%	
CD	Synchrony Bank	8/12/2022	8/12/2025	100.00	\$ 245,000.00	\$ 245,000.00	\$ 245,000.00	235,408.42	3.350%	
CD	Capital One Bank USA	5/25/2022	5/25/2027	100.00	\$ 246,000.00	\$ 246,000.00	\$ 246,000.00	229,537.41	3.200%	
CD	Morgan Stanley Private Bank	11/15/2022	11/15/2027	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	245,216.97	5.000%	
CD	Prime Alliance Bank	11/17/2022	11/17/2027	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	244,863.75	4.950%	
CD	Cooperative Center FSU	12/29/2022	12/29/2025	100.00	\$ 249,000.00	\$ 249,000.00	\$ 249,000.00	244,768.60	4.650%	
CD	Affinity Bank	3/17/2023	3/17/2028	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	245,344.10	4.900%	
CD	Discover Bank	3/22/2023	3/23/2027	100.00	\$ 243,000.00	\$ 243,000.00	\$ 243,000.00	241,799.23	5.050%	
CD	Global Fed CR UN - Alaska	5/12/2023	5/12/2027	100.00	\$ 249,000.00	\$ 249,000.00	\$ 249,000.00	244,245.69	4.600%	
CD	UBS Bank USA	5/17/2023	5/17/2027	100.00	\$ 249,000.00	\$ 249,000.00	\$ 249,000.00	243,836.65	4.550%	
CD	BMW Bank of North America	6/16/2023	6/16/2026	100.00	\$ 244,000.00	\$ 244,000.00	\$ 244,000.00	238,823.61	4.600%	
CD	Farmers Insurance Group	7/26/2023	7/27/2026	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	245,943.51	5.100%	
CD	Barclays Bank Delaware	7/26/2023	7/28/2025	100.00	\$ 243,000.00	\$ 243,000.00	\$ 243,000.00	241,626.23	5.100%	
CD	Alliant Credit Union	12/30/2022	12/30/2025	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	246,314.15	5.100%	
\$13,185,032.56							\$ 13,198,000.00	\$13,198,000.00	12,721,808.77	3.636%

# Average Daily Flow by Month





## SUMMARY OF LABOR MULTIPLIERS

		Benefit Rate
Total Employee Benefits	96,659	0.287
Total Payroll	336,978	
Gross Indirect Costs	615,352	
Less: Member Contributions & Other Revenue	(450,013)	
Indirect Costs for Distribution	165,339	
		Indirect Rate
Direct Labor	143,304	1.154
Indirect Costs	165,339	
<b>FY 2023-24 Labor multiplier - thru 07/31/23</b>		<b>1.441</b>
FY 2022-23 Budgeted Labor multiplier		<u>2.028</u>
FY 2022-23 Labor multiplier		<u>1.984</u>
FY 2021-22 Labor multiplier		<u>1.993</u>
FY 2020-21 Labor multiplier		<u>1.724</u>





## BENEFITS SUMMARY

*(Distributed based on Actual Labor)*

<u>G/L Acct</u>	<u>Description</u>		<u>Budget</u>		<u>Actual @ 7/31/23</u>		<u>Projected FYE 2024</u>
70101	FICA Expense	\$	211,101	\$	15,418	\$	185,016
70102	Medicare Expense	\$	59,818	\$	3,922	\$	47,063
70103	State Unemployment Insurance	\$	3,906	\$	326	\$	3,906
70104	Worker's Compensation Insurance	\$	72,456	\$	6,038	\$	72,456
70105	State Disability Insurance	\$	39,569	\$	1,843	\$	22,121
70106	PERS Pension Plan	\$	487,199	\$	22,191	\$	266,289
70111	Medical Expense	\$	511,245	\$	38,289	\$	459,472
70112	Dental Expense	\$	28,657	\$	1,794	\$	21,529
70113	Vision Insurance	\$	7,751	\$	450	\$	5,394
70114	Life Insurance Expense	\$	15,940	\$	1,224	\$	14,688
70115	Long Term Disability	\$	18,593	\$	1,419	\$	17,033
70116	Wellness Program Expense	\$	3,900	\$	295	\$	3,900
70120	Car Allowance	\$	39,000	\$	3,450	\$	39,000
	<b>Total Benefits</b>	\$	1,499,135	\$	96,659	\$	1,157,867
	<b>Total Payroll</b>	\$	4,086,368	\$	336,978	\$	4,043,739
	<b>Benefits Rate</b>		36.7%		28.7%		28.6%

Santa Ana Watershed Project Authority  
 Labor Hours Budget vs Actual  
 Month Ending July 31, 2023

	Fund	Budget	Actual	%
100	General Fund	27,297	1,935	7.09%
145	Prop 84 - 2015 Program Mgmt	2,140	167	7.82%
150	Prop1 - Program Management	1,135	83	7.29%
240	Brine Line Enterprise	19,253	1,307	6.79%
320	Brine Line Protection	633	2	0.32%
327	Reach IV-D Corrosion Repairs	10	5	50.00%
328	Agua Mansa Lateral Construction	110	3	2.95%
370-01	Basin Planning General	1,830	69	3.78%
370-02	USBR Partnership Studies	85	0	0.29%
373	Watershed Management (OWOW)	2,140	207	9.67%
374	Basin Monitoring Program TF	620	33	5.28%
377	PFAS Study	220	28	12.84%
378	Weather Modification	215	56	25.81%
381	SAR Fish Conservation	185	4	2.30%
384-01	MSAR TMDL TF	155	6	3.71%
386MONIT	RWQ Monitoring TF	115	6	5.43%
387	Arundo Removal & Habitat Restoration	235	10	4.36%
392	Emerging Constituents TF	220	13	5.91%
397ADMIN	WECAN Riverside	137	19	13.50%
398RELIE	DACI	155	10	6.45%
477-02	LESJWA - Administration	455	28	6.15%
477TMDL	LESJWA - TMDL Task Force	375	51	13.47%
504-401IMPLE	Prop 84 - Final Round Implementation	65	-	0.00%
504-401PA23	Prop 84 - Final Round PA23 Admin	170	3	1.91%
504-402PA22	Prop84 - Final Round PA22 Admin	240	2	0.83%
504-402RATES	Prop 84 - Final Round Water Rates	145	4	2.76%
505-00	Prop1 - Capital Projects	540	11	1.94%
		58,880	4,061	6.90%

Note: Should be at 8.33% of budget for 1 month

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# OWOW Quarterly Report

April – June 2023

Rachel Gray, Water Resources and Planning  
Manager

**SAWPA OWOW Status Report**  
**4/1/23 thru 6/30/23**

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## SAWPA OWOW Status Report 4/1/23 thru 6/30/23



PROJECT	DESCRIPTION	STATUS	FUTURE TASKS/DEADLINES	FUTURE MEETING DATES
<b>OWOW Planning</b>	Integrated Regional Water Management Planning and Grant Application Support for the Santa Ana River Watershed	<ul style="list-style-type: none"> <li>• Staff worked with the Roundtable of IRWM Regions Network Coordinator to facilitate bi-monthly meetings with Roundtable members that include DWR staff to discuss pertinent topics.</li> <li>• Staff worked with the Roundtable to execute a new cost share agreement which was presented to the Commission for adoption on June 20, 2023.</li> <li>• Staff worked with the Roundtable of Regions to develop an IRWM transition plan which requires meeting with staff from State agencies such as the State Water Board and Department of Water Resources.</li> <li>• Staff tracked the Riverside County Flood Control District’s Stormwater Resource Plan (SWRP) Call for Projects which is accepting project applications by August 3, 2023.</li> </ul>	<ul style="list-style-type: none"> <li>• Update the Roundtable of Regions website on a continual basis.</li> <li>• Develop and finalize the IRWM transition plan.</li> <li>• Develop project concepts for the Riverside County Flood Control District SWRP Call for Projects.</li> </ul>	Roundtable of Regions Meeting on September 6, 2023
<b>Santa Ana River Watershed Weather Modification Pilot Project</b>	Conduct a pilot project with validation and stormwater capture analysis for weather modification (cloud seeding) program for the Santa Ana River Watershed	<ul style="list-style-type: none"> <li>• Presentations about SAWPA weather modification pilot project were given to Rialto Eisenhower High School at their Youth Climate Action Summit and to Coachella Valley Regional Water Management Group.</li> <li>• Work continues on preparation of the 15 seeding sites. The seeding sites overlie eight seeding operating agencies and two private parties.</li> <li>• Over the past quarter, work has focused on executing the local site agreements which ensure that sufficient indemnification and liability issues are addressed. Since the agreements involve legal and insurance review and, in most cases, board approval, the processing of the agreements takes significant time. At the close of this past quarter, three of the 10 agreements have been fully executed.</li> <li>• Since the start of the seeding program will commence in November 2023, sufficient time still exists to execute all remaining agreements, perform the biological surveys, install the seeding units, and train local operating staff including local agencies staff in some cases.</li> <li>• SAWPA staff has taken a lead role in assisting the seeding contractor, NAWC, and assisting with the seeding site agreement logistics.</li> <li>• On October 18, 2022, the SAWPA Commission approved a general services agreement and task order with the Desert Research Institute (DRI) for an amount not-to-exceed \$155,000 to conduct the validation of the four-year seeding project. The validation work will commence this winter with some pre-seeding snow sampling in seeding target areas to ensure comparisons can be made with snow sampling to be undertaken during seeding seasons. The validation work will also include future</li> </ul>	<ul style="list-style-type: none"> <li>• Future presentations about the SAWPA weather modification pilot project to interested parties.</li> <li>• Development of Operations Plan.</li> <li>• Development of Communications Plan.</li> <li>• Provide update to funding parties.</li> </ul>	Update to SAWPA Commission targeted for September 2023.

**SAWPA OWOW Status Report  
4/1/23 thru 6/30/23**

PROJECT	DESCRIPTION	STATUS	FUTURE TASKS/DEADLINES	FUTURE MEETING DATES
		<p>statistical target and control analyses of snowfall data, rainfall data, and streamflow data.</p> <ul style="list-style-type: none"> <li>Funding was awarded for the Pilot Program under DWR Prop 1 Round 2 IRWM grant program in the amount of \$861,400.</li> <li>Development of an Operations Plan is ongoing between NAWC and SAWPA.</li> </ul>		
<p><b>Santa Ana River Watershed Sustainability Assessment</b></p>	<p>Conduct a Watershed Sustainability Assessment</p>	<ul style="list-style-type: none"> <li>The latest Santa Ana River Watershed Sustainability Assessment was completed in 2019. The next one is anticipated to be updated in Fiscal Year Ending 2024.</li> </ul>	<ul style="list-style-type: none"> <li>Update Watershed Sustainability Assessment in FY2023-2024.</li> </ul>	<p>None at this time.</p>
<p><b>Prop 1 IRWM Disadvantaged Community Involvement (DCI) Program Implementation</b></p>	<p>Needs assessment, education and outreach, and technical assistance for disadvantaged, economically distressed and under- represented communities in the watershed</p>	<ul style="list-style-type: none"> <li>SAWPA staff continued to maintain and make improvements to the DCI Program webpage on the SAWPA website.</li> <li>SAWPA staff presented to the Roundtable of Regions DACTI Workgroup on the results and findings of SAWPA’s DACTI program funded by the Prop 1 grant program.</li> </ul>	<ul style="list-style-type: none"> <li>None at this time.</li> </ul>	<p>None at this time.</p>
	<p>Proposition 1 IRWM Disadvantaged Communities Involvement (DCI) Grant Set-Aside funding made available through the 2021 Urban and Multibenefit Drought Relief Grant Program</p>	<ul style="list-style-type: none"> <li>SAWPA staff finalized a Phase 3 Urban and Multibenefit Drought Relief Grant Program tri-party sub-agreement with CRWA and the City of Colton.</li> <li>Staff submitted the second quarterly progress report and invoice to DWR in May 2023.</li> <li>SAWPA staff continued coordination with the City of Colton on identifying a replacement project for the abandon the well 32 Project.</li> <li>SAWPA staff was informed by staff from the City of Fullerton that they have procured a contractor and their concerns regarding their ability to meet the grant completion date of September 30, 2024, has lessened. SAWPA staff will continue to coordinate with the city to track the progress of the project and next steps.</li> </ul>	<ul style="list-style-type: none"> <li>SAWPA to petition DWR to amend grant Agreement to address requests by CRWA and the City of Fullerton to revise final project completion dates and City of Colton to approve a replacement project for the abandoned Well 32 project.</li> <li>Submit 3rd quarterly progress report and invoice to DWR in August 2023.</li> </ul>	<p>Status reports on this effort will be provided by staff at future OWOW Steering Committee and SAWPA Commission</p>

**SAWPA OWOW Status Report**  
**4/1/23 thru 6/30/23**

PROJECT	DESCRIPTION	STATUS	FUTURE TASKS/DEADLINES	FUTURE MEETING DATES
				meetings as appropriate.
	Proposition 1 Round 2 IRWM Implementation Grant Program DAC Grant Writing Assistance	<ul style="list-style-type: none"> <li>SAWPA and CRWA staff were informed by DWR that the Box Springs Mutual Water Company Well Improvements project was awarded full funding through the Prop 1 Round 2 IRWM grant program.</li> </ul>	<ul style="list-style-type: none"> <li>DWR is expected to begin work on a SAWPA Grant Agreement.</li> </ul>	Coordination meetings will be planned once agreements are in place for the Grant projects to be funded.
<b>Santa Ana River Conservation and Conjunctive Use Program (SARCCUP) Implementation</b>	Implementation of SARCCUP (which includes conjunctive use, fish habitat, invasive weed removal, and water use efficiency programs) through the PA 23 Committee.	<ul style="list-style-type: none"> <li>SAWPA is working to implement the water use efficiency task, so it is completed by December 2023. The consultant, NV5, is working with eight different retail water agency partners to complete this work.</li> <li>The PA 23 Committee supported the SARCCUP Operations Agreement at their April 2023 meeting.</li> </ul>	<ul style="list-style-type: none"> <li>Finish water use efficiency task by December 2023.</li> <li>Work with the member agencies to submit a SARCCUP amendment to the PA 23 Committee on August 1, 2023.</li> </ul>	Bi-weekly SARCCUP Planning Manager meetings.
<b>Prop 84 IRWM Round 1</b>	Grant administration of Prop 84 IRWM Round 1	<ul style="list-style-type: none"> <li>Staff continues to work with the agencies implementing the 15 projects involved in the first round of Prop 84 IRWM program to undertake all labor associated with interaction with DWR staff; project invoices processing including review, verification and submittal to DWR; project reporting review, verification and submittal to DWR; all DWR agreements, SAWPA Sub-agreements and Amendments preparation, processing and execution; DWR payment processing; project implementation inspection and verification; assembling, reviewing and submittal of Financial Statements; coordination and review of all Labor compliance; review and verification of all certifications, permits, and CEQA; project deliverables review, verification and submittal to DWR;</li> </ul>	<ul style="list-style-type: none"> <li>All grant administration will continue until the final Round 1 project is implemented and continues with annual monitoring for 10 years after the completion of the projects.</li> </ul>	Quarterly Report to SAWPA Commission

**SAWPA OWOW Status Report  
4/1/23 thru 6/30/23**

PROJECT	DESCRIPTION	STATUS	FUTURE TASKS/DEADLINES	FUTURE MEETING DATES
		<p>project benefit assessment; review and verification of project monitoring plan; review and verification of project signage; review, verification and preparation of all documentation for audit review; grant administration budget preparation, monitoring, projections and assessment; SAWPA management review, oversight and direction regarding these defined tasks.</p> <ul style="list-style-type: none"> <li>Staff conducted a coordination call with SBVMWD and then later received a letter from SBVMWD sharing that unfortunately the “Evans Lake Tributary Restoration and Camp Evans Wilderness Park” was not able to be implemented due to permit and easement issues and that the \$2M in grant funds for this project cannot be used. A request will be made to DWR by SAWPA to move the \$2M in grant funding originally budgeted for this project to be folded into the funds available for Round 2.</li> </ul>		
<b>Prop 84 IRWM Round 2</b>	Grant administration of Prop 84 IRWM Round 2	<ul style="list-style-type: none"> <li>Staff continues to work with the agencies involved in the 19 projects under the second round of Prop 84 IRWM program to undertake all labor associated with interaction with DWR staff; project invoices processing including review, verification and submittal to DWR; project reporting review, verification and submittal to DWR; all DWR agreements, SAWPA Sub-agreements and Amendments preparation, processing and execution; DWR payment processing; project implementation inspection and verification; assembling, reviewing and submittal of Financial Statements; coordination and review of all Labor compliance; review and verification of all certifications, permits, and CEQA; project deliverables review, verification and submittal to DWR; project benefit assessment; review and verification of project monitoring plan; review and verification of project signage; review, verification and preparation of all documentation for audit review; grant administration budget preparation, monitoring, projections and assessment; SAWPA management review, oversight and direction regarding these defined tasks.</li> </ul>	<ul style="list-style-type: none"> <li>All grant administration will continue until the final Round 2 project is implemented and continues with annual monitoring for 10 years after the completion of the projects.</li> </ul>	Quarterly Report to SAWPA Commission
<b>Prop 84 IRWM 2015 Round</b>	Grant administration of Prop 84 IRWM 2015 Round	<ul style="list-style-type: none"> <li>Staff prepared and reviewed the grant invoice and progress report for the fourth reporting period of 2022 that was due to DWR on April 30, 2023.</li> </ul>	<ul style="list-style-type: none"> <li>Submit the 1st quarterly report/invoice of 2023 to DWR by July 31, 2023.</li> </ul>	Bi-weekly SARCCUP Planning Manager meetings.

**SAWPA OWOW Status Report**  
**4/1/23 thru 6/30/23**

PROJECT	DESCRIPTION	STATUS	FUTURE TASKS/DEADLINES	FUTURE MEETING DATES
<p><b>Prop 1 IRWM Round 1</b></p>	<p>Enhancements to Watershed-Wide Water Budget Decision Support Tool</p>	<ul style="list-style-type: none"> <li>• <b>Task 1 Aerial Imagery</b> - complete.</li> <li>• <b>Task 2 - Landscape Analysis</b> – Reclamation presented to SAWPA staff in June on their updated model and QAQC process. Based upon the preliminary results presented by Reclamation, SAWPA staff is optimistic that Reclamation will be able to successfully complete the landscape modeling analysis for the SAWPA project area. It is the goal of Reclamation to complete their modeling analysis and data validation by the end of December 2023.</li> <li>• SAWPA continued discussion with consultants regarding the development of a method and process to provide 3rd party validation of Reclamation’s modeled landscape data. It is still early in the process and staff will bring a full proposal to the PA 22 Advisory Workgroup for review at a future meeting.</li> <li>• <b>Task 3 – Decision Support Tool</b>, SAWPA staff does not anticipate additional work on the decision Support Tool until USBR is further along in completing their landscape modeling.</li> </ul>	<ul style="list-style-type: none"> <li>• Reclamation to provide landscape modeling analysis and QAQC validation results for retail water agencies in Orange County for SAWPA to review.</li> <li>• SAWPA to continue efforts to develop on a data validation process and report to present to DWR to support the use of the USBR modeled landscape measurements by water retailers in the Santa Ana Watershed for regulatory compliance.</li> <li>• Staff to initiate efforts to develop the framework for the decision Support Tool. This may include collaboration with Eagle View of the possibility using their Water View tool to share the results of Reclamation’s landscape analysis and validation results.</li> </ul>	

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# Roundtables Quarterly Report

April – June 2023

Rachel Gray, Water Resources and Planning  
Manager

**SAWPA Roundtables Status Report**  
**4/1/23 thru 6/30/23**

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# SAWPA Roundtables Status Report

4/1/23 thru 6/30/23



PROJECT	DESCRIPTION	STATUS	FUTURE TASKS/DEADLINES	FUTURE MEETINGS
<b>Middle Santa Ana River (MSAR) Pathogen TMDL Task Force</b>	Implement TMDLs to address impairments to water quality relating to the fecal coliform objective established to protect the REC-1 use for waterbodies located within the Middle Santa Ana River Watershed.	<ul style="list-style-type: none"> <li>SAWPA continued Task Force Administration including management and review of consultant contracts, project invoices, and annual Task Force budget.</li> <li>Task Force consultant, Tess Dunham continued her effort to orchestrate the TMDL Implementation strategy for the MSAR TMDL Task Force, with the support of Steve Wolosoff and Richard Meyerhoff (GEI Consultants).</li> <li>SAWPA approved a 2-year contract extension for Tess Dunham to continue in her role to support the Task Force as Regulatory Compliance Expert.</li> <li>Task Force consultants continued to work on limited revisions to the current Basin Plan Amendment to update the MSAR TMDLs to extend the wet weather compliance due date out to 2035.</li> <li>SAWPA approved a no-cost change order with GEI Consultants to extend the time for the consultant to support the task force and Regional Board staff on a Basin Plan Amendment to update the MSAR TMDLs to extend the wet weather compliance due date out to 2035.</li> </ul>	<ul style="list-style-type: none"> <li>Consultant team is expected to distribute the draft limited revisions to update the MSAR TMDLs Basin Plan Amendment to stakeholders for review and comment in July 2023.</li> <li>FY 2023-24 stakeholder invoices to be issued in July 2023.</li> </ul>	Task Force Meetings (virtual meeting) are scheduled for August 21, 2023.
	TMDL Task 3 Watershed Monitoring Program	<ul style="list-style-type: none"> <li>MSAR TMDL Compliance monitoring is conducted as a component of the Santa Ana River Bacteria monitoring program implemented through the Regional Water Quality Monitoring (RWQM) Task Force.</li> <li>Monitoring for 2023-24 was initiated in May 2023.</li> <li>SAWPA successfully submitted the final 2022-23 SAR Regional Bacteria Monitoring Report to Regional Board on June 30, 2023.</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>	

## SAWPA Roundtables Status Report

4/1/23 thru 6/30/23

PROJECT	DESCRIPTION	STATUS	FUTURE TASKS/DEADLINES	FUTURE MEETINGS
	TMDL Task 4 Source Evaluation and Management	<ul style="list-style-type: none"> <li>• MSAR TMDL Task Force meetings continued to be used as a forum for stakeholders to update Regional Board staff on their CBRP implementation activities.</li> <li>• SAWPA continued to act as the contracting party for the benefit of Task Force agencies to implement specific studies and projects to support each County's Comprehensive Bacteria Reduction Plan implementation activities.</li> <li>• All current source implementation work relating to the bacteria indicator TMDLs is being conducted through the individual Counties MS4 program to implement their respective Comprehensive Bacteria Reduction Plans.</li> </ul>	The MSAR Task force to initiate discussion on a special study to investigate strategies for dry weather TMDL compliance.	

## SAWPA Roundtables Status Report

4/1/23 thru 6/30/23

PROJECT	DESCRIPTION	STATUS	FUTURE TASKS/DEADLINES	FUTURE MEETINGS
<b>Lake Elsinore and Canyon Lake Nutrient TMDL Task Force</b>	Implement TMDLs to address water quality issues relating to excess nutrients in Lake Elsinore and Canyon Lake.	<ul style="list-style-type: none"> <li>• LESJWA continued Task Force administration including management and review of consultant contracts, project invoices, and annual Task Force budget.</li> <li>• Staff continued to coordinate issues relating to stakeholder load/cost allocations, in-lake modeling, and the design of in-lake treatment projects with various consultants.</li> <li>• Task Force consultant, Tess Dunham continued her role of working with stakeholders on a long-term plan to revise and update the Lake Elsinore and Canyon Lake nutrient TMDLs.</li> <li>• LESJWA approved a 2-year contract extension for Tess Dunham to continue in her role to support the Task Force as Regulatory Compliance Expert.</li> <li>• GEI Consultants continued their efforts to support the Task Force in the process by Regional Board to amend the Basin Plan to update the LE&amp;CL TMDLs and provide technical support to the Task Force.</li> <li>• Task Force approved a FY 2023-24 task Order with GEI Consultants to continue their efforts to support the Task Force in the process by Regional Board to amend the Basin Plan to update the LE&amp;CL TMDLs and provide technical support to the Task Force.</li> <li>• Regional Board continued their process to amend the Basin Plan to update the Lake Elsinore and Canyon Lake nutrient TMDLs.</li> </ul>	<ul style="list-style-type: none"> <li>• Task Force to conduct a permittee only workshop to review the draft TMDL Implementation tasks and schedule.</li> <li>• Task Force to consider a change Order for WSP USA to increase the regular lake Elsinore regular monthly monitoring by 2 additional monitoring events in November and December 2023.</li> <li>• FY 2023-24 stakeholder invoices to be sent out in July 2023.</li> <li>• Regional Board Public Workshop to adopt the Revised LE&amp;CL TMDLs has been tentatively scheduled for December 2023.</li> </ul>	Task Force Meeting (virtual meeting) is scheduled on August 7, 2023.
	TMDL Task 4 Monitoring Program	<ul style="list-style-type: none"> <li>• WSP USA continued to implement the TMDL Compliance Monitoring Program for FY 2022-23.</li> <li>• The City of Lake Elsinore continues implement FHAB monitoring for Lake Elsinore.</li> </ul>	<ul style="list-style-type: none"> <li>• Draft FY 2022-23 Annual TMDL Compliance Monitoring Program due to Regional Board by August 15, 2023.</li> </ul>	

## SAWPA Roundtables Status Report

4/1/23 thru 6/30/23

PROJECT	DESCRIPTION	STATUS	FUTURE TASKS/DEADLINES	FUTURE MEETINGS
	TMDL Task 9 Lake Elsinore TMDL Compliance Implementation Activities	<ul style="list-style-type: none"> <li>• Work relating to the implementation of Lake Elsinore In-Lake Sediment Nutrient Reduction Plan performed in conjunction with the RCFC&amp;WCD MS4 Comprehensive Nutrient Reduction Plan continued.</li> <li>• LEAMS Operators continued to meet with Regional Board staff to initiate discussion on the next steps for LEAMS.</li> <li>• LEAMS Operators approved a new LEAMS Offset Credit License Agreement.</li> </ul>	<ul style="list-style-type: none"> <li>• Draft 2022 LEAMS Nutrient Offset Accounting Report submitted to the LEAMS Operators for review in July 2023.</li> <li>• Final 2022 LEAMS Accounting Report to be submitted to Regional Board by the end of August 2023.</li> </ul>	No LEAMS Operators meeting (virtual meeting) Scheduled.
	TMDL Task 10 Canyon Lake TMDL Compliance Implementation Activities	<ul style="list-style-type: none"> <li>• Work relating to the implementation of Canyon Lake In-Lake Sediment Treatment Evaluation performed in conjunction with the RCFC&amp;WCD MS4 program Comprehensive Nutrient Reduction Plan continues.</li> <li>• LESJWA staff successfully completed the Spring 2023 Canyon Lake Alum application the week of May 18, 2023.</li> </ul>	<ul style="list-style-type: none"> <li>• Fall 2023 Canyon Lake alum application is tentatively scheduled for Late September/early October 2023.</li> </ul>	
	TMDL Task 11 Model Update	<ul style="list-style-type: none"> <li>• No update.</li> </ul>		

## SAWPA Roundtables Status Report

4/1/23 thru 6/30/23

PROJECT	DESCRIPTION	STATUS	FUTURE TASKS/DEADLINES	FUTURE MEETINGS
<b>Basin Monitoring Program Task Force</b>	Annual Santa Ana River Surface Water Quality Monitoring Report, Periodic Ambient (Groundwater) Water Quality Update Report, and related Basin Plan Amendments	<ul style="list-style-type: none"> <li>• Over the past year, the Task Force has been focused on updating its surface water and groundwater monitoring programs based on feedback from the Task Force’s partner and regulatory agency – the Regional Water Board. These include revisions to the existing surface and groundwater monitoring programs, as well as related amendments to the Santa Ana River Watershed (Santa Ana Basin) Basin Plan.</li> <li>• Held an education “101” virtual workshop on April 20, 2023.</li> <li>• Held individual in-person groundwater management zone meetings in mid-May to go over potential groundwater monitoring data gaps.</li> </ul>	<ul style="list-style-type: none"> <li>• The next 2022 Annual Report of the Santa Ana River Surface Water Quality to Regional Board will occur in August 2023 but will use the existing SAR water quality monitoring approach.</li> <li>• Submitting a basin plan amendment focused on several items, including the new SAR water quality monitoring work plan, to the Regional Board by October 2023.</li> <li>• Submitting a technical memorandum to the Regional Board on the potential groundwater monitoring data gaps by October 2023.</li> <li>• Submitting the 2021 ambient water quality recomputation pilot to the Regional Board by October 2023.</li> </ul>	August 30, 2023, Task Force meeting (virtual mtg).
	Santa Ana River Watershed (a.k.a. Santa Ana Basin) Integrated Report	<ul style="list-style-type: none"> <li>• In January Regional Board staff described the upcoming Integrated Report (IR) to be released by the State Water Board. The IR included an “impaired water body” determination for a portion of Chino Creek for the following constituents - chloride, sulfates, and salts (TDS).</li> <li>• A comment letter was submitted to the State Water Board by the Task Force on April 3<sup>rd</sup>. The letter described the Task Force’s concerns with some of the components of the IR, including the Chino Creek determination.</li> </ul>	<ul style="list-style-type: none"> <li>• SAWPA’s regulatory consultant and staff have had ongoing meetings with State Water Board members, as well as State and Regional water board staff.</li> </ul>	Meetings with upper management of the Regional Board and State Board.

## SAWPA Roundtables Status Report

4/1/23 thru 6/30/23

PROJECT	DESCRIPTION	STATUS	FUTURE TASKS/DEADLINES	FUTURE MEETINGS
	Imported Water Rechargers Subcommittee	<ul style="list-style-type: none"> <li>• The Imported Water Recharger Subcommittee last held a meeting on May 25, 2022.</li> <li>• The subcommittee received a report from WMWD and SBVMWD about their 20-year groundwater modeling report as prepared by Geoscience Inc. A representative from Geoscience presented the major results of that analysis which used the Upper SAR Watershed Integrated Model previously developed by Geoscience Inc. for SBVMWD and many other agencies involved with modeling SAR habitat conservation planning is contemplated.</li> <li>• The schedule for other modeling reports was also reviewed. EMWD and the City of Corona on behalf of the Temescal Basin also submitted their required reports to the Regional Board before the end of 2021 deadline.</li> <li>• The last water quality modeling report completed for the last round of modeling was conducted by OCWD in 2022 and submitted to the Regional Board in July 2022.</li> </ul>	<ul style="list-style-type: none"> <li>• Recharge reports are now required every five years and modeling every ten years through a stairstep process. The next cycle of reporting will not be due until 2026 with recharge summary reports due then.</li> </ul>	No separate meetings of the Imported Water Rechargers Subcommittee are deemed necessary in 2023.



## SAWPA Roundtables Status Report

4/1/23 thru 6/30/23

PROJECT	DESCRIPTION	STATUS	FUTURE TASKS/DEADLINES	FUTURE MEETINGS
<b>Emerging Constituents Program Task Force</b>	Provide emerging constituents sampling report and watershed water quality outreach program	<ul style="list-style-type: none"> <li>• The EC Program Task Force meets on a quarterly basis and met on April 24, 2023. During the meeting, the task force received updates on PFAS and microplastic regulations, and the work the public relations consultant (JPW Communications) is planning for the next two years starting on July 1, 2023.</li> <li>• SAWPA coordinated with the regulatory consultant, KSC Inc. (Tess Dunham), on emerging issues related to microplastics. SAWPA worked with JPW to plan outreach efforts for the next two years starting on July 1, 2023.</li> <li>• Using an online survey, SAWPA solicited feedback on topics the task force could focus on going forward.</li> </ul>	<ul style="list-style-type: none"> <li>• Continue periodic coordination meetings and determine if regional action is desired and supported through the EC Program Task Force.</li> </ul>	April 24, 2023, Task Force meeting (virtual mtg).
<b>PFAS Regional Analysis</b>	Investigate the impacts of PFAS in the surface water of the upper Santa Ana River Watershed and evaluate and prioritize measures to address PFAS contamination.	<ul style="list-style-type: none"> <li>• CDM Smith, the firm contracted to conduct this work, finalized Task 2 Technical Memorandum pertaining to Data Collection and Analysis of PFAS data in the Upper Santa Ana River Watershed and submitted draft Task 3 and Task 4 Technical Memorandum pertaining to Predictive Modeling Tools Evaluation and Future Work Phase Scoping respectively.</li> <li>• SAWPA staff conducted coordination meetings with CDM Smith to discuss the completion/finalization of the Phase 1 Technical Memorandums and the Scope of work for Phase 2.</li> <li>• SAWPA conducted a workgroup meeting consisting of staff from all SAWPA member agencies, and OCSD. on April 20, 2023.</li> </ul>	<ul style="list-style-type: none"> <li>• A workgroup meeting consisting of staff from all SAWPA member agencies, and OCSD is scheduled for July 18, 2023. This meeting is intended to wrap up comments on the Phase 1 technical memorandums and consider a recommendation for a Phase 2 scope of work.</li> <li>• SAWPA General managers will be presented a recommendation for approval of a Phase 2 Scope of Work and Budget from CDM Smith and if recommended by the SAWPA General managers a recommendation for approval by the SAWPA Commission will follow.</li> </ul>	

## SAWPA Roundtables Status Report

4/1/23 thru 6/30/23

PROJECT	DESCRIPTION	STATUS	FUTURE TASKS/DEADLINES	FUTURE MEETINGS
<b>Reclamation So Cal Studies</b>	Support regional studies with Bureau of Reclamation	<ul style="list-style-type: none"> <li>• SAWPA continued to coordinate with Bureau of Reclamation staff on the Water Management Options Pilot/Decision Support Tool regarding analyzing high resolution imagery across the watershed, Southern Orange County, and the southern ends of the WMWD/EMWD services areas.</li> <li>• Imagery for Orange County has been sent to USBR in July 2021 for analysis as provided by SCAG.</li> <li>• All aerial imagery for the upper watershed was completed this quarter by Geophex and has been provided to SAWPA and US Bureau of Reclamation staff for review.</li> </ul>	<ul style="list-style-type: none"> <li>• SAWPA staff will continue to coordinate with Reclamation on grant funding opportunities supporting the watershed.</li> </ul>	
<b>Santa Ana River Fish Conservation Task Force</b>	Determine the reasons for the decline of the Santa Ana sucker fish ( <i>Catostomus santaanae</i> ) in the Santa Ana Watershed and implement projects that will benefit the species.	<ul style="list-style-type: none"> <li>• Staff is working on updating the Riverwalk ranking methodology that is used to score each of the Riverwalk data points' habitat quality.</li> <li>• Staff is potentially developing another smaller-scale Riverwalk survey during the winter months (i.e. December through March)</li> <li>• A task force meeting was held on May 4, 2023, to approve the two-year task force budget as well as discuss the potential smaller-scale winter month Riverwalk.</li> <li>• Staff worked with SAWA to replant/manage 0.3 acres of vegetation as part of the mitigation for the habitat project constructed by the Team near the Van Buren Blvd. Bridge in October 2018.</li> </ul>	<ul style="list-style-type: none"> <li>• Finish Riverwalk data ranking methodology in the third quarter 2023.</li> </ul>	Hold Team meeting in September 2023.

## SAWPA Roundtables Status Report

4/1/23 thru 6/30/23

PROJECT	DESCRIPTION	STATUS	FUTURE TASKS/DEADLINES	FUTURE MEETINGS
<b>Regional Water Quality Monitoring Task Force</b>	Implement a coordinated regional water quality monitoring program in the Santa Ana River watershed to meet the requirements of the amended Recreational Use Water Quality Standards and Implementation Plan requirements of the Santa Ana Basin Plan, and to assist Regional Board with future triennial reviews of the Basin Plan.	<ul style="list-style-type: none"> <li>• SAWPA continued Task Force Administration including management and review of consultant contracts, project invoices and annual Task Force budget.</li> <li>• Task Force consultant, CDM Smith, continued to support the Task Force in regulatory efforts related to bacteria.</li> <li>• Draft 2022-23 Annual SAR Regional Bacteria Monitoring Report distributed to stakeholders on April 30th.</li> <li>• Final 2022-23 Annual SAR Regional Bacteria Monitoring Report submitted to regional Board on June 30th.</li> <li>• Completed 2022-23 monitoring.</li> <li>• 2023-24 warm season monitoring began in May.</li> <li>• Consultant continued efforts to update the Monitoring Program QAPP.</li> </ul>	<ul style="list-style-type: none"> <li>• 2023-24 stakeholder invoices to be sent out in July.</li> <li>• Task Force to work with Tess Dunham to consider submitting a Request to Regional Board to modify the SAR Regional bacteria Monitoring Program Monitoring Program Plan and QAPP to address issues relating to lake Elsinore and Priority 3 Monitoring sites/results.</li> </ul>	No Task Force Meeting (virtual meeting) scheduled.
<b>Lake Elsinore and San Jacinto Watersheds Authority (LESJWA)</b>	Support lake quality improvement projects at Lake Elsinore and Canyon Lake	<ul style="list-style-type: none"> <li>• The LESJWA Board last met in a Board meeting on April 23, 2023, at EVMWD Offices, Board Room. The Board approved:               <ul style="list-style-type: none"> <li>○ Funding Agreement Amendment #2 with RCFC&amp;WCD through the end of FY 2027-2028.</li> <li>○ Continuing support of LESJWA administration using SAWPA staff.</li> <li>○ LESJWA FYE 2024 and 2025 Budget.</li> <li>○ Strategic Plan Options.</li> <li>○ Education and Outreach Consultant Support.</li> <li>○ Regulatory and Facilitator Support for Lake Elsinore and Canyon Lake TMDL Task Force.</li> <li>○ Resolution in recognition of Mark Norton.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Conduct listening sessions with Board members and alternates to define LESJWA strategic priorities.</li> </ul>	August 17, 2023, LESJWA Board Meeting.

## SAWPA Roundtables Status Report

4/1/23 thru 6/30/23

PROJECT	DESCRIPTION	STATUS	FUTURE TASKS/DEADLINES	FUTURE MEETINGS
	Provide education and outreach	<ul style="list-style-type: none"> <li>• Liselle DeGrave of DeGrave Communications continues her support to LESJWA through the LESJWA Education and Outreach Committee. Joint meetings with the consultant, LESJWA member agency PR staff, and the SAWPA staff are held on a quarterly basis for coordination. The last meeting held was on June 26, 2023.</li> <li>• LESJWA awarded \$1.5M from DWR in IRWM Prop 1 Round 2 grant funding to implement the AECOM Lake Elsinore Algae Harvesting and Nutrient Removal Pilot Project.</li> </ul>	<ul style="list-style-type: none"> <li>• DeGrave Communications will be presenting up update based on new social media platforms to the LESJWA Board on October 19, 2023.</li> </ul>	September 25, 2023 LESJWA Education & Outreach Meeting (virtual mgt).

## SAWPA Roundtables Status Report

4/1/23 thru 6/30/23

PROJECT	DESCRIPTION	STATUS	FUTURE TASKS/DEADLINES	FUTURE MEETINGS
<b>Southern California Salinity Coalition (SCSC)</b>	Support regional salt management and practices in Southern California	<ul style="list-style-type: none"> <li>• The SCSC held its quarterly Board virtual meeting on April 27, 2023. Kevin Hardy, SCSC Administrator, officiated the Zoom meeting.</li> <li>• The SCSC Board elected Martha Tremblay to replace Greg Woodside as the Board President.</li> <li>• Attended MSSC held May 4-5, 2023.</li> </ul>	<ul style="list-style-type: none"> <li>• Fall MSSC to be held in October 2023.</li> </ul>	The next SCSC Board of Directors meeting is scheduled for September 7, 2023.
<b>Santa Ana River Parkway and Open Space Plan Technical Advisory Committee</b>	<ul style="list-style-type: none"> <li>• Help identify priorities and values for the Santa Ana River Parkway and Open Space Plan</li> <li>• Identify project selection criteria and projects for inclusion in the Parkway Plan</li> <li>• Provide input and feedback on the Plan throughout its development</li> </ul>	<ul style="list-style-type: none"> <li>• Staff coordinated with the Santa Ana River Conservancy staff on the quarterly Local Advisory Group meetings. A meeting was held on June 19, 2023.</li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable.</li> </ul>	Santa Ana River Trail – Prado Area Coordination Meeting – March 2023 (virtual mtg).  Upcoming Local Advisory Group meeting May 2023.
<b>Water Energy Community Action Network (WECAN)</b>	Support water and energy efficiency on disadvantaged communities in the watershed.	<ul style="list-style-type: none"> <li>• EcoTech Services, Inc. continued to oversee and implement the City of Riverside Eastside Climate Collaborative WECAN Turf Removal / Drought-Tolerant Landscaping Project funded through the California Strategic Growth Council Transformative Climate Communities grant program.</li> <li>• SAWPA staff continued participation in community outreach events to highlight the Water Energy Community Action Network Turf Removal project led by SAWPA.</li> <li>• SAWPA submitted to the City of Riverside bi-monthly progress reports for the WECAN Eastside Climate Collaborative Program this included the May Report #12 and July report #13.</li> </ul>	<ul style="list-style-type: none"> <li>• Attending outreach events with program partners on July 27, July 29, and August 4 to promote the program within the community.</li> <li>• Submit bi-monthly progress reports for the Eastside Climate Collaborative Program by August 15, 2023.</li> <li>• Contributing and submitting the Annual Report Evaluation for fiscal year 2022-2023 efforts.</li> </ul>	Bi-Weekly meetings with the City of Riverside.

## SAWPA Roundtables Status Report

4/1/23 thru 6/30/23

PROJECT	DESCRIPTION	STATUS	FUTURE TASKS/DEADLINES	FUTURE MEETINGS
<b>Forest First</b>	Support collaborative partnership among Forest Service and downstream stakeholders to develop methods to ensure the resiliency of the forests and headwaters within the Santa Ana River Watershed	<ul style="list-style-type: none"> <li>● Staff coordinated with SBVMWD on a partnership with the agency regarding the Headwaters Resiliency Partnership Task Force.</li> </ul>	<ul style="list-style-type: none"> <li>● Utilize the results from the Dr. Underwood research to evaluate the economic benefits of water supply/quality of forest projects in the watershed.</li> <li>● Overlay U.S. Forest Service sub-watershed prioritization mapping with water agency facilities to plan the implementation of forest and water-related multi-benefit projects.</li> </ul>	
<b>Arundo Removal</b>	Remove non-native plant species, particularly Arundo donax, using SAWPA's Arundo Removal mitigation bank credit funding	<ul style="list-style-type: none"> <li>● Staff coordinated with the Riverside County Regional Park and Open-Space District (County Parks) on exploring options to improve the Santa Ana River Mitigation Bank so that customers with various mitigation needs can receive bank credit.</li> <li>● Staff continued working with Inland Empire Resource Conservation District on the Headwaters Arundo Removal Project.</li> </ul>	<ul style="list-style-type: none"> <li>● Present further background of the Santa Ana River Mitigation Bank at a future Commission meeting and discuss next steps for receiving certification from the California Department of Fish and Wildlife.</li> </ul>	Bi-monthly Santa Ana River Watershed Weed Management Area mtg to update them on the upper watershed project as well as the outreach material.



## SEPTEMBER Highlights

- 1 SAWPA Enhances Recruitment with NEOGOV
- 2 Brine Line Pretreatment Program Annual Report
- 3 Brine Line Pretreatment Program Member Agency Audits
- 4 SAWPA Endeavors in Crafting a Strategic Communications Plan

## SAWPA Enhances Recruitment with NEOGOV’s Insight and Debuts First Job Advertisement

As part of SAWPA’s ongoing commitment to enhance organizational efficiency, SAWPA has successfully implemented NEOGOV’s Insight, an applicant tracking software, to optimize its recruitment process. The Insight software integrates with the Government Jobs website, providing a user-friendly platform for potential candidates to explore and apply to SAWPA’s open positions. This software is widely adopted in the water and government sectors, demonstrating SAWPA’s position as a modern and forward-thinking agency that aligns with industry standards. With this implementation, SAWPA has posted its first recruitment for a Part-time Administrative Assistant I. Click on the link to visit SAWPA’s newly launched careers webpage: <https://www.governmentjobs.com/careers/sawpa/>.

## Brine Line Pretreatment Program Annual Report

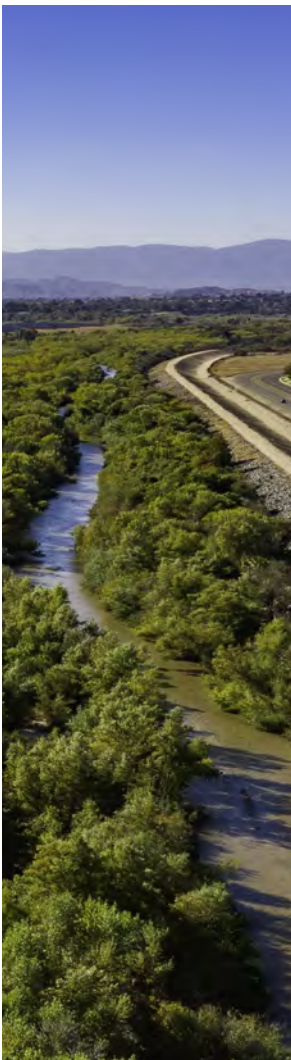
SAWPA staff submitted the Annual Report to Orange County Sanitation District (OC San) on August 25, 2023, covering the period from July 1, 2022 to June 30, 2023. The report included a list and description of Brine Line dischargers, enforcement actions, water quality data (over 13,000 points), inspection summaries, and updates on new dischargers. OC San has accepted the report as submitted.

## Brine Line Pretreatment Program Member Agency Audits

SAWPA has started the FY2022-2023 Pretreatment Audit of Brine Line Agencies. Each agency received a questionnaire to complete by September 7, 2023. After receiving the completed questionnaires, SAWPA will schedule individual audits and reviews of each agency’s pretreatment program. The goal is to complete these events by November 2023. The audit will cover all major pretreatment areas, including permitting, inspection, monitoring, and enforcement, with a focus on integrating these functions into the SAWPA Database Management System. Closeout meetings and issuance of findings letters to each agency are expected in the first quarter of 2024.

## SAWPA’s Endeavors in Crafting a Strategic Communications Plan

SAWPA staff is in the process of developing a Strategic Communications Plan for the agency. The Strategic Communications Plan aims to include a comprehensive framework that outlines the agency’s goals, objectives, target audiences, and key messages. It also incorporates strategies for effective communication, such as media relations, social media engagement, public events, and community partnerships. By developing this plan, SAWPA seeks to improve transparency, build trust, and foster meaningful relationships with stakeholders. It will enable the agency to effectively communicate its mission, initiatives, and accomplishments, ensuring that the public is well-informed about water-related issues and SAWPA’s efforts to address them. Ultimately, the Strategic Communications Plan will help SAWPA to better serve the community and achieve its long-term goals in water resource management.



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**September 11, 2023**

**To:** Santa Ana Watershed Project Authority

**From:** Michael Boccadoro  
Beth Olhasso

**RE:** August Report

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Overview:

Hurricane Hillary brought enough water to the state to bring all but six percent of the state out of drought conditions. A far cry from the start of 2023 when the entire state was experiencing drought conditions. Reservoirs are slowly being drawn down as we roll into the fall, but still remain well above average for this time of the year. Carryover storage is expected to be significant as we roll into a new water year.

The highly anticipated draft Making Conservation a California Way of Life/ Water Use Efficiency regulations have been released by the State Water Resources Control Board. Even with a potable reuse “bonus incentive” and extra outdoor irrigation allowance if using recycled water, most water agencies see the mandates proposed by the regulations as unattainable and/or very costly. Significant efforts are underway to make changes to the proposed regulations and the water community will be out in force at the October 6 State Board meeting.

The first public hearing for the draft Chrome-6 maximum contaminant level (MCL) (10 parts per billion) included hours of testimony. Water agencies testified to the cost of implementation while some environmentalists argued that the regulations don’t go far enough.

The CPUC has approved increased use of the Aliso Canyon Natural Gas Storage Facility heading into the winter season. Aliso Canyon, which leaked significant amounts of natural gas in 2015-16, is a critical piece of energy reliability in Southern California. The gas stored is critical to ensure the lights stay on and homes are heated in the winter months throughout Southern California.

A new study has been submitted to the SWRCB claiming that Sites Reservoir will cause hundreds of thousands of metric tons of methane to be emitted into the atmosphere as organic matter decomposes at the bottom of the reservoir. The Sites Project Authority refutes this study, pointing to conditions in their environmental permits requiring removal of organic matter before the reservoir is filled.

The Legislature is in the final week of the first year of the two-year session, ending on September 14. Most of the tough water policy work was done earlier in the session. Water rights bills are either two-year bills or have been amended to remove water community opposition. PFAS legislation is moving fairly easily. The resources/climate bond appears to have stalled at the end of session as the Governor wants only one bond on the March ballot, his priority mental health/homelessness bond. A resources/climate bond will be revisited next year for the November 2024 ballot.

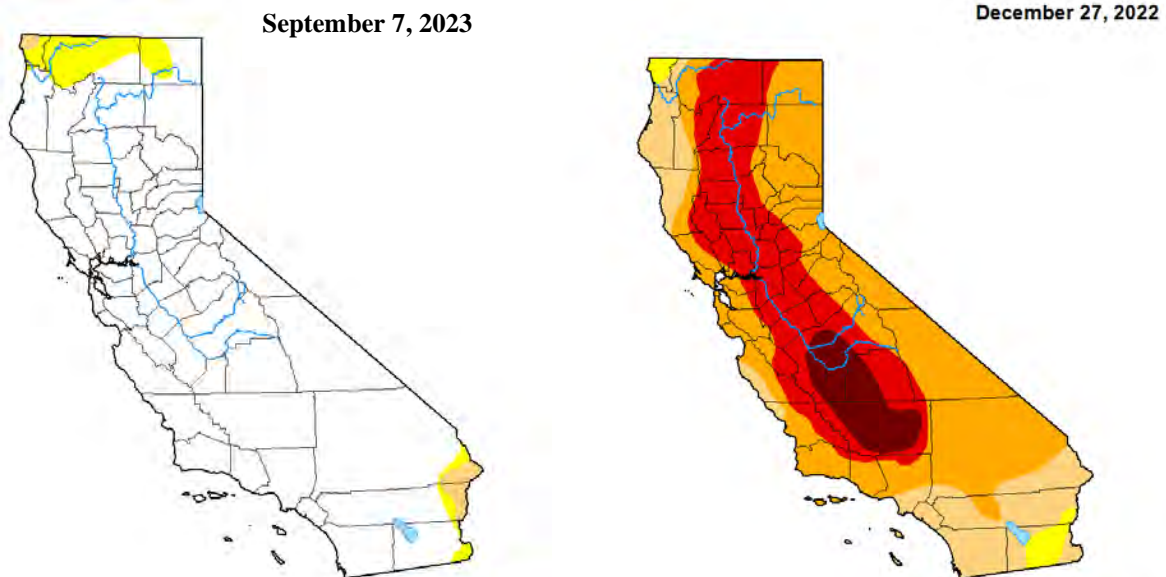
A late session move to counter the “Taxpayer Protection Act” citizen initiative has popped up. ACA 13, coauthored by Speaker Rivas, would require any initiative that looks to change a voter vote threshold to also be passed by the same threshold.

## Santa Ana Watershed Project Authority Status Report – August 2023

### ***Water Supply Conditions***

After Hurricane Hillary blew through California, the state went from drought conditions impacting 25 percent of the state, to just 6.6 percent. One year ago, and even as late January 1, 100 percent of the state was in drought conditions.

While, as expected, reservoir levels are declining as summer turns into fall, water levels remain well above average, up and down the state. Lake Oroville is sitting at 139 percent of historical average and 82 percent capacity. San Luis Reservoir, the main south-of-Delta storage facility for the State Water Project, is at 226 percent of average for this time of the year and 87 percent capacity. State Water Project water continues to flow into Diamond Valley Lake, which is at 80 percent capacity.



### ***Water Use Efficiency Regulations Released***

The State Water Resources Control Board recently initiated the formal rulemaking for “Making Conservation a Way of Life” by releasing the draft text to implement AB 1668 (Friedman, 2018) and SB 606 (Hertzberg, 2018). The goal of the regulatory framework is to achieve long-term water use efficiency.

The proposed regulation would require urban retail water suppliers to meet a water use objective starting in 2025. The total proposed water budget is based on gallons per capita per day (GPCD),

comprised of a residential indoor standard, residential outdoor standard, commercial industrial institutional outdoor standard, water loss, with any variances or bonus incentives (potable reuse) included.

It is important to note that the proposed regulations include several measures important to SAWPA member agencies: the bonus incentive will allow member agencies to count their proportional share of potable reuse water in their water budget. Second, the proposed regulation, as directed by statute, allows for consideration of “special landscapes” which gives special consideration for outdoor irrigation using recycled water. However, the proposed regulation includes a never-before-discussed provision requiring agencies to get approval annually to use the “special landscape” distinction.

There is a workshop at the SWRCB on October 4.

### ***Chrome-6 MCL Update***

As previously reported, the SWRCB has proposed a maximum contaminant level for chrome-6 at 10 parts per billion (ppb). The proposal came following six years of review.

The SWRCB held a workshop on the proposed MCL on August 2 where several hours of testimony was taken from stakeholders. While there was significant concern about the cost from stakeholders, key board members indicated support for the MCL, including Chair Esquivel.

Complicating matters, the Office of Environmental Health Hazard Assessment is currently examining “additional information” to consider revising its public health goal (PHG) which is at 0.02 ppb.

Board Member McGuire indicated he is interested in the OEHHA review before final vote on the MCL. “Soon” is the best answer given for when the OEHHA study will be complete.

Water agencies continue to argue the MCL is too stringent and will be very costly and difficult, if not impossible, to comply with- forcing rate increases. Environmentalists are pushing for rapid adoption and even a lower MCL closer to OEHHA’s 0.02-ppb PHG.

A date for final adoption has not been released.

### ***CPUC Adopts Increased Gas Storage at Aliso Canyon***

At its August 31 meeting, the California Public Utilities Commission approved a request to increase the allowable supply of natural gas at the Aliso Canyon gas storage facility, agreeing that it is necessary to ensure reliability this winter.

While the facility is on the path to retirement after the 100,000 metric ton methane leak in 2015-16, the CPUC has concluded several times that the facility is vital to ensuring reliable and affordable energy to Southern California.

Despite *significant* opposition from the environmental community, after the natural gas price spikes of winter 2023, that also increased the cost of electricity, the CPUC is careful to ensure the state cannot be blamed should such an issue occur again.

### ***Sites Reservoir in the Spotlight***

A new study has been submitted to the State Water Resources Control Board (SWRCB) that challenges the amount of methane that might be emitted from Sites Reservoir, should it ever be built. Research conducted by Friends of the River, who opposes the entire Sites project, and funded by Patagonia (the clothing company) posits that decomposing plants and other organic matter collection near the bottom of the reservoir produce methane that bubbles up to the surface. The report, using newly developed modeling to estimate greenhouse gas emissions over a 100-year period finds that Sites would emit 362,000 metric tons of emissions annually (equivalent to 80,653 cars).

The analysis has been submitted to the SWRCB during the protest period, as the water right permit for the project is considered.

The Sites Project Authority disagrees with the assessment and has presented much smaller estimates of GHGs, using a different calculation method. They point to a condition in their environmental documents that require removal of vegetation from the bottom of the reservoir before it is filled with water.

The [LA Times](#) wrote more about the new study.

### ***Legislation***

The Legislature is in the final days of the legislative session, which ends on September 14.

The Senate recently elected Senator Mike McGuire to be the next President Pro Tem of the Senate. He will transition to the role in January as Pro Tem Toni Atkins is termed out in 2024. Pro Tem-elect McGuire represents a coastal district from Vallejo (near Oakland) all the way to the Oregon border.

**ACA 13** is a newly introduced legislative ballot measure that would require any initiative measure amending the Constitution seeking to increase the voter approval requirement to adopt any state or local measure would be approved only if the proportion of votes cast in favor is equal or greater than the highest voter approval requirement that the initiative measure would impose.

This proposed ACA is in direct response to the November 2024 Ballot Initiative: Taxpayer Protection and Government Accountability Act, as described in previous reports. The act would make justification of public water agency fees or charges more difficult and likely result in litigation. The local government would bear the burden of proving by clear and convincing evidence that the amount of the charge is “reasonable” and those charges would have to be imposed by ordinance.

Speaker Rivas is a co-sponsor of ACA 13 which is also supported by ACWA, CSDA, CA League of Cities, CA Assn of Counties and others.

The ACA passed out of the Assembly with 57 votes, three more than needed for a super majority. The bill will be heard Sept 11 in the Senate Housing and Appropriations Committees and move to the Senate floor should it pass out of both committees.

### **Resources/Climate Bond Update**

With just a few days left in the session, it is very unlikely that a resources/climate bond will be considered by the end of the session. The Governor wants voters to focus on his homelessness/mental health bond and is not interested in competition for the March 2024 ballot. The Legislature will have until summer 2024 to pass a measure for the November 2024 ballot.

### **Water Rights**

As previously reported, AB 460 (Bauer-Kahan) has been made a two-year bill. As in print, the bill could have significant implications on the Voluntary Agreements. The author intends to have discussions over the winter with stakeholders to try to reach consensus.

SB 389 (Allen) was amended in July to only allow the SWRCB to request information from a water right holder. It does nothing to change SWRCB enforcement authority. ACWA and other members have removed their opposition to the bill. It awaits final action in the Senate

### ***PFAS***

The three PFAS bills moving through the Legislature this year have passed out of the Assembly and are in the Senate for consideration. AB 727 (Weber) is sponsored by CASA and would prohibit PFAS in cleaning products. AB 1423 (Schiavo) would prohibit PFAS in artificial turf. AB 246 (Schiavo) would ban PFAS in menstrual products. They have all taken amendments to appease opponents, but are all still moving and await action in the Senate Appropriations Committee.

AB 727 has taken five sets of amendments to keep moving through the process after facing opposition from the Housing & Commercial Products Association and the California Manufacturers and Technology Association. They are mostly concerned about how the bill would impact polish or floor maintenance products, noting that these products are critical to mitigate wear and tear and extend the life of flooring. The latest set of amendments require a written warning to any retailer selling cleaning products with PFAS and allows them 30 days to remove stock from their shelves, if not sold. The measure passed the Senate Environmental Quality Committee and Judiciary Committee and Senate Appropriations and is awaiting final action on the Senate Floor.