



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 4th 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	--	--	--
Total - Unrestricted	\$52,627,142	\$27,938,112	\$64,012,238	--	--	--
Total – Restricted	\$1,709,476	\$1,709,476	\$1,709,476	--	--	--
Total	\$54,336,618	\$29,647,588	\$65,721,714	--	--	--

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?



Santa Ana Watershed Project Authority

Sacramento Update

September 19, 2023

Michael Boccadoro &
Beth Olhasso

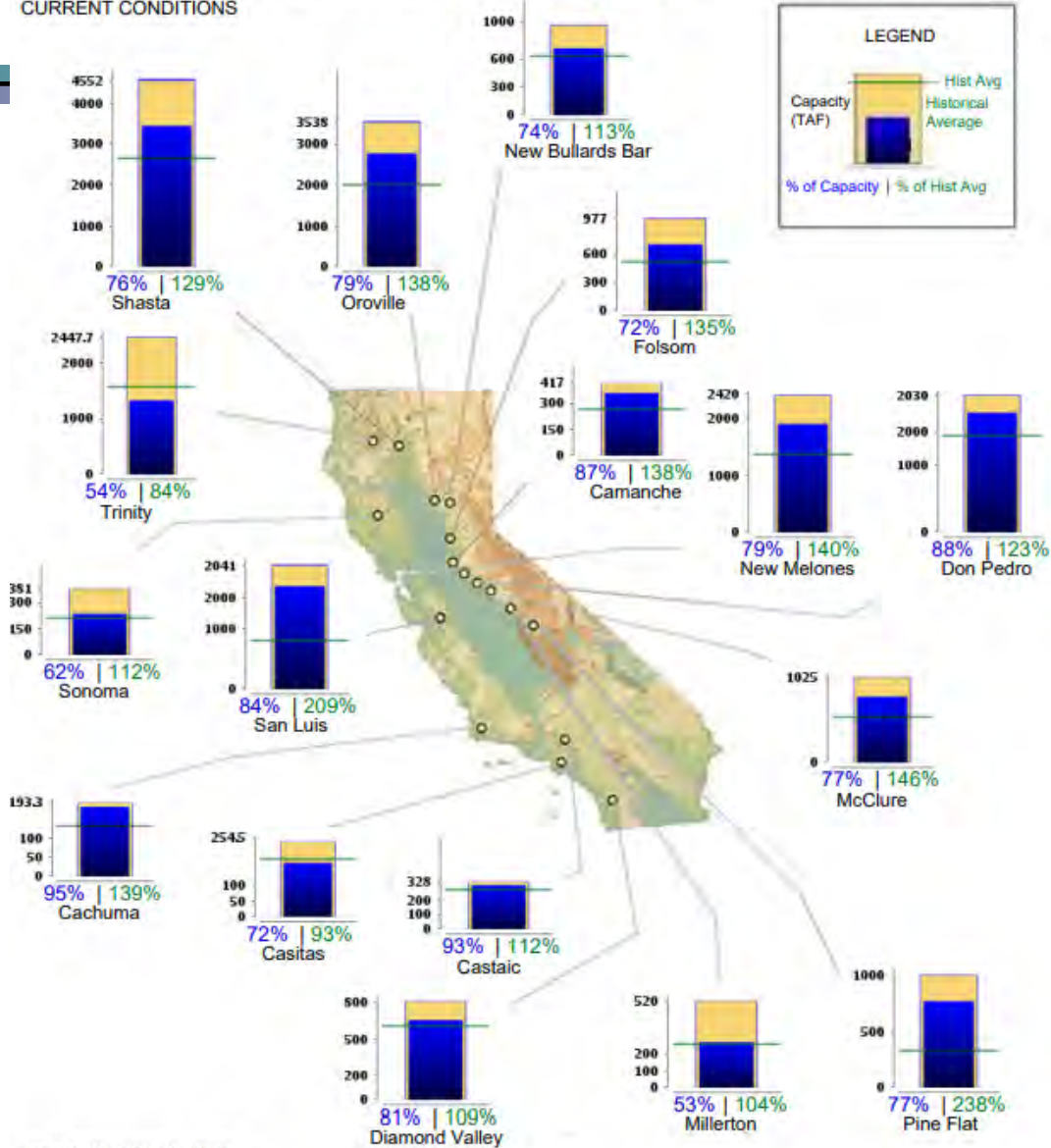


West Coast Advisors
Strategic Public Affairs

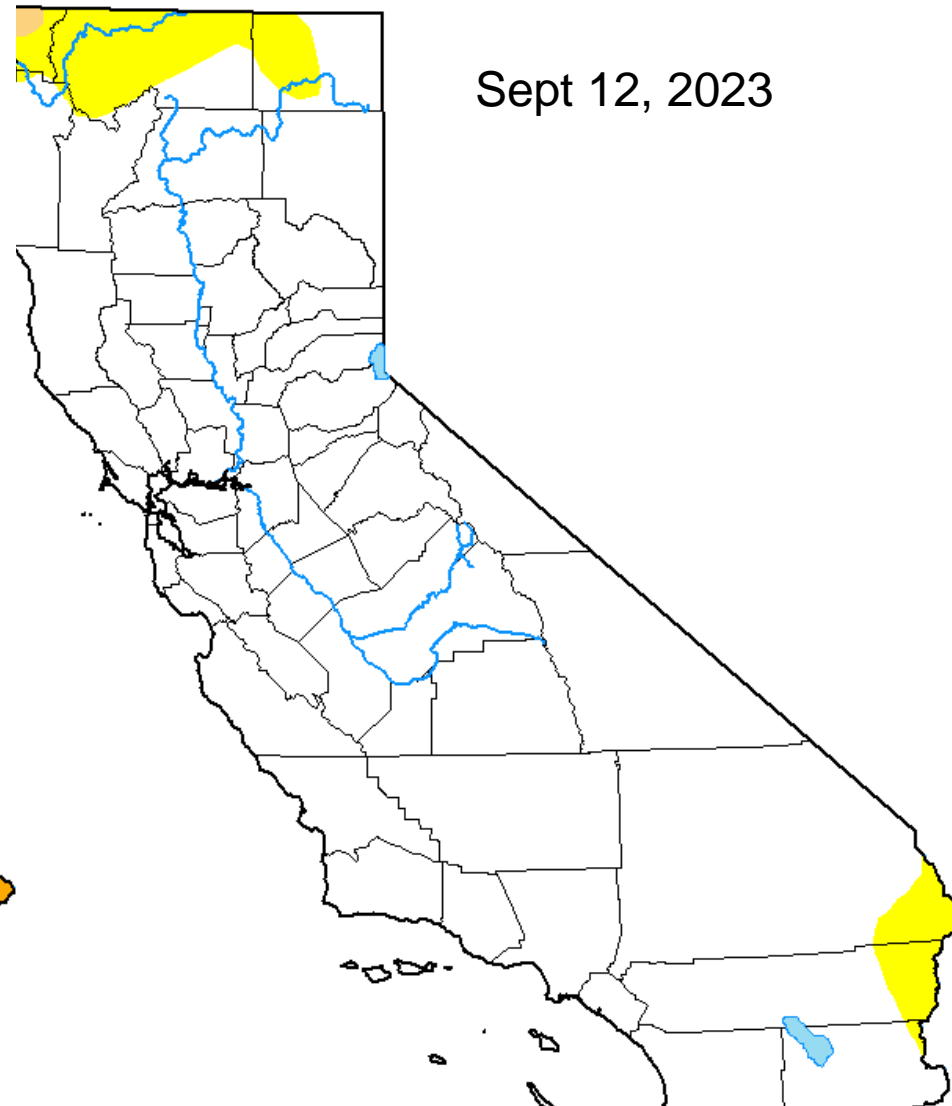
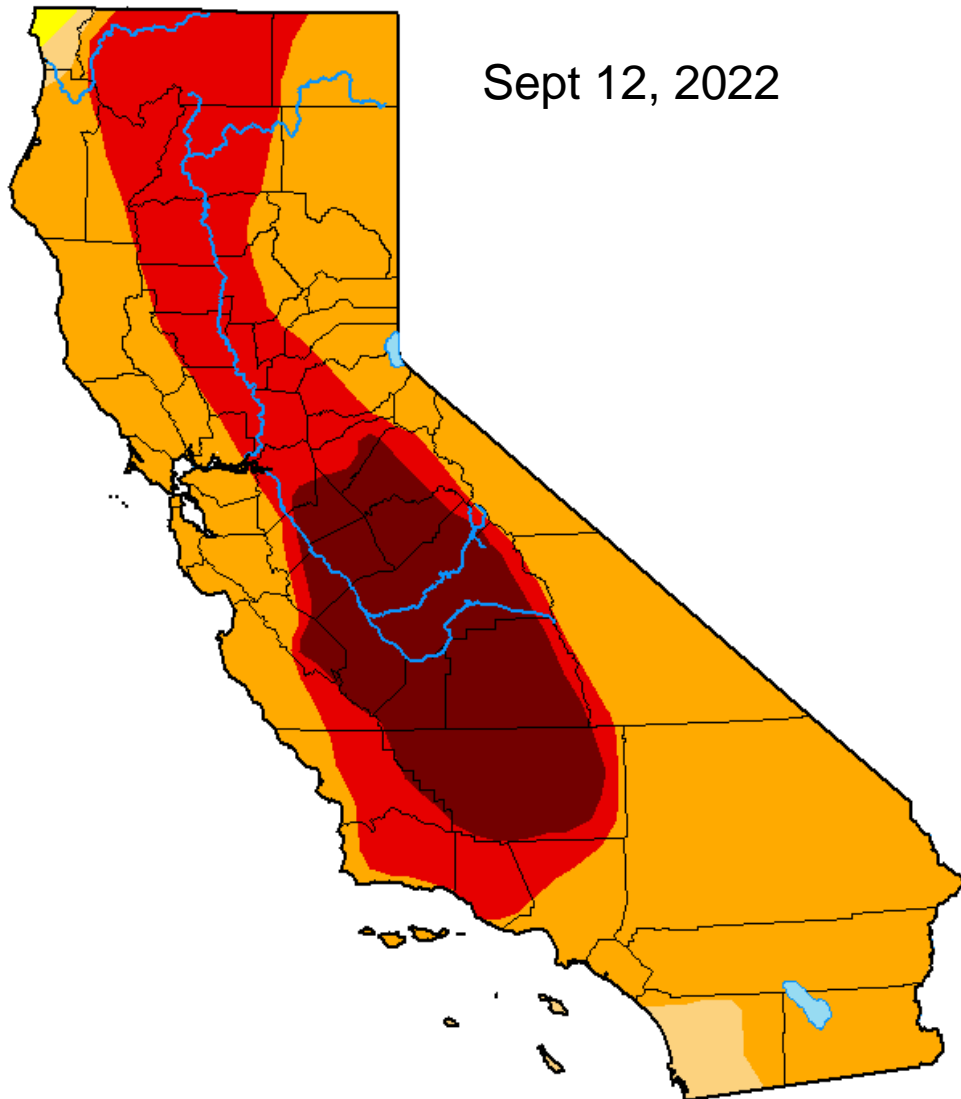
Drought/Water Supply Update

CALIFORNIA MAJOR WATER SUPPLY RESERVOIRS CURRENT CONDITIONS

Midnight - September 11, 2023



Drought/Water Supply Update




Legislative Update

- 
- First Year of 2023-24 session ended Sept 14
 - Assembly bills passed to Gov:
 - Senate bills passed to Gov:
 - Water Supply
 - SB 366 (Caballero) CA Water Plan: long-term supply targets
 - PFAS-
 - AB 246 (Papan)-PFAS in menstrual products
 - AB 1423 (Shiavo)- Product Safety-PFAS
 - AB 727 (Weber)- CASA bill- Product Safety cleaning products
 - Non-Functional Turf
 - AB 1572 (Friedman): non-functional turf; potable water
 - Water Rights
 - AB 460 (Bauer-Kahan)
 - AB 1337 (Wicks)
 - SB 389 (Allen)

Legislative Update

Continued

- 
- Resource Bonds- November 2024?
 - AB 1567 (E. Garcia) & SB 867 (Allen) \$15B
 - ACA 13: Requires Constitutional Amends that change voter threshold to pass by same vote threshold they are seeking to change (March)
 - Amends expressly protect Prop 13
 - Taxpayer Protection and Government Accountability Act (November)
 - Increases threshold for special districts to adopt fee increases
 - ACA 1 would allow special districts to pass special taxes by 55% for infrastructure projects

FY 2023-2024 Budget

- Budget Bill Jr includes:
\$25M for ICARP Regional Resilience Grant Program to support regional climate resilience planning and implementation- including drought impacts.




Clean Water SRF

Intended Use Plan- **ADOPTED**

- \$1.3B total for 23/24 & 24/25
 - No funding 25/26
- Congressionally Directed Spending is reducing SRF availability



Urban Water Use Efficiency Standards

- 
- SB 606, AB 1668 & SB 1157
 - Indoor, Outdoor, CII (commercial, industrial, institutional)
 - Recycled water:
 - Bonus incentive for potable reuse
 - Extra outdoor irrigation for recycled water
 - Issues:
 - Annually apply for bonus incentive & variances
 - MWD estimates region needs to reduce 37,500 AF/year 2025-30 (\$1,000/AF turf removal)
 - October 4 SWRCB workshop

Thank You



Questions?



Santa Ana River Weather Modification Pilot Program Status Update

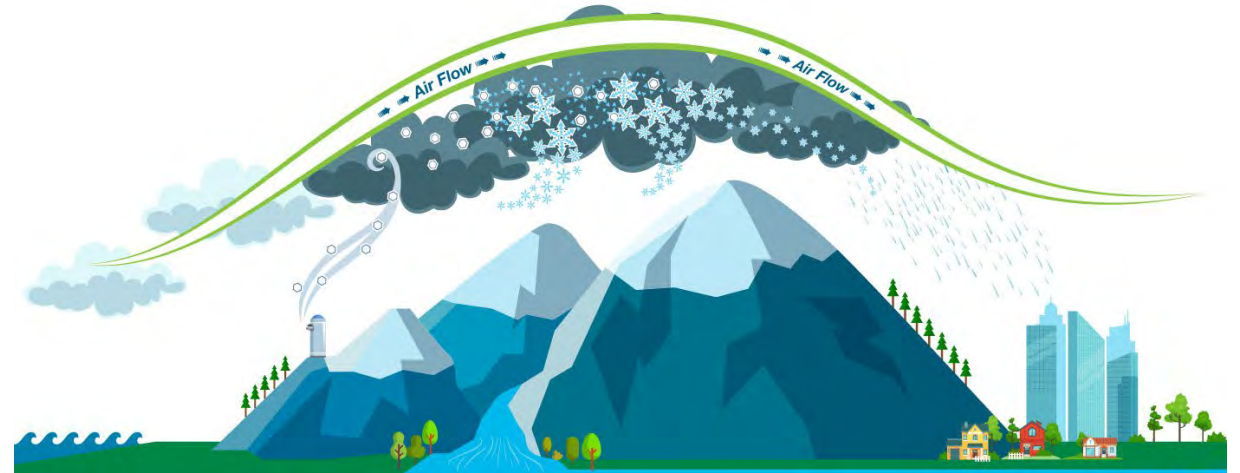
Item No. 7.A

Rachel Gray

Water Resources and Planning Manager

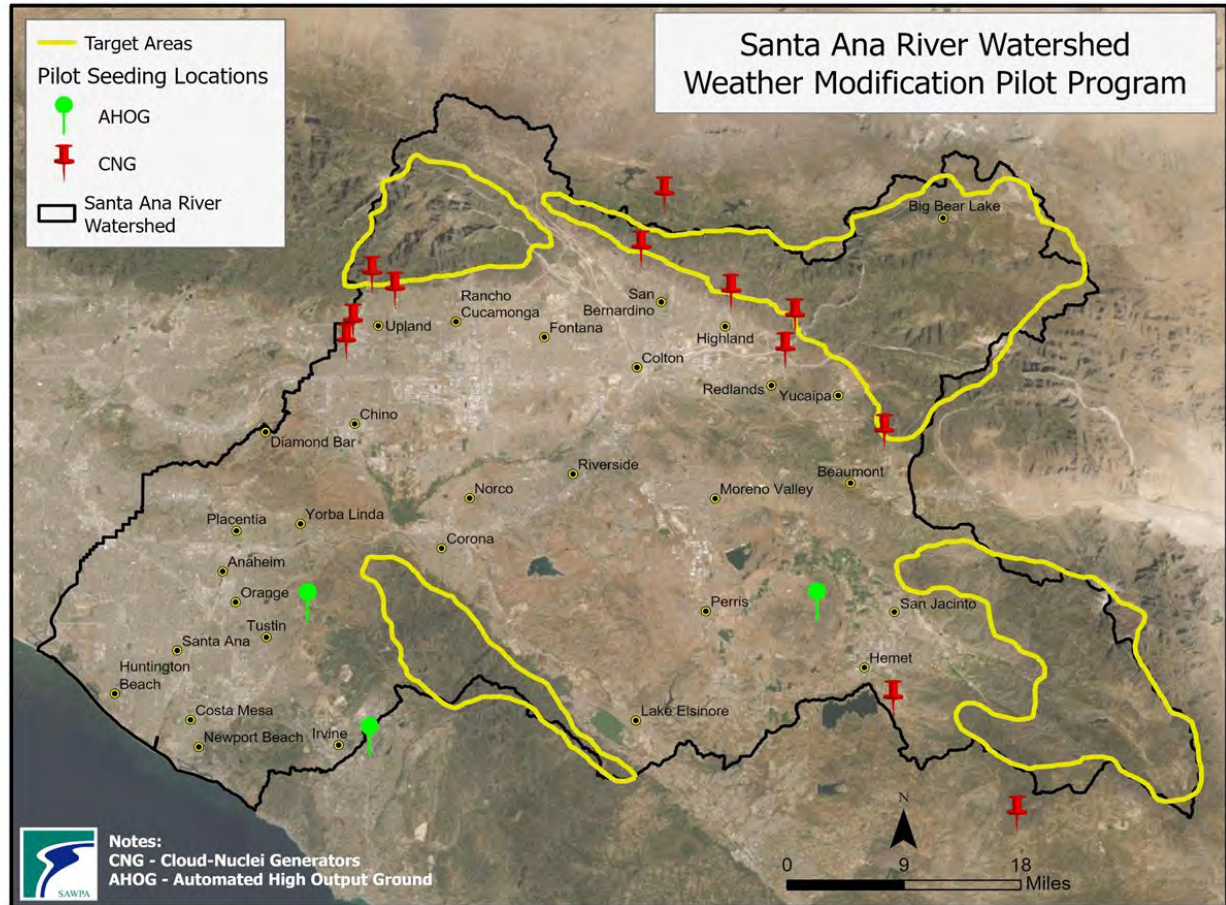
Presentation Overview

- 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



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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

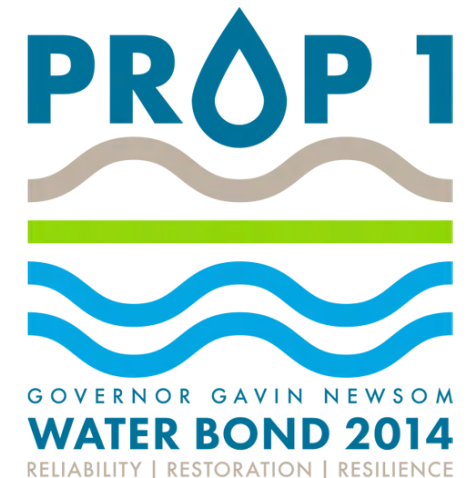
San Geronio Pass
Water Agency



DWR Funding

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

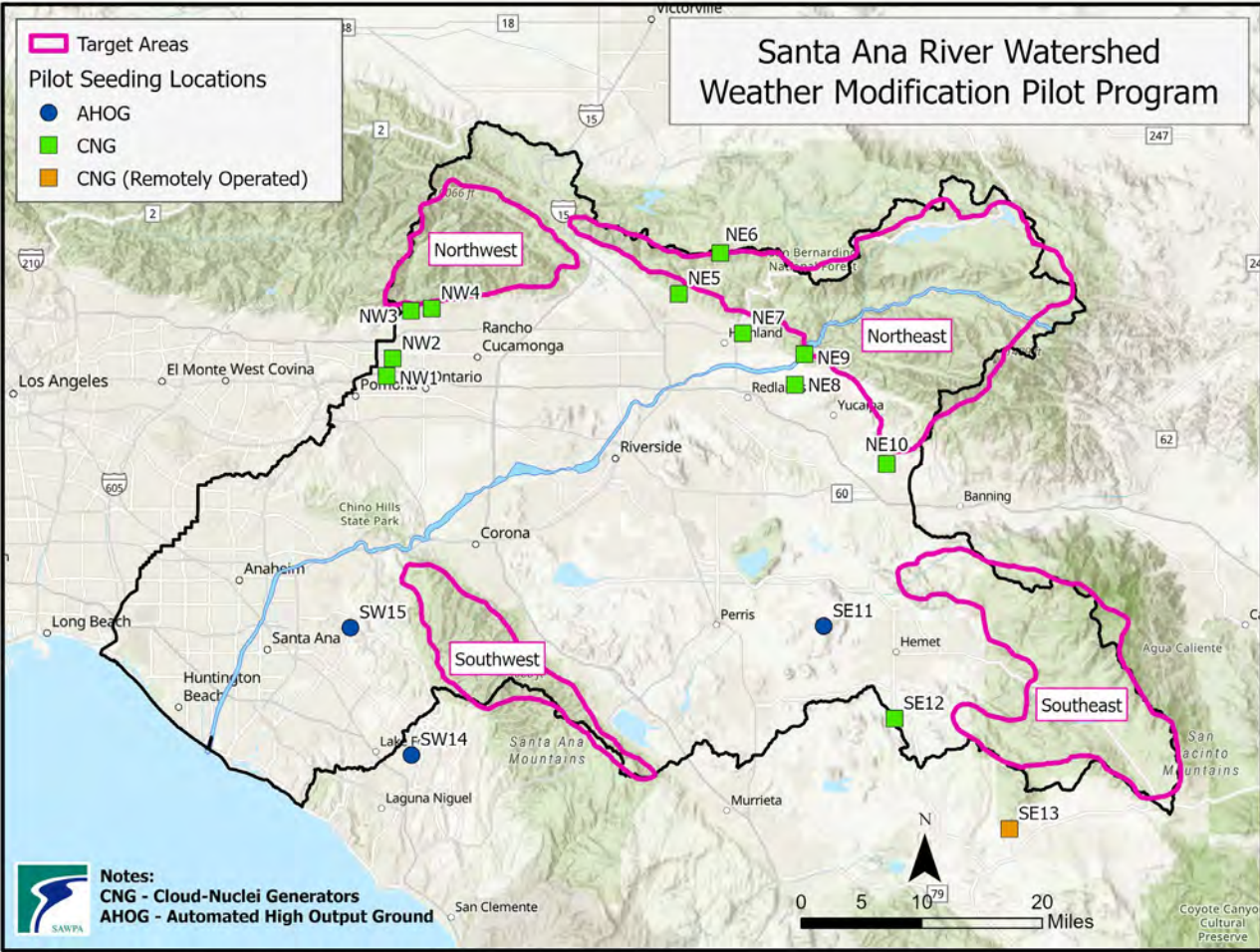
Source	Amount
Prop 1 Round 2 Grant (DWR)	\$861,400
SAWPA (IEUA, WMWD, EMWD, SBVMWD, OCWD)	\$691,000
Local Funding Partners: <ul style="list-style-type: none">• Big Bear City Community Services District• Big Bear Lake Department of Water & Power• Chino Basin Water Conservation District• City of Corona 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	\$94,000
Total (4 years)	\$1,646,400



Operations

Cloud Seeding Ground-Based Unit Locations

Site (15)	Sponsors (11)
Northwest	
NW1	Chino Basin Water Conservation District
NW2	
NW3	San Antonio Water Company
NW4	
Northeast	
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
Southeast	
SE11	Eastern Municipal Water District
SE12	
SE13	Private Landowner
Southwest	
SW14	El Toro Water District
SW15	East Orange County Water District

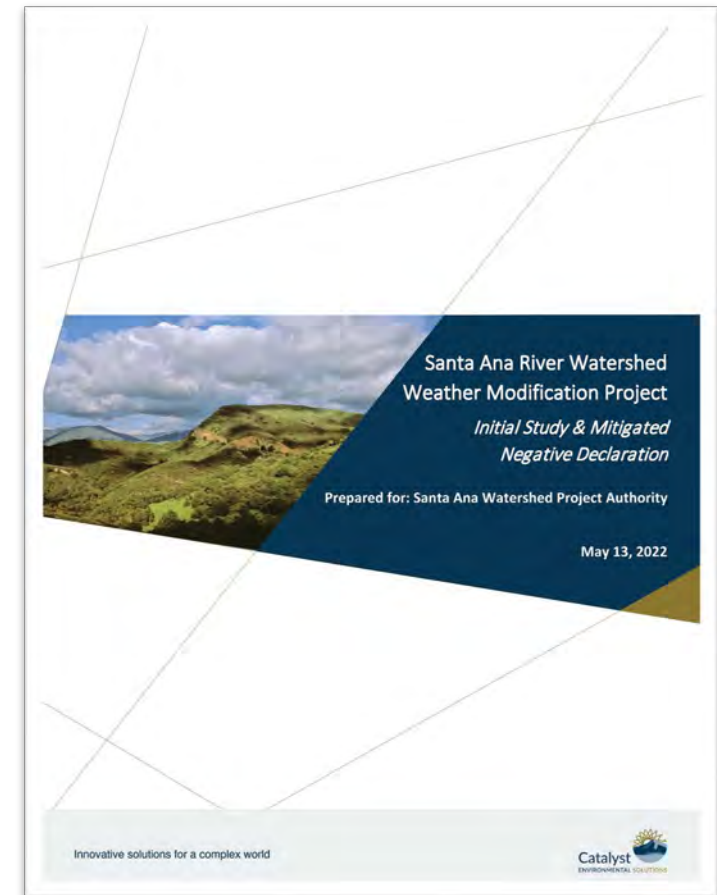


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CEQA Requirements

Mitigation Measures:

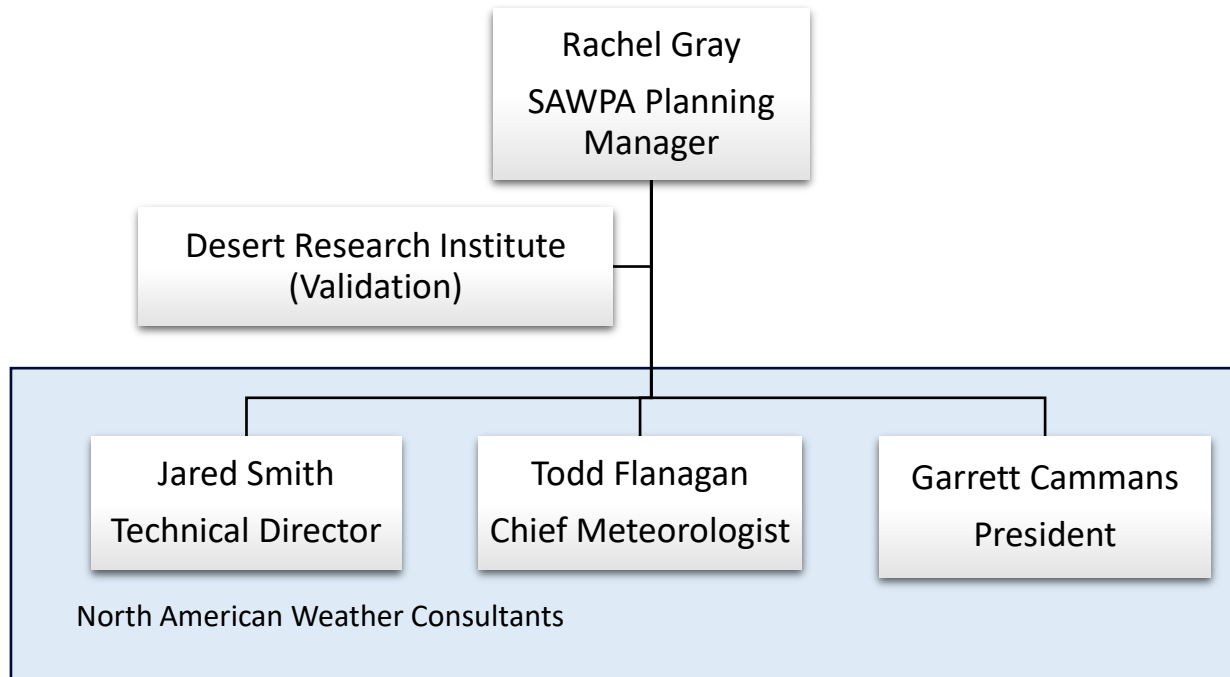
- **BIO-1.** A qualified botanist will conduct pre-construction clearance surveys within 10 days prior to the start of construction.
- **BIO-2.** The nesting season generally occurs from February 1 to September 15. Pre-construction nesting bird surveys will be conducted by a qualified biologist no more 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

- 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:

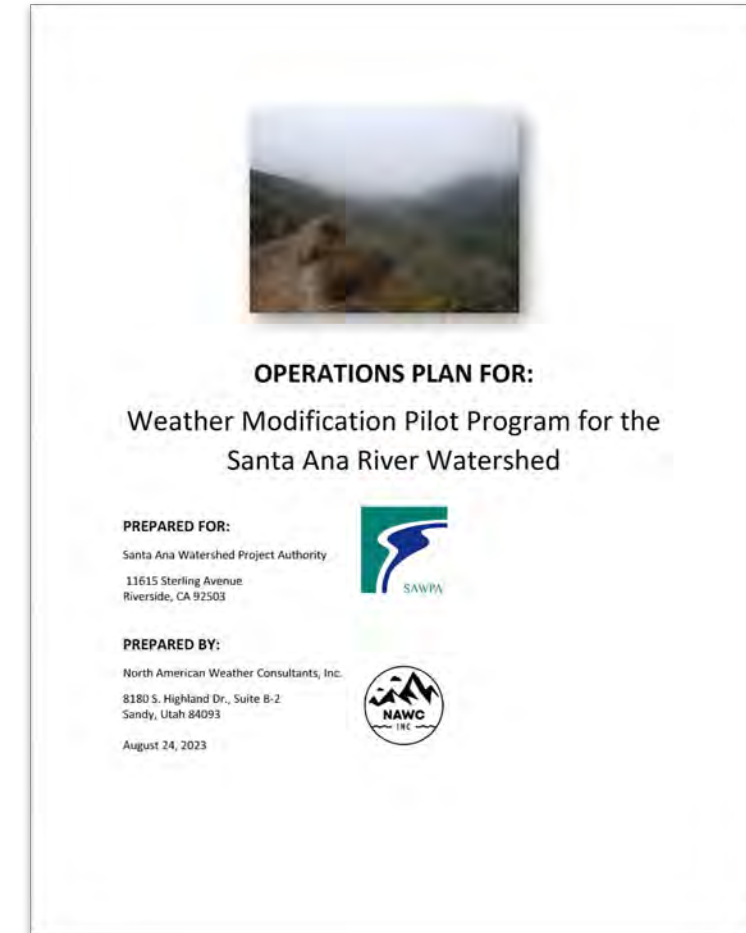
North American Weather Consultants, Inc.
8180 S. Highland Dr., Suite B-2
Sandy, Utah 84093



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

Week 1							Week 2						
2 Oct 2023							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

SITE	TASK	Team	START	END	DAYS	% DONE	WORK DAYS																		
1 & 2 NW1 & NW2 - Chino Basin Water Conservation District-CNG																									
	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																		
3 & 4 NW3 & NW4 - San Antonio Water Company-CNG Friday Access																									
	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																		
5 NE5-SBMWD-CNG																									
	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																		
6 NE6-Rim Forest-CNG																									
	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																		
7 NE7-SBVMWD-CNG																									
	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																		
8 NE8-SBVWCD Maintenance Yard-CNG																									
	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																		
9 NE9-SBVWCD Santa Ana Diversion Structure-CNG Friday access																									
	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																		

Schedule: Site Improvements and Installation

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

Display Week 1

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

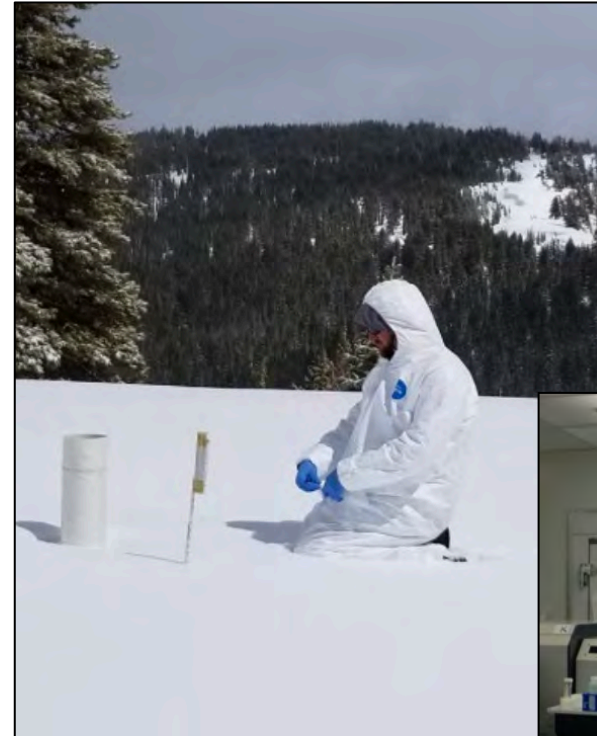
SITE	TASK	Team	START	END	DAYS	% DONE	WORK DAYS																		
10	NE10-San Gorgonio Pass Water Agency-CNG							-																	
	NE10 Install chain Link Fence	2	Tue 10/10/23	Thu 10/12/23	1	0%	3																		
	NE10 10x10 Concrete pad installed	2	Tue 10/10/23	Thu 10/12/23	1	0%	3																		
	NE10 Install combination lock/daisy chain	2	Tue 10/10/23	Tue 10/10/23	1	0%	1																		
	NE10 Install equipment	2	Thu 10/12/23	Thu 10/12/23	1	0%	1																		
	NE10 Biologist Review		Mon 10/09/23	Mon 10/09/23	1	0%	1																		
11	SE11-Eastern Municipal Water District-AHOG Friday access							-																	
	SE11 Install combination lock/daisy chain	2	Thu 10/12/23	Thu 10/12/23	1	0%	1																		
	SE11 Install Chain Link fence enclosure with Privacy Screen	2	Thu 10/12/23	Thu 10/12/23	1	0%	1																		
	SE11 Install equipment	2	Thu 10/12/23	Fri 10/13/23	1	0%	2																		
	SE11 Biologist Review		Tue 10/10/23	Tue 10/10/23	1	0%	1																		
12	SE12-Eastern Municipal Water District-Remote CNG							-																	
	SE12 Combination lock/daisy chain	1	Wed 10/11/23	Wed 10/11/23	1	0%	1																		
	SE12 Install chain link fence enclosure	1	Wed 10/11/23	Wed 10/11/23	1	0%	1																		
	SE12 Install equipment	1	Wed 10/11/23	Wed 10/11/23	1	0%	1																		
	SE12 Biologist Review		Tue 10/10/23	Tue 10/10/23	1	0%	1																		
13	SE13-Mary Lea Garginer-CNG							-																	
	SE13 Install equipment	1	Wed 10/11/23	Wed 10/11/23	1	0%	1																		
	SE13 Biologist review	Jared	Tue 10/10/23	Tue 10/10/23	1	0%	1																		
14	El Toro Reservoir Water District-AHOG							-																	
	SW14 Install equipment	2	Wed 10/11/23	Thu 10/12/23	1	0%	2																		
	SW14 Biologist review		Tue 10/10/23	Tue 10/10/23	1	0%	1																		
15	SW15-East Orange County Water District-AHOG - cut asphalt							-																	
	SW15 Install Equipment	2	Wed 10/11/23	Thu 10/12/23	1	0%	2																		
	SW15 Biologist Review		Tue 10/10/23	Tue 10/10/23	1	0%	1																		



Validation

Cloud Seeding Independent Validation

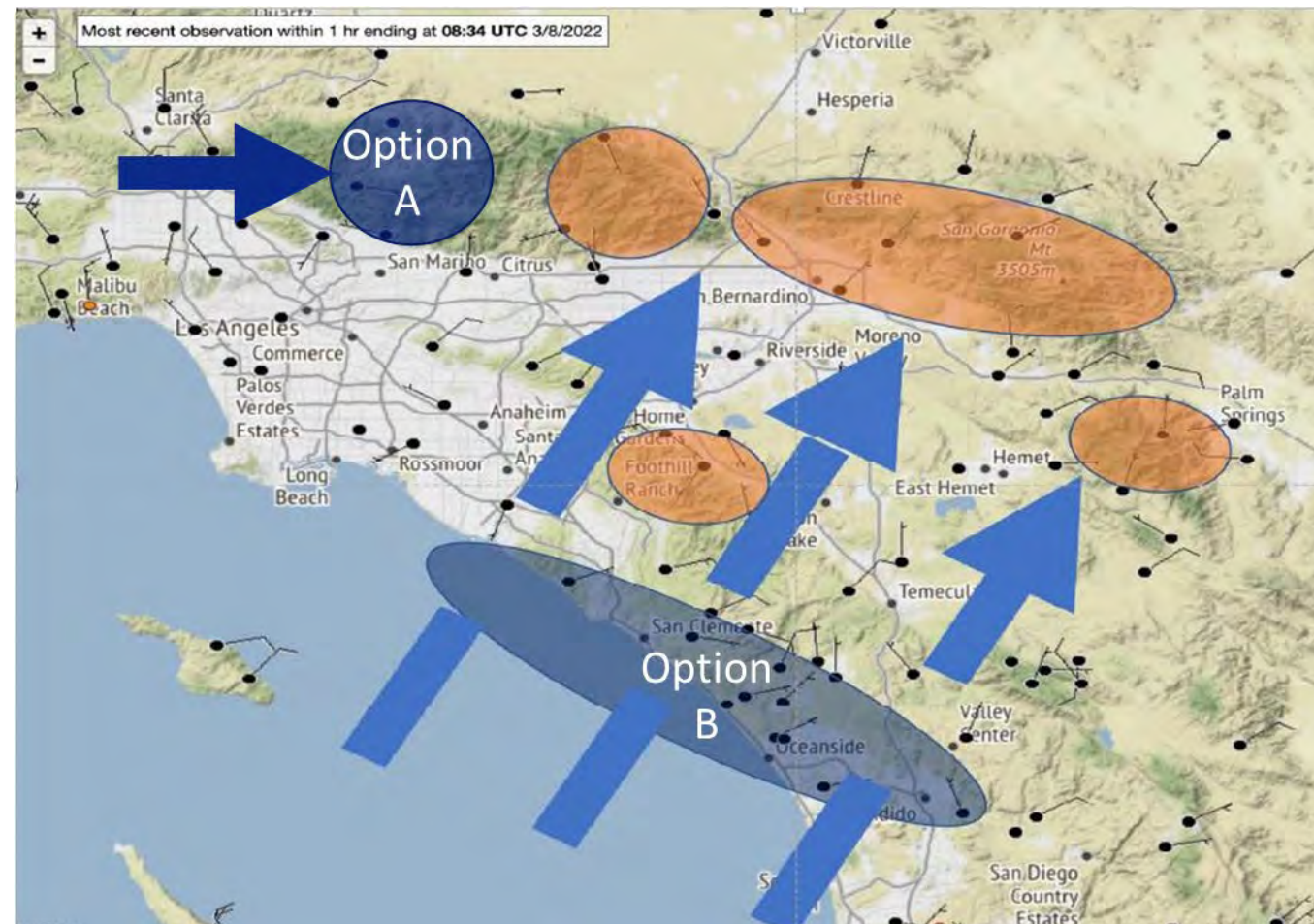
- Validation Consultant
 - Desert Research Institute (Reno, NV)
 - Frank McDonough, Associate Research Scientist
- Purpose
 - Verify deposition of silver iodide
 - Verify increases in precipitation and stream flows
 - Evaluate increases by target areas in watershed
 - Review of operations
 - Review of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

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

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