



# S A W P A

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

Meeting Access Via Computer (Zoom):	Meeting Access Via Telephone:
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<ul style="list-style-type: none"> <li>Meeting ID: 834 5488 7556</li> </ul>	<ul style="list-style-type: none"> <li>Meeting ID: 834 5488 7556</li> </ul>

This meeting will be conducted in person at the address listed above. As a convenience, 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, AUGUST 20, 2024 – 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.gov](mailto:publiccomment@sawpa.gov) with the subject line "Public Comment". Submit your electronic comments by 5:00 p.m. on Monday, August 19, 2024. 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: AUGUST 6, 2024.....7  
**Recommendation:** Approve as posted.

B. INLAND EMPIRE BRINE LINE RESERVE FUNDS REVIEW (CM#2024.44).....13  
**Recommendation:** That the Commission approve the following:  
1. For R-01 Brine Line Operating Reserve set target to \$2,291,108 based on 25% of total operating expenses of \$9,164,430 for FYE 2025 (increase of \$111,449) and continue to accrue interest, and  
2. For R-07 Pipeline and Replacement and Capital Investment Reserve set the minimum and target limits to \$18,884,000 and \$46,364,000 based on the new CIP amount of \$69 million, based on Engineering's review, and

3. Approve the funding levels (as of June 30, 2024) above the target levels and continue to accrue interest in FYE 2025 for the following reserve funds:
  - a. R-02 Brine Line Debt Service Reserve
  - b. R-04 Pipeline Capacity Management Reserve
  - c. R-05 OC Future Treatment & Disposal Capacity Reserve

**6. NEW BUSINESS**

- A. IRRIGATION REPLACEMENT AND LANDSCAPE REFRESH PROJECT (CM#2024.45) .....39**  
**Recommendation:** That the Commission authorize the General Manager to accept the FS Contractors, Inc., work on the Irrigation Replacement and Landscape Refresh Project as complete and direct staff to file a Notice of Completion with the Riverside County Clerk upon the following:
1. Contractor has delivered all documents required by the Contract Documents; and
  2. Notice from Landscape Architect accepting the work; and
  3. Receipt of Final Application for Payment from the Contractor; and
  4. Notice from the Construction Manager recommending final payment.
- B. SANTA ANA RIVER CONSERVATION AND CONJUNCTIVE USE PROGRAM UPDATE (CM#2024.46).....51**  
**Presenter:** Ian Achimore  
**Recommendation:** Receive and file.

**7. INFORMATIONAL REPORTS**

**Recommendation:** Receive for information.

- A. CASH TRANSACTIONS REPORT – JUNE 2024 .....83**  
**Presenter:** Karen Williams
- B. INTER-FUND BORROWING – JUNE 2024 (CM#2024.47).....89**  
**Presenter:** Karen Williams
- C. PERFORMANCE INDICATORS/FINANCIAL REPORTING – JUNE 2024 (CM#2024.48)....95**  
**Presenter:** Karen Williams
- D. PROJECT AGREEMENT 25 – OWOW FUND – FINANCIAL REPORT, MAY 2024.....117**  
**Presenter:** Karen Williams
- E. PROJECT AGREEMENT 25 – OWOW FUND – FINANCIAL REPORT, JUNE 2024 .....121**  
**Presenter:** Karen Williams
- F. PROJECT AGREEMENT 26 – ROUNDTABLE FUND – FINANCIAL REPORT, MAY 2024 .....125**  
**Presenter:** Karen Williams
- G. PROJECT AGREEMENT 26 – ROUNDTABLE FUND – FINANCIAL REPORT, JUNE 2024.....129**  
**Presenter:** Karen Williams
- H. STATE LEGISLATIVE REPORT .....133**  
**Presenter:** Jeff Mosher

**I. GENERAL MANAGER REPORT**

**Presenter:** Jeff Mosher

**J. CHAIR’S COMMENTS/REPORT**

**K. COMMISSIONERS’ COMMENTS**

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

**8. CLOSED SESSION**

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

**9. 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.gov](mailto:svilla@sawpa.gov) 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.gov](http://www.sawpa.gov), 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 August 15, 2024, a copy of this agenda has been uploaded to the SAWPA website at [www.sawpa.gov](http://www.sawpa.gov) and posted at SAWPA’s office at 11615 Sterling Avenue, Riverside, California.

**2024 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>
1/2/24 <del>Commission Workshop</del> [cancelled] 1/16/24 Regular Commission Meeting	2/6/24 Commission Workshop 2/20/24 Regular Commission Meeting
<b>March</b>	<b>April</b>
3/5/24 <del>Commission Workshop</del> [cancelled] 3/19/24 Regular Commission Meeting	4/2/24 Commission Workshop 4/16/24 <del>Regular Commission Meeting</del> [cancelled]
<b>May</b>	<b>June</b>
5/7/24 <del>Commission Workshop</del> [cancelled] 5/21/24 Regular Commission Meeting 5/7 – 5/9/24 ACWA Spring Conference, Sacramento, CA	6/4/24 Commission Workshop 6/18/24 Regular Commission Meeting
<b>July</b>	<b>August</b>
7/2/24 Commission Workshop 7/16/24 Regular Commission Meeting	8/6/24 Commission Workshop 8/20/24 Regular Commission Meeting
<b>September</b>	<b>October</b>
9/3/24 Commission Workshop 9/17/24 Regular Commission Meeting	10/1/24 Commission Workshop 10/15/24 Regular Commission Meeting
<b>November</b>	<b>December</b>
11/5/24 Commission Workshop 11/19/24 Regular Commission Meeting	12/3/24 Commission Workshop 12/17/24 Regular Commission Meeting 12/3 – 12/5/24 ACWA Fall Conference, Palm Springs, CA

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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.gov/sawpa-calendar/>

### MONTH OF: AUGUST 2024

DATE	TIME	MEETING DESCRIPTION	LOCATION
8/6/24	8:30 AM	PA 23 Committee Mtg	CANCELLED
8/6/24	10:00 AM	PA 24 Committee Mtg	Hybrid (SAWPA & Virtual/Teleconference)
8/12/24	2:00 PM	Emerging Constituents Program Task Force Mtg	Hybrid (SAWPA & Virtual/Teleconference)
8/14/24	9:30 AM	MSAR TMDL Task Force Mtg	CANCELLED
8/14/24	1:00 PM	Santa Ana Sucker Conservation Team	SAWPA
8/15/24	3:00 PM	LESJWA Board of Directors Mtg	Hybrid (SAWPA & Virtual/Teleconference)
8/27/24	9:30 AM	Lake Elsinore/Canyon Lake TMDL Task Force Mtg	Virtual/Teleconference

### MONTH OF: SEPTEMBER 2024

DATE	TIME	MEETING DESCRIPTION	LOCATION
9/3/24	10:00 AM	PA 24 Committee Mtg	Hybrid (SAWPA & Virtual/Teleconference)
9/10/24	8:30 AM	PA 22 Committee Mtg	Hybrid (SAWPA & Virtual/Teleconference)
9/26/24	11:00 AM	OWOW Steering Committee Mtg	Hybrid (SAWPA & 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  
AUGUST 6, 2024**

**COMMISSIONERS PRESENT**

Bruce Whitaker, Chair, Orange County Water District  
Mike Gardner, Vice Chair, Western Municipal 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**

None

**ALTERNATE COMMISSIONERS  
PRESENT; NON-VOTING**

Gil Botello, San Bernardino Valley Municipal Water District  
Denis Bilodeau, Orange County Water District

**STAFF PRESENT**

Jeff Mosher, Karen Williams, David Ruhl, Rachel Gray, Shavonne  
Turner, Rick Whetsel, Sara Villa, Dean Unger, John Leete, Alison  
Lewis, Zyanya Ramirez, Natalia Gonzalez

**OTHERS PRESENT**

Andrew Turner, Lagerlof, LLP; Joe Mouawad, Eastern Municipal  
Water District; Ken Tam, Inland Empire Utilities Agency; Kevin O'  
Toole, Orange County Water District; Paul R. Kielhold, San  
Bernardino Valley Municipal Water District; Adekunle Ojo, San  
Bernardino Valley Municipal Water District; Jake Loukeh, Western  
Municipal Water District; Mallory O'Connor, Western Municipal Water  
District; Craig Miller; Western Municipal Water District; Derek Kawaii,  
Western Municipal Water District; Tammie Myers, Monte Vista Water  
District; Gene Hernandez, Yorba Linda Water District

The Regular Meeting of the Santa Ana Watershed Project Authority Commission was called to order at 9:30 a.m. by Chair Bruce Whitaker on behalf of the Santa Ana Watershed Project Authority, 11615 Sterling Avenue, Riverside, California and Commissioner T. Milford Harrison's location, Hotel La Jolla, Curio Collection by Hilton, 7955 La Jolla Shores Drive, Room #308, La Jolla, CA 92037.

**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 16, 2024**

**Recommendation:** Approve as posted.

**B. TREASURER’S REPORT: JUNE 2024**

**Recommendation:** Approve as posted.

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

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

**6. NEW BUSINESS**

**A. SANTA ANA RIVER WATERSHED CLOUD SEEDING PILOT PROGRAM: YEAR 1 SUMMARY (CM#2024.42)**

Rachel Gray provided a presentation on the Santa Ana River Watershed Cloud Seeding Pilot Program: Year 1 Summary, contained in the agenda packet on pages 21-40. The Cloud Seeding Pilot Program Year 1 Annual Operations Report was prepared by North American Weather Consultants, Inc. (NAWC). Ms. Gray provided an overview of the report outline and summarized the science behind cloud seeding and the benefits. The Pilot Program seeding unit locations were selected as close to locations from the Feasibility Study (SAWPA, 2020), and two changes were made for the Pilot Program that were different from the feasibility study: the addition of one CNG unit for the Northwest Target area, and the switch of one of the CNG sites for the Southwest target area to an AHOGS unit. The total number of seeding units was 15; 12 CNG units and 3 AHOGS units.

The kickoff of the four-year Pilot Program began in August 2022, the following tasks occurred in preparation for the start of the Year 1 Operations (November 15, 2023 – April 15, 2024):

Task	Date
Site Access Agreements (11 proponents/ 15 units)	August 2022 – August 2023
Operations Plan (project communication, operational criteria, and suspension criteria)	January – October 2023
Communications Plan	July – November 2023
Preliminary Biological Surveys	July 31, 2023
45-Day Public Notice Submission	September 28, 2023
Final Biological Surveys (10 days 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
Notification to Local Fire Departments	December 2023 – January 2024
FY23-24 Program End	April 15, 2024
Equipment Collected (summer storage)	May 30, 2024



Ms. Gray provided a brief overview of the weather data and models and noted that the Meteorological data and models used in seeding operations are acquired from a wide variety of sources, including some subscriber services. This information includes radar data, satellite data (e.g., visible, infrared, water vapor) weather forecast model data, surface observations, rawinsonde (weather balloon) upper-air soundings, and weather cameras. NAWC's meteorologists have access to all meteorological products on a 24-hour basis, allowing for continued monitoring so that seeding operations can be performed at any time of the day or night. The wide variety of available meteorological data products and information provides the data necessary for meteorologists to determine when conditions are appropriate for cloud seeding.

The 2023-2024 season was active, with 20 storm event periods. Of these, operations of cloud seeding occurred for 13 storm events. A total of 13 seeded storm events occurred over a combined period of 22 days. CNG hours and flare usage are documented for each unit during each storm event. A total of 2135.25 hours of seeding time from all CNG units was recorded, amounting to 17,092 g of silver iodide (Agl) used for seeding for the season. A total of 32 Agl flares were used from the AHOGS units, totaling 640 g of Agl. One suspension period occurred during the season; from February 3-8, 2024, as a significant Atmospheric River event affected much of California bringing abundant mountain snow and heavy lower elevation rainfall resulting in significant flooding in some areas. A second period of active weather in mid-March 2024 also saw no seeding activity; this was not due to suspension criteria being enacted, but instead due to a wind flow pattern that the Pilot Program was not set up for as earlier studies showed the pattern to be a rare occurrence. Summary of materials used for each unit for each storm event is documented and includes CNG runtime hours and number of flares, Agl used in grams, and acetone used in gallons.

Ms. Gray provided a list of findings and recommendations based on lessons learned during the first year of operations:

- Send notices to fire departments in advance of the start of Year 2 Operations.
- Field technician local to the project area is identified and trained to be able to service CNGs and AHOHS units.
- Regularly troubleshoot cloud seeding units for optimal equipment operation.
- Consideration should be given to moving one of the NW1 and NW2 sites further northwest closer to the NW Target area.
- Considerations should be given to the possibility of installing seeding sites on the east and northeast sides of the NE and SE target areas to account for this pattern, with the understanding that these sites may rarely be activated.
- Be transparent with the public about technical studies conducted for cloud seeding.
- Maintain effective communication with sponsors to mitigate site access issues.
- Train backup site operators for continuous unit operations.
- Collaborate with Flood Control Districts for environmental insights.
- Understand the impact of successive storms on infrastructure.

SAWPA is also coordinating the Pilot Program planning with Desert Research Institute (DRI) on the validation competent of the project. DRI is conducting an independent review of the cloud seeding pilot operations and validating the increases in precipitation and stream flows. Jeff Mosher emphasized that the Year 1 Annual Operations Report does not include the validation only operations results. The preliminary validation information will be brought forward to the Commission in late August or early September. DRI is working through what the methodology is for the validation.

Validation tasks include the following:

1. Task 1: Evaluate NAWC Operations
2. Task 2: Snow Chemistry – collect baseline and seeded snow samples
3. Task 3: Calculating the Seeding Snow-Water Equivalent: Assessing precipitation as rainfall and snowfall
4. Task 4: Target/Control Statistical Analysis
5. Task 5: Stream Flow Analysis

The Pilot Program Schedule is as follows:

First Year Summary Report	July 2024
Project Validation Tasks	August 2024
Year 2 Equipment Mobilization	October 2024
Year 2 Operations Start	November 15, 2024

Commissioner Hall reported that she appreciates the Year 1 Operations Report and asked if there will be more information available specifically from an expert to validate and report that there is no health risk or impact to the public. Mr. Mosher noted that SAWPA is formulating internally with the communication folks as well as planning and engineering on how to launch the second year. It is anticipated to do an online seminar for the public and have DRI (the experts) present to answer any questions. Commissioner Gardner referenced the 2023-2024 Operations Summary slide and suggested including the square miles of target area.

This item is to receive and file; no action was taken on agenda item no. 6.A.

**B. ENHANCEMENTS TO WATERSHED-WIDE WATER BUDGET DECISION SUPPORT TOOL PROJECT UPDATE (CM#2024.43)**

Rick Whetsel provided a presentation on the Enhancements to Watershed-Wide Water Budget Decision Support Tool Project Update, contained in the agenda packet on pages 43-66. A brief overview was provided on the awarded grants from California Department of Water Resources (DWR) and the U.S. Bureau of Reclamation (Reclamation); DWR Proposition 1 Grant Agreement executed in May 2021, the key element to upgrade SAWPA/ESRI data viewer and the Reclamation WaterSmart Basin Study agreement that was executed in February 2021. The key element being a proposed automated method to classify land use.

The project goal was to produce a cost effective, consistent, and reproducible method to identify and measure outdoor landscape features. To create parcel level outdoor landscape budget data that meets or exceeds quality and accuracy expectations of DWR and certify data as an alternative residential landscape area data set to be used in place of the 2018 data provided by DWR. The project objectives were to acquire high resolution aerial imagery for the urbanized Santa Ana River Watershed, South Orange County, and a portion of the Upper Santa Margarita Watershed. Identify and measure irrigated landscape and irrigable land to create parcel level water budgets for Retail Water Agencies and create an online decision support tool for Retail Water Agencies to access water budgets and associated data.

A brief overview of Deep Learning was described as the utilization of Machine Learning involving leveraging sophisticated algorithms and deep neural networks to effectively train a model. Machine Learning is the application of Artificial Intelligence (AI) that allows a system to automatically learn and improve from experience, and AI is the ability of a digital machine to imitate intelligent human behavior. Mr. Whetsel noted that SAWPA's goals of this project include applying the results of the work by Reclamation to create parcel level outdoor landscape budget data that meets or exceeds quality and accuracy expectations of DWR,

so that the data can be used as an Alternative Residential Landscape Area Data set.

The Decision Support Tool is a “tool” to reside on a dedicated SAWPA webpage, where Agency staff can go to view sample data and request their retail agency level data, including the following: Imagery, Modeled Outdoor Landscape (GIS layer), Landscape budgets, GIS Tools, and Landscape Area Measurements Reports. The Decision Support Tool work is expected to begin August 2024. The next step is for Reclamation to complete outdoor landscape modeling for retail water agency services areas in the Upper Santa Ana River Watershed by December 2024. SAWPA staff is coordinating with MWDOC to prepare and submit a watershed level data validation report to DWR for consideration of the Alternative Landscape Data set. Staff is also set to initiate efforts to design the web-based tool following approval of the data validation report by DWR.

This item is to receive and file; no action was taken on agenda item no. 6.B.

## **7. INFORMATIONAL REPORTS**

Recommendation: Receive for Information.

### **A. OWOW QUARTERLY STATUS REPORT: APRIL – JUNE 2024**

### **B. ROUNDTABLES QUARTERLY STATUS REPORT: APRIL – JUNE 2024**

### **C. GENERAL MANAGER REPORT**

Jeff Mosher informed the Commission that SAWPA is a sponsor for the BIA Southern California Water Conference that is scheduled for Friday, August 9<sup>th</sup>. Mr. Mosher, along with the General Managers of IEUA, SBVMWD, WMWD, and EMWD will moderate a panel on Local Supply Reliability in the Upper Santa Ana Watershed.

### **D. COMMUNICATIO S REPORT – JULY 2024**

Jeff Mosher noted that SAWPA staff is in the process of filling the Communications Specialist position. This comes as a result of Melissa Bustamante accepting a new job offer at WMWD.

### **E. CHAIR’S COMMENTS/REPORT**

Chair Whitaker condemned Karen Williams and staff for all their efforts and highlighted the plaques displayed in the hallway of the annual awards of excellence in financial reporting and excellence in budget presentations plaques. Chair Whitaker also noted that he will be attending the Urban Water Institute Conference in San Diego.

### **F. COMMISSIONERS’ COMMENTS**

Commissioner Gardner noted that there is a scheduled hearing for August 7<sup>th</sup> regarding Senate Bill 366 due to it having a financial impact.

### **G. 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 10:34 a.m.

**Approved at a Regular Meeting of the Santa Ana Watershed Project Authority Commission on Tuesday, August 20, 2024.**

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Bruce Whitaker, Chair

Attest:

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Sara Villa, Clerk of the Board

## COMMISSION MEMORANDUM NO. 2024.44

**DATE:** August 20, 2024  
**TO:** SAWPA Commission  
**SUBJECT:** Inland Empire Brine Line Reserve Funds Review  
**PREPARED BY:** Karen Williams, Deputy General Manager/Chief Financial Officer

### RECOMMENDATION

That the Commission approve the following:

1. For R-01 Brine Line Operating Reserve set target to \$2,291,108 based on 25% of total operating expenses of \$9,164,430 for FYE 2025 (increase of \$111,449) and continue to accrue interest, and
2. For R-07 Pipeline and Replacement and Capital Investment Reserve set the minimum and target limits to \$18,884,000 and \$46,364,000 based on the new CIP amount of \$69 million, based on Engineering's review, and
3. Approve the funding levels (as of June 30, 2024) above the target levels and continue to accrue interest in FYE 2025 for the following reserve funds:
  - a. R-02 Brine Line Debt Service Reserve
  - b. R-04 Pipeline Capacity Management Reserve
  - c. R-05 OC Future Treatment & Disposal Capacity Reserve

### 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 reserve funds that pertain to the Brine Line. The six (6) reserve funds are as follows:

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

As per the approved Reserve Policy, funding above the target levels in the reserve funds will be discussed and approved with the PA 24 Committee and the Commission annually and during the biennial budget adoption process. For those reserve funds 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 funds that are under the target levels were reviewed and contribution amounts were approved for the next two years. There are three reserves that are over the target levels set in the Reserve Policy. The following table shows each reserve level on June 30, 2024, the minimum balance, target, and the amount over or under the target.

PA24 approved the recommendations listed above at their August 6, 2024 meeting.

**Reserve Fund Balances as of June 30, 2024**

Reserve Fund	No.	Balance @ 06/30/2024	Minimum Balance	Target	Amount Over/(Under) Target	Comments
Brine Line Operating	R-01	\$2,288,059	\$2,291,108	\$2,291,108	(\$3,049)	Interest through 06/30/2024
Debt Retirement	R-02	3,011,686	\$1,709,476	\$1,709,476	\$1,302,210	1.5x annual debt plus interest through 06/30/2024
Pipeline Capacity Management	R-04	\$12,808,111	\$3,894,181	\$9,735,454	\$3,072,657	Funds from pipeline capacity sales plus interest
OC San Future Treatment and Disposal Capacity	R-05	1,960,963	\$1,842,396	\$1,842,396	\$118,567	Target set at 06/30/2022 balance. Interest through 06/30/2024
OC San Pipeline Rehabilitation	R-06	\$2,880,674	\$2,425,147	\$7,250,000	(\$4,369,326)	Budget contributions in FYE 2024 and 2025 (\$325,309, \$155,786)
Pipeline Replacement and Capital Investment	R-07	\$34,346,201	\$18,884,000	\$46,364,000	(\$12,017,799)	Budget contributions in FYE 2024 and 2025 (\$1.9 million each year)
<b>Totals</b>		<b>\$57,295,694</b>	<b>\$31,046,308</b>	<b>\$69,192,434</b>	<b>(\$11,896,740)</b>	

R-01 Brine Line Operating

The target set for this reserve was \$2,179,659 for FYE 2024. 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 \$2,291,108 based on budgeted operating expenses of \$9,164,430 for FYE 2025.

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 recommendation:** Allow this reserve fund to continue to earn interest and keep a balance over the target level.

In the 10-year CIP there are over \$69 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 recommendation:** Allow this reserve be allowed to continue to earn interest and keep a balance over the target level.

The current balance of \$12,808,111 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 \$7.4 million. Currently, this reserve is over the target.

**Staff recommendation:** Allow this reserve 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 \$2,880,674, 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. This reserve and future contributions will be reviewed during the FYE 2026 and 2027 budget process.

#### 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. After the review by Engineering, the new maximum target needs to be set to \$46,364,000 based on the current CIP. Currently this reserve is at \$34,346,201, 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. This reserve and future contributions will be reviewed during the FYE 2026 and 2027 budget process

### **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  
August 20, 2024

## Recommendation:

It is recommended that the Commission:

1. For R-01 Brine Line Operating Reserve set target to \$2,291,108 based on 25% of total operating expenses of \$9,164,430 for FYE 2025 (increase of \$111,449) and continue to accrue interest, and
2. For R-07 Pipeline Replacement and Capital Investment Reserve set the minimum and target limits to \$18,884,000 and \$46,364,000 based on the new CIP amount of \$69 million, based on Engineering's review, and
3. Approve the funding levels (as of June 30, 2024) above the target levels and continue to accrue interest in FYE 2025 for the following reserve funds:
  - a. R-02 Brine Line Debt Service Reserve
  - b. R-04 Pipeline Capacity Management Reserve
  - c. R-05 OC Future Treatment & Disposal Capacity Reserve

# Brine Line Reserve Policy

- The updated Reserve Policy was approved by:
  - PA 24 on November 1, 2022
  - SAWPA Commission on December 20, 2022
- As per the approved Reserve Policy:
  - Funding above the target level in the reserve will be discussed and approved with the PA 24 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 the target.
- Staff will bring the evaluation of reserves above the targets to PA 24 and the Commission in August each year.

# Reserve Balances as of 06/30/2024 (including 4<sup>th</sup> Qtr. Interest)

Fund	06/30/2024 Ending Balance	Minimum (2025)	Target (2025)	Over or Under Target	Amount Over or (Under) Target	Comment
R-01 Brine Line Operating	\$2,288,059	\$2,291,108	\$2,291,108	Under	(\$3,049)	Interest through 06/30/2024
R-02 Debt Retirement	\$3,011,686	\$1,709,476	\$1,709,476	Over	\$1,302,210	Interest through 06/30/2024
R-04 Pipeline Capacity Management	\$12,808,111	\$3,894,181	\$9,735,454	Over	\$3,072,657	Funds from pipeline capacity sales
R-05 OC San Future Treatment and Disposal Capacity	\$1,960,963	\$1,842,396	\$1,842,396	Over	\$118,567	Target set at 06/30/22 balance Interest through 06/30/24
R-06 OC San Pipeline Rehabilitation	\$2,880,674	\$2,425,147	\$7,250,000	Under	(\$4,369,326)	Contributions for FYE 2024 and 2025 are \$325,309 and \$155,786
R-07 Pipeline Replacement and Capital Investment	\$34,346,201	\$18,884,000	\$46,364,000	Under	(\$12,017,799)	Contributions for FYE 2024 and 2025 are \$1.9 million each year
Resiliency Component		\$2,338,000	\$5,000,000	--	--	--
CIP Component		\$2,438,000	\$6,094,000	--	--	--
R&R Component		\$14,108,000	\$35,270,000	--	--	--
<b>Total - Unrestricted</b>	\$55,586,218	\$29,336,832	\$67,482,958	--	--	--
<b>Total – Restricted (R-02)</b>	\$1,709,476	\$1,709,476	\$1,709,476	--	--	--
<b>Total</b>	\$57,295,694	\$31,046,308	\$69,192,434	--	--	-- 30

## R-01 Brine Line Operating

- Target: \$2,179,659 (25% of FYE 2024 budgeted operating costs).
- Interest earned in 2024: \$108,400
- Balance at 06/30/2024: \$2,288,059

### Recommendation:

- Set Target at: \$2,291,108 (25% of FYE 2025 budgeted operating costs)
- Continue to accrue interest in 2025, which will bring balance to target level.

## R-02 Debt Retirement

- Target: \$1,709,476 (1x annual debt service payment)
- Interest earned in FYE 2024: \$112,257
- Balance at 06/30/2024: \$3,011,686

### Recommendation:

- Keep Target: \$1,709,476 (1x annual debt service payment)
- Keep the \$3,011,686 balance in this reserve and continue to accrue interest.
- 10-year CIP of \$69 million that qualifies for SRF Loans:
  - Reach IV-D Corrosion Repair SRF Loan of \$22.8 million
  - Estimated annual loan payment of \$1,278,798
  - \$2,988,274 is 1x annual debt service payment reserve requirement



## R-04 Pipeline Capacity Management

- Target: \$9,735,454
- Interest earned in FYE 2024: \$477,406
- Balance at 06/30/2024: \$12,808,111

### Recommendation:

- Keep Target: \$9,735,454
- Keep the \$12,808,111 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: \$1,842,396
- Interest earned in 2024: \$73,092
- Balance at 06/30/2024: \$1,960,963

### Recommendation:

- Keep Target: \$1,842,396
- Keep the \$1,960,963 in this reserve and continue to accrue interest.
- The current price for 1 MG of treatment & disposal capacity is \$7.4 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: \$7,250,000
- Interest earned in 2024: \$106,725
- Contributions in 2024: \$325,309
- Balance at 06/30/2024: \$2,880,674

### **Recommendation:**

- Keep Target: \$7,250,000
- Continue to contribute to this fund
  - FYE 2025 contribution = \$155,786.

# R-07 Pipeline Replacement and Capital Investment

• Target (Resiliency, CIP, and Renew and Replacement):	\$46,364,000
• Interest earned in 2024:	\$1,306,175
• Transfers from excess Operating Reserve:	\$141,358
• Contributions in 2024:	\$1,900,000
• RBF loan payment:	\$1,443,906
• SBVMWD Capital Contributions – Agua Mansa:	\$214,649
• Use of reserves in 2024	(\$3,108,842)
• Balance at 06/30/2024	\$34,346,201

## Recommendation:

• Keep Target:	\$46,364,000
• Continue to contribute to this fund. <ul style="list-style-type: none"><li>▪ FYE 2025 contribution = \$1,900,000</li></ul>	
• Use of \$1,870,013 in FYE 2025 budget	
• Additional SBVMWD Capital Contributions – Agua Mansa	\$562,152

## Recommendation:

It is recommended that the Commission:

1. For R-01 Brine Line Operating Reserve set target to \$2,291,108 based on 25% of total operating expenses of \$9,164,430 for FYE 2025 (increase of \$111,449) and continue to accrue interest, and
2. For R-07 Pipeline Replacement and Capital Investment Reserve set the minimum and target limits to \$18,884,000 and \$46,364,000 based on the new CIP amount of \$69 million, based on Engineering's review, and
3. Approve the funding levels (as of June 30, 2024) above the target levels and continue to accrue interest in FYE 2025 for the following reserve funds:
  - a. R-02 Brine Line Debt Service Reserve
  - b. R-04 Pipeline Capacity Management Reserve
  - c. R-05 OC Future Treatment & Disposal Capacity Reserve

**Questions?**

## COMMISSION MEMORANDUM NO. 2024.45

**DATE:** August 20, 2024  
**TO:** SAWPA Commission  
**SUBJECT:** Irrigation Replacement and Landscape Refresh Project  
**PREPARED BY:** David Ruhl, Executive Manager of Engineering and Operations

### RECOMMENDATION

That the Commission authorize the General Manager to accept the FS Contractors, Inc., work on the Irrigation Replacement and Landscape Refresh Project as complete and direct staff to file a Notice of Completion with the Riverside County Clerk upon the following:

1. Contractor has delivered all documents required by the Contract Documents;
2. Notice from Landscape Architect accepting the work;
3. Receipt of Final Application for Payment from the Contractor; and
4. Notice from the Construction Manager recommending final payment.

### DISCUSSION

In February 2024, the Commission awarded a construction contract to FS Contractors in the amount of \$189,734.75. The work included the replacement of the poorly functioning irrigation system and refresh vegetation that is past its prime throughout the SAWPA campus. The work commenced in April 2024 and was completed on August 7, 2024. The following shows the contract award amount and the final contract amount.

<u>Contractor</u>	<u>Contract Amount</u>
FS Contractors	\$189,734.75
- Change Order 1	<u>(\$19,198.00)</u>
<b>Final Contract Amount</b>	<b>\$170,536.75</b>

A Notice of Completion needs to be filed with the San Bernardino County Clerk upon receipt of documents required by the Contract Documents.

### RESOURCE IMPACTS

Funds are available in the FY 2024 and FY 2025 Budget, Building Reserve fund to cover the construction and construction management costs.

Attachments:

1. Notice of Completion
2. PowerPoint Presentation

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RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

Name SAWPA  
Street Address 11615 Sterling Avenue  
City & State Riverside, CA 92503

No fee per Gov't Code 27383

SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY

### NOTICE OF COMPLETION

Notice is hereby given that:

- The undersigned is owner or corporate officer of the owner of the interest or estate stated below in the property hereinafter described:
- The full name of the owner is Santa Ana Watershed Project Authority
- The full address of the owner is 11615 Sterling Avenue, Riverside, CA 92503
- The nature of the interest or estate of the owner is in fee.  
In Fee  
(If other than fee, strike "in Fee" and insert, for example, "purchaser under contract of purchase," or "lessee")
- The full names and full addresses of all persons, if any, who hold title with the undersigned as joint tenants or as tenants in common are:  

NAMES	ADDRESSES
<u>None</u>	
- A work of improvement on the property hereinafter described was completed on 08/07/2024. The work done was:  
Irrigation Replacement and Landscape Refresh Project
- The name of the contractor, if any, for such work of improvement was FS Contractors, Inc.  
(If no contractor for work of improvement as a whole, insert "none") 3/19/2024  
(Date of Contract)
- The property on which said work of improvement was completed is in the city of Riverside, County of Riverside, State of California, and is described as follows: Grubbing and clearing of certain plantings and renovating the SAWPA grounds with new landscape and irrigation system upgrades.
- The street address of said property is 11615 Sterling Avenue, Riverside, CA 92503  
(If no street address has been officially assigned, insert "none")

Dated: \_\_\_\_\_

**Santa Ana Watershed Project Authority**

\_\_\_\_\_  
Jeffrey J. Mosher, General Manager

### VERIFICATION

I, the undersigned, say: I am the Executive Manager of Engineering and Operations the declarant of the foregoing notice of completion; I have read said notice of completion and know the contents thereof; the same is true of my own knowledge.  
I declare under penalty of perjury that the foregoing is true and correct.

Executed on \_\_\_\_\_, 20\_\_\_\_, at \_\_\_\_\_, California.  
(Date of signature) (City where signed)

\_\_\_\_\_  
David P. Ruhl, Executive Manager of Engineering and Operations

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# Irrigation Replacement and Landscaping Refresh Project

August 20, 2024

Item No. 6.A

David P. Ruhl, P.E.

Executive Manager of Engineering and Operations

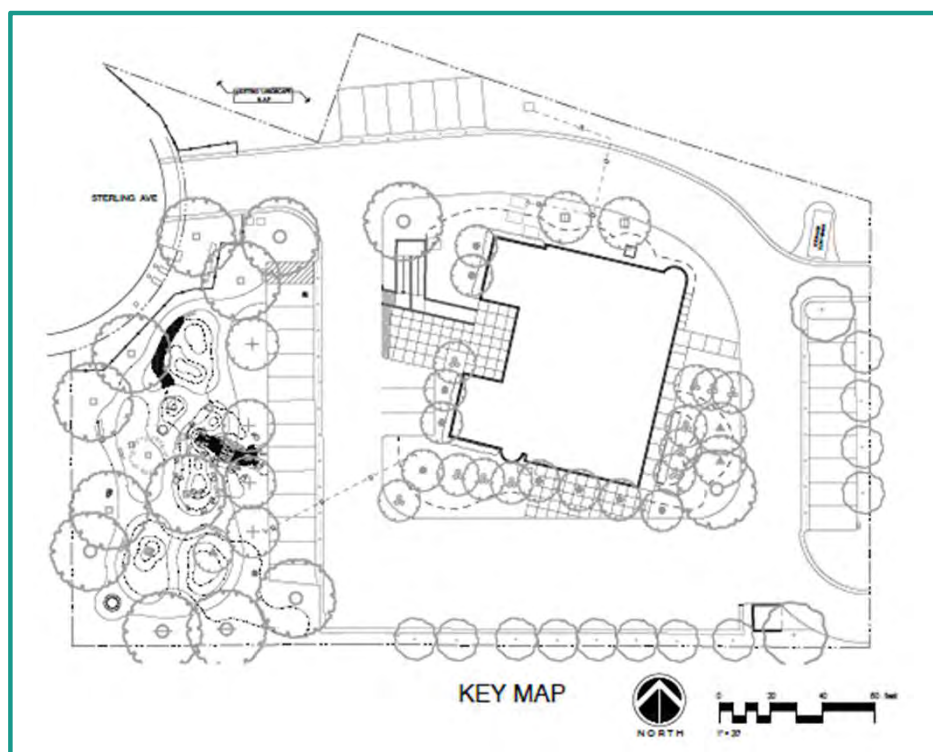
# Recommendation

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That the Commission authorize the General Manager to accept the FS Contractors work on the Irrigation Replacement and Landscape Refresh Project as complete and direct staff to file a Notice of Completion with the Riverside County Clerk up the following:

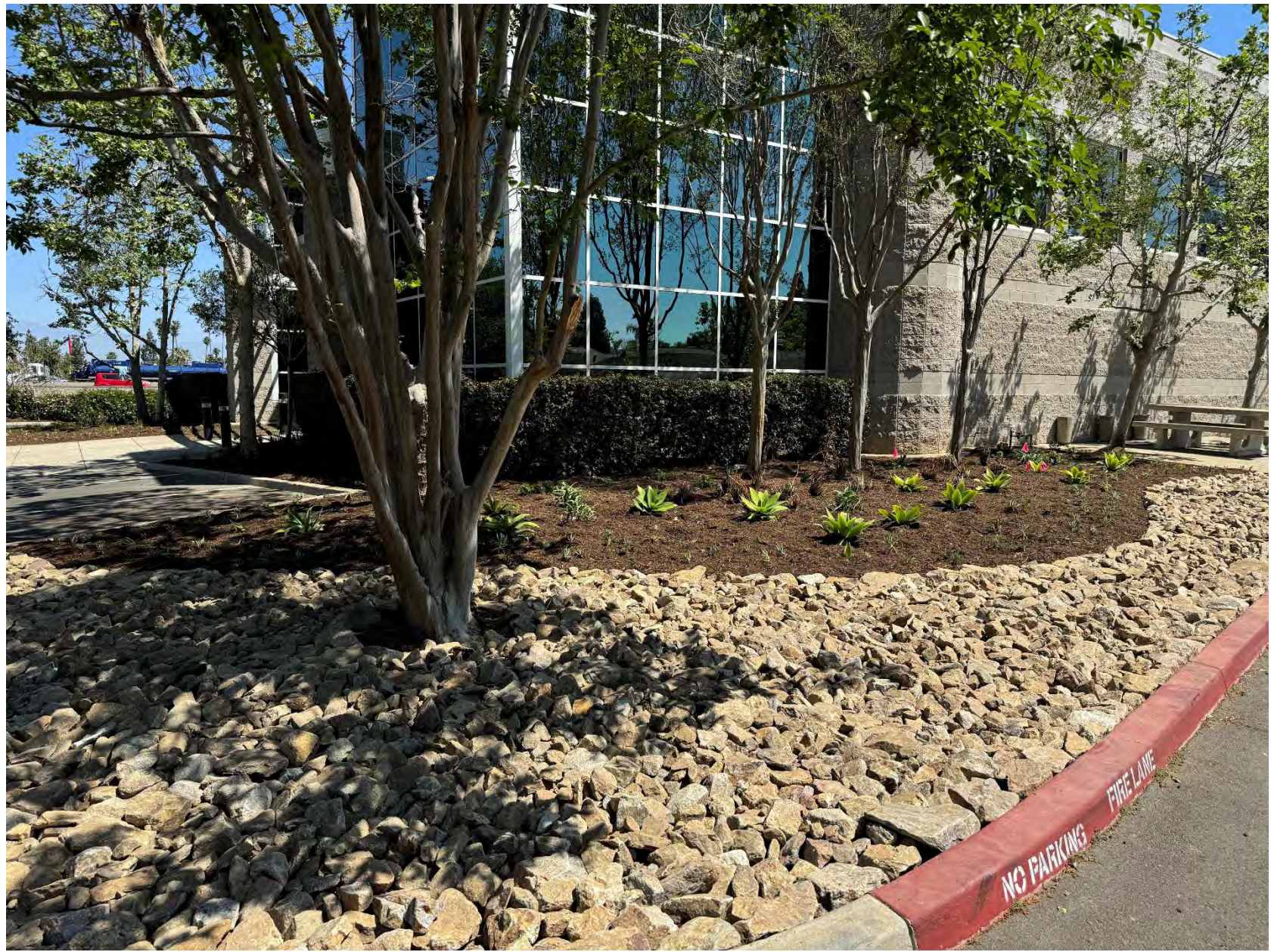
1. Contractor has delivered all documents required by the Contract Documents;
2. Notice from Engineer accepting the work;
3. Receipt of Final Application for Payment from the Contractor; and
4. Notice from the Construction Manager recommending final payment.

# Irrigation Replacement and Landscape Refresh



- Commission Award: February 2024
- Contractor: FS Contractors
- Contract Amount: \$189,744.75
- Complete: August 7, 2024
- Project Description
  - Refresh plantings and SAWPA building grounds with new landscape
  - Replace irrigation system





# Contract Authorization

Contractor	Contract Amount
• FS Contractors	\$189,734.75
• Change Order 1	<u>(\$19,198.00)</u>
• Final Contract Amount	\$170,536.75





# Recommendation

---

That the Commission authorize the General Manager to accept the FS Contractors work on the Irrigation Replacement and Landscape Refresh Project as complete and direct staff to file a Notice of Completion with the Riverside County Clerk up the following:

1. Contractor has delivered all documents required by the Contract Documents;
2. Notice from Engineer accepting the work;
3. Receipt of Final Application for Payment from the Contractor; and
4. Notice from the Construction Manager recommending final payment.

# Questions?

## COMMISSION MEMORANDUM NO. 2024.46

**DATE:** August 20, 2024  
**TO:** SAWPA Commission  
**SUBJECT:** Santa Ana River Conservation and Conjunctive Use Program Update  
**PREPARED BY:** Ian Achimore, Senior Watershed Manager

### RECOMMENDATION

Receive and file.

### DISCUSSION

SARCCUP includes three components: 1) habitat and ecosystem restoration, 2) water use efficiency, and 3) conjunctive use (water banking). The primary goal of the conjunctive use component is to store available imported water in a multi-basin groundwater bank during wet periods and use the stored water supply during times of reduced imported water supplies.

In wet periods, it was the desire of SBVMWD to establish a new agreement with Metropolitan that allows a portion of its “surplus water” to be stored within the Santa Ana River Watershed. “Surplus water” is a SBVMWD-term that refers to the amount of State Water Project water their Board of Directors approves for selling to non-SBVMWD customer agencies once SBVMWD has met its obligations. Several agreements have been executed between the various SARCCUP agencies, as well as Metropolitan Water District and the Municipal Water District of Orange County, to facilitate the use of surplus water, and other imported water sources, for SARCCUP.

SARCCUP was successful in receiving a \$55M Proposition 84 Integrated Regional Water Management (IRWM) grant through the One Water One Watershed (OWOW) Call for Projects in 2015. DWR, the grantor and agency who managed the State-wide IRWM grant program, executed a grant agreement with SAWPA, who manages the OWOW process, in November 2016. SAWPA can reimburse the SAWPA member agencies with DWR grant funding through the execution of sub-grantee agreements with each of the agencies.

The SAWPA agencies have constructed the new following facilities through SARCCUP:

#### Eastern Municipal Water District Facilities

- Recharge ponds (2) of depth about 10-15 feet
- Extraction wells (3) with 1,500 GPM capacity each

#### Orange County Water District Facilities

- Extraction wells (5) with 1,500 to 2,500 GPM capacity each

#### Western Municipal Water District Facilities

- Pipeline that is 4.5 miles at 30 inches diameter
- Storage tank at 1.1-million-gallon capacity
- Extraction wells (2) with 1,000 to 1,200 GPM capacity (Elsinore Valley MWD)
- Extraction well (1) (Riverside Basin)
- Interconnection (1) between WMWD and EMWD

The SAWPA member agencies have been able to utilize these new facilities in the following ways:

EMWD

Mountain Avenue West Replenishment Facility

- 40-acre recharge facility, including 22-acres of active recharge basins as part of the San Jacinto Valley Enhanced Regional Recharge Program
- Three separate basin facilities – one for de-silting and flow distribution and two for recharge operations
- Capable of recharging up to 30,000 acre-feet per year (19,500 AF for SARCCUP Storage)
- 11 monitoring well sites surround facility

Three potable wells: Wells 201, 202, and 203 (plus Well 205 but not grant-funded)

- Conveyance Pipelines
- Hewitt and Evans Groundwater Treatment Facility (not grant-funded)
- Each Well Capacity: 1,500 GPM
- Total Water Supply: 6,500 AFY

OCWD

Five new production wells

- Provides each participating retailer additional pumping capacity to withdraw banked SARCCUP water when needed.
- The new wells are more efficient and will require less energy to withdraw water compared to older wells (reduce carbon footprint).
- With the new construction, OCWD took advantage of the opportunity to install wellhead treatment systems at wells that needed treatment for PFAS (4 of the 5). These systems will ensure that the quality of the produced water meets regulatory requirements.

WMWD

- New facilities provide additional pumping capacity to withdraw banked SARCCUP water.
- Newer energy efficient equipment (wells, pump station, etc.).
- Interconnections for movement of SARCCUP supplies from various groundwater basins.
- Western’s sub-agency took the opportunity to install treatment for PFAS.
- New conveyance systems allows movement of extracted SARCCUP supplies to move to JCSD, Norco, Corona, Western retail, Temescal Valley, and Elsinore Valley
- Collaborating with neighboring agencies to optimize regional resources
- Created a water storage initiative for the watershed to utilize surplus supplies

Conjunctive use water bank capacities are summarized below:

<b>Basin</b>	<b>Storage (Acre Feet) Approximate Amount</b>
Chino	7,000
Elsinore	4,500
Orange County	36,000
Riverside-Arlington	6,000
San Bernardino	64,000
San Jacinto	19,500
Total	137,000

To date the following amounts have been deposited through SARCCUP:

- Orange County Basin - OCWD has deposited 2,000 AF in their portion of the SARCCUP bank.
- Chino Basin – Western Water has deposited 2,084 AF in their portion of the SARCCUP storage.

No water has been extracted from the program at this point.

**CRITICAL SUCCESS FACTORS**

Administration of the OWOW process and plan in a highly efficient and cost-effective manner.

**RESOURCE IMPACTS.**

None.

Attachments:

- PowerPoint Presentation

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# Santa Ana River Conservation and Conjunctive Use Program Update

Commission Meeting  
Item Number: 6.B  
Ian Achimore  
Senior Watershed Manager  
August 20, 2024

# Formulation of SARCCUP Program



2010 to 2014: Through the One Water One Watershed 1.0 and 2.0 plans the SAWPA member agencies developed project concepts focused on watershed-wide imported water banks.



2014: The SAWPA Member Agencies formed the Santa Ana River Watermaster Action Team and began developing a watershed-wide project.



2014: The Action Team applied and received the \$55 Million Proposition 84 Integrated Regional Water Management Program Grant through the OWOW Process for the SARCCUP Project.



2016 to 2018: The Action Team developed a SARCCUP Decision Support Model (DSM) to understand what key facilities were needed to bank water in wet years and utilize it in dry years.



# SARCCUP and OWOW Plan Goals

SARCCUP achieves several goals:

- 1) Multi-Agency Collaboration
- 2) Watershed-wide Program
- 3) Develop dry-year supply by banking wet-year water
- 4) Implement:
  - a) Water conservation measures and
  - b) Habitat restoration efforts.

OWOW 2.0 water supply-related goal:

OWOW 2.0 Goal	OWOW Performance Targets for 2035
Maintain reliable and resilient water supplies and reduce dependency on imported water.	Create <b>58,000 AFY</b> using a combination of additional wells, treatment, conjunctive use storage, and desalination of brackish groundwater.



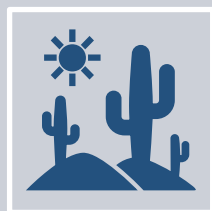
# Purpose of SARCCUP Water Bank



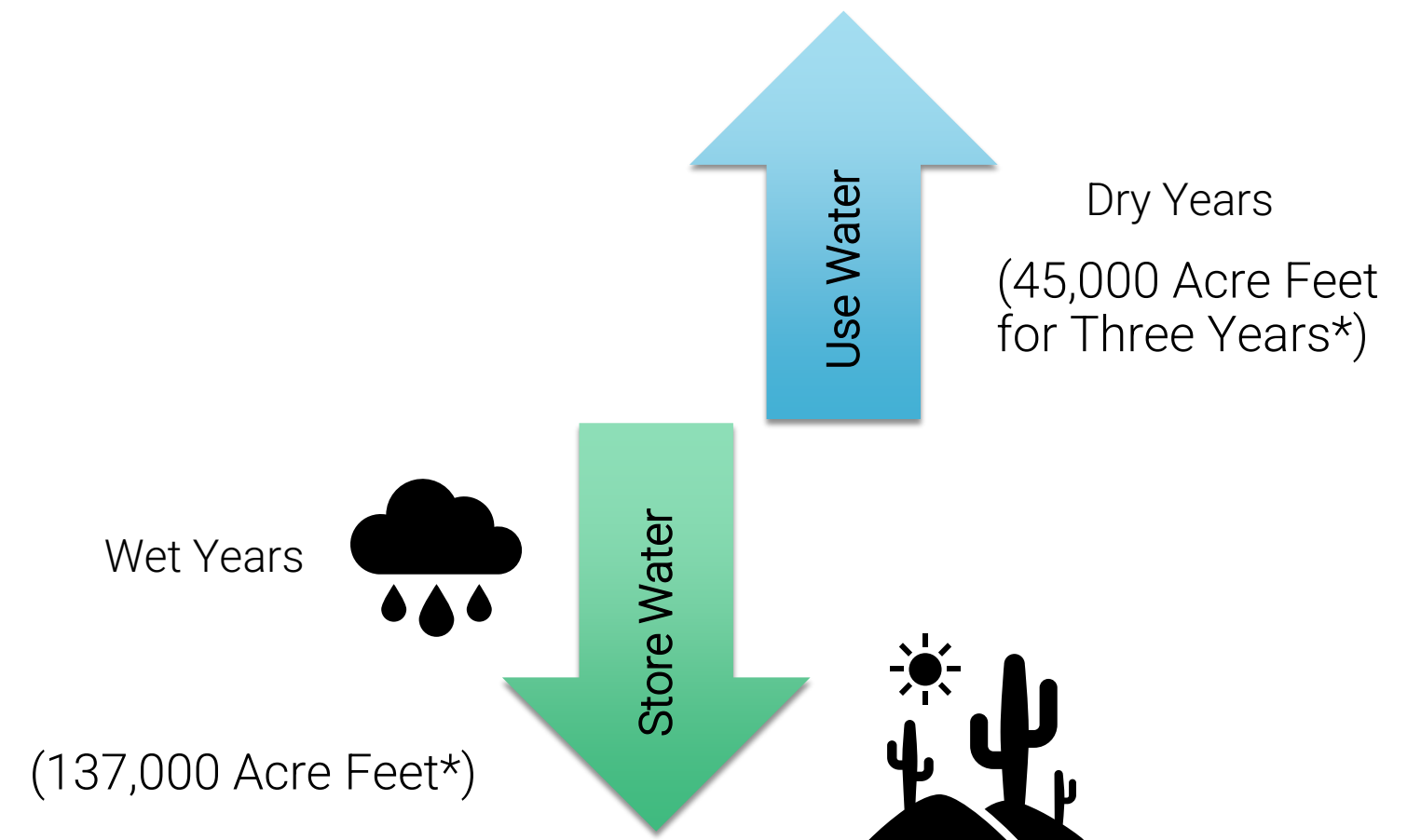
The primary goal is to maximize the storage of wet year imported water supplies that can later be used during droughts.



SARCCUP able to store approximately 137,000 acre-foot (AF) with the capacity to recharge and store up to 60,000 AF per year (AFY) during wet years.



Dry year supply approximately 45,000 AFY for 3 years.\*



The target amounts for storage and use are dependent upon actual hydrology.

\*To reduce costs, in lieu exchanges will be used in place of direct deliveries as much as possible.

# SARCCUP Water Supply Agreements

<p>SBVMWD / MWD Agreement</p>	<p>Surplus water purchases by MWD from SBVMWD</p>	<p>Executed June 2021</p>
<p>MWD/ SARCCUP MWD Member Agencies Agreement</p>	<p>MWD offers at least 50% of surplus water purchases to SARCCUP MWD Member Agencies (EMWD, IEUA, MWDOC (&amp; OCWD), WMWD)</p>	<p>Executed November 2021</p>
<p>SARCCUP Agencies/ MWDOC Agreement</p>	<p>Prescribes the priority and process for the agencies accessing SARCCUP water and places conditions on how, when, and where MWDOC may use SARCCUP water (EMWD, IEUA, MWDOC, OCWD, WMWD)</p>	<p>Executed December 2021</p>
<p>Interagency Operating Committee Agreement</p>	<p>Details roles and responsibilities for decision making surrounding available surplus water for purchase and storage through the SARCCUP program in the water banking facilities (EMWD, OCWD, SBVMWD, WMWD)</p>	<p>Executed May 2023</p>

# Conjunctive Use Water Bank

Basin	Storage (Acre Feet) Approximate Amount
Chino	7,000
Elsinore	4,500
Orange County	36,000
Riverside-Arlington	6,000
San Bernardino	64,000
San Jacinto	19,500
Total	137,000

# SARCCUP Facility Construction Budget

Conjunctive Use Category	Grant*	Match (Non-State Costs)	Total
Land Purchase	\$510,000	\$3,211,633	\$3,721,633
Design	\$3,663,717	\$4,612,367	\$8,276,084
Construction	\$43,232,767	\$65,647,607	\$108,880,374
<b>Total</b>	<b>\$47,406,484</b>	<b>\$73,471,606</b>	<b>\$120,878,091</b>

Does not include water use efficiency, Santa Ana Sucker habitat, and Arundo Donax removal.

# SARCCUP Facility Construction Schedule

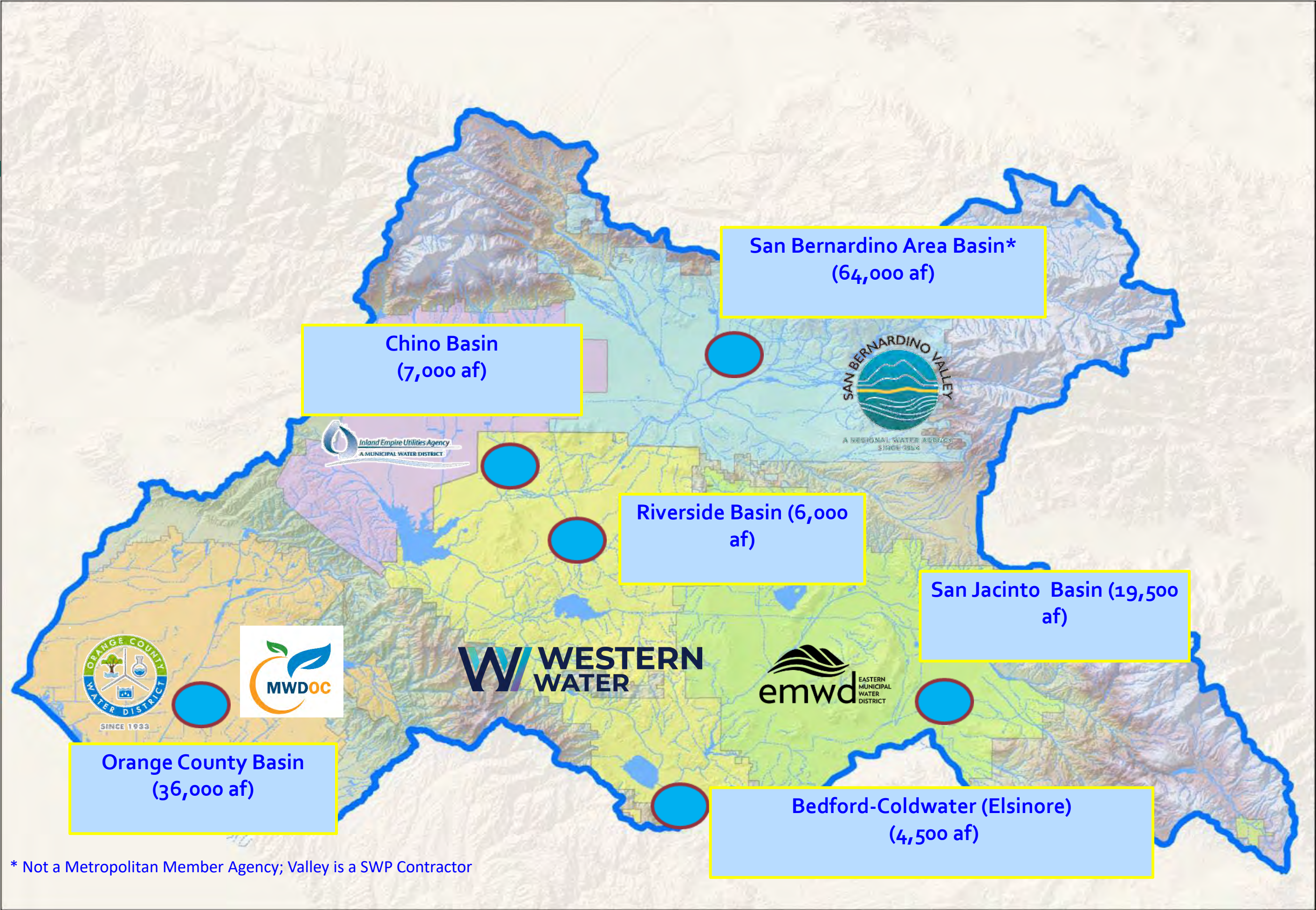
<b>Conjunctive Use Category</b>	<b>Start – End</b>
Land Purchase	2016 to 2023
Planning/Design	2016 to 2024
Construction	2016 to 2025

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**SARCCUP**  
**Water Banking and Extraction**  
**Simplified**

# SARCCUP Storage

Interconnections and project conveyance components allow direct deliveries amongst basins



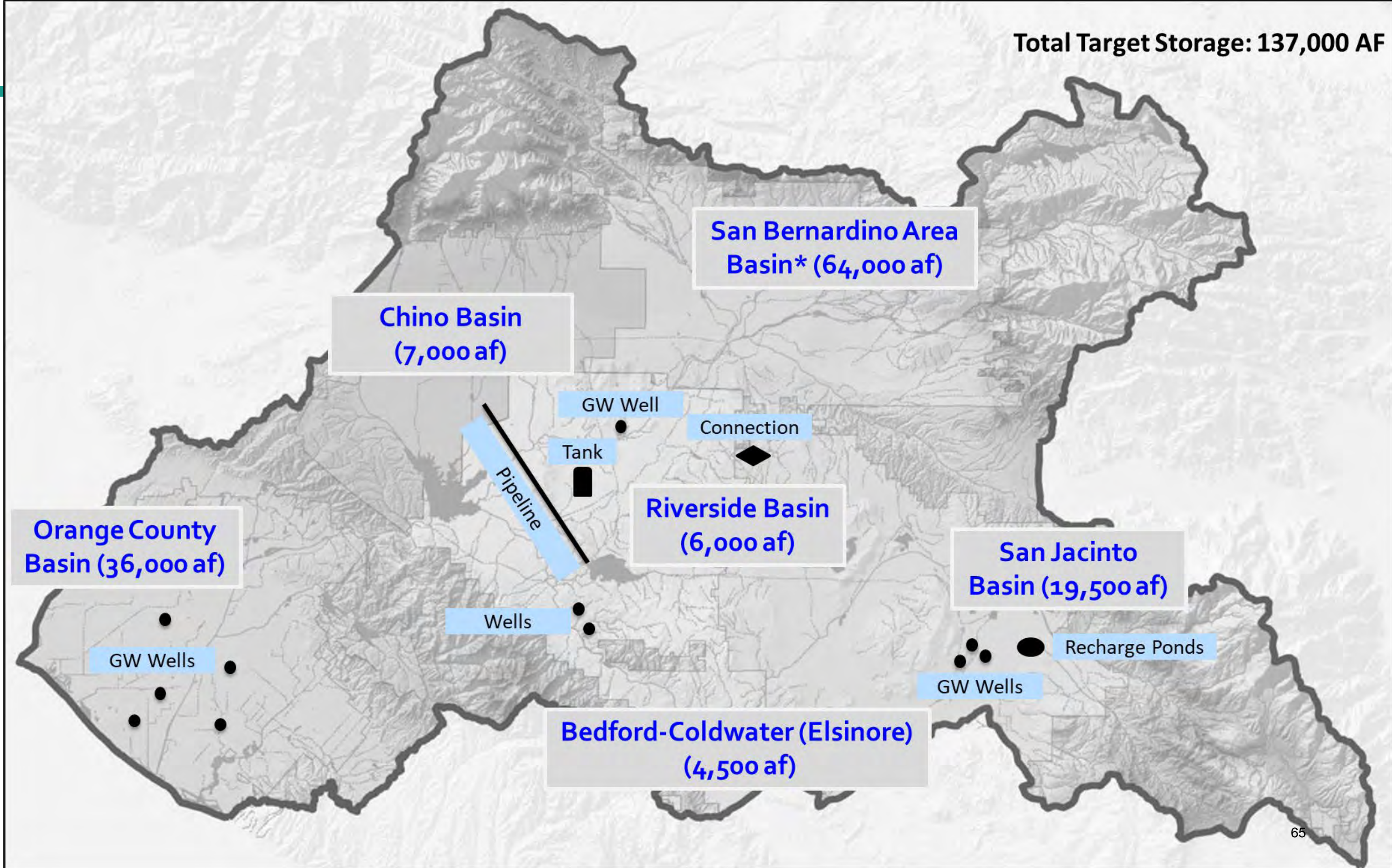
\* Not a Metropolitan Member Agency; Valley is a SWP Contractor



# New SARCCUP Facilities

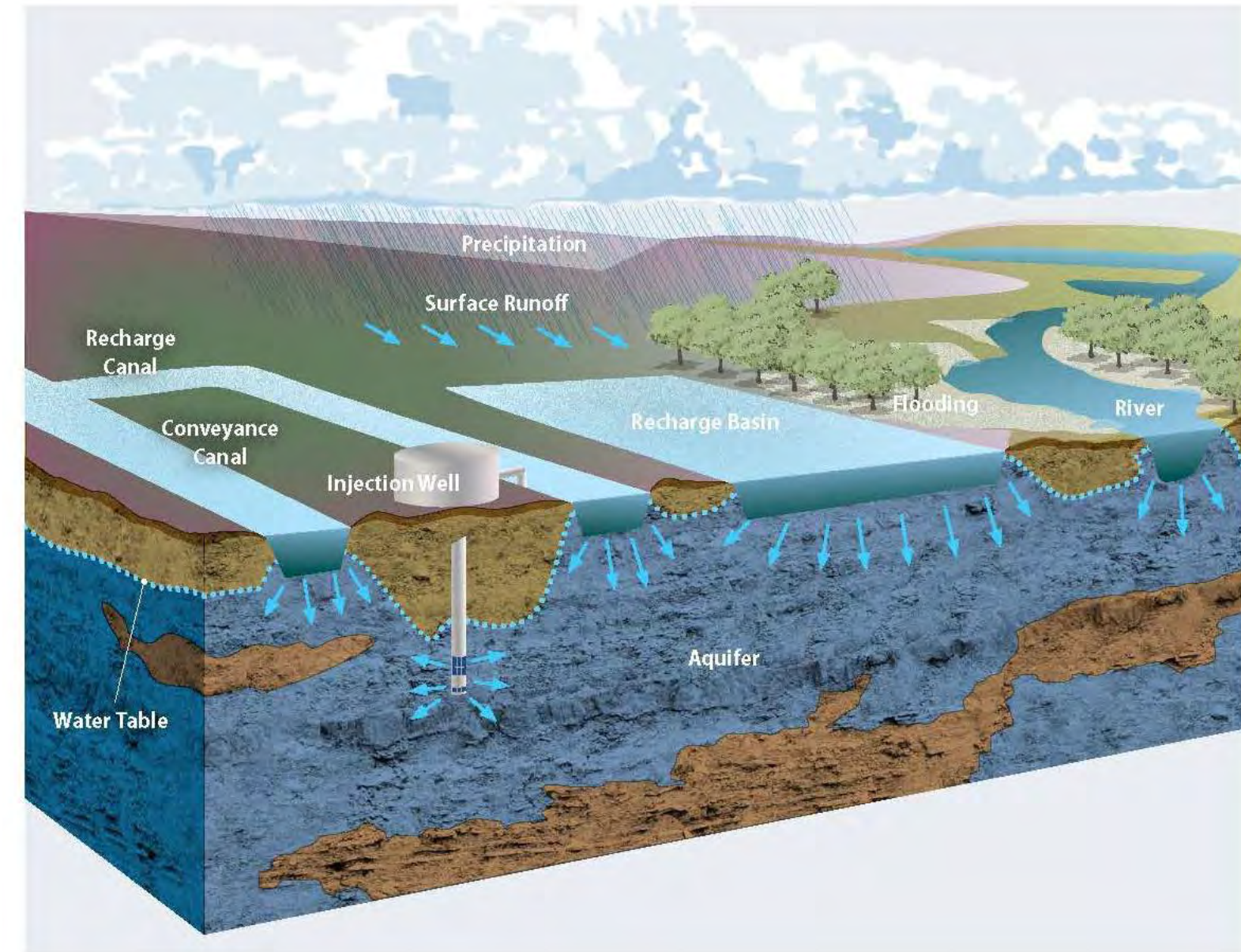
New SARCCUP Facilities (Black)

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# Purpose of Regional Project

- Purpose was to further integrate water agencies and combine resources to receive wet year water
- Combining resources is key particularly for conjunctive use programs; these programs require advance planning to be prepared for long periods of drought (dry years)
  - The water bank acts as an “insurance policy” for dry years



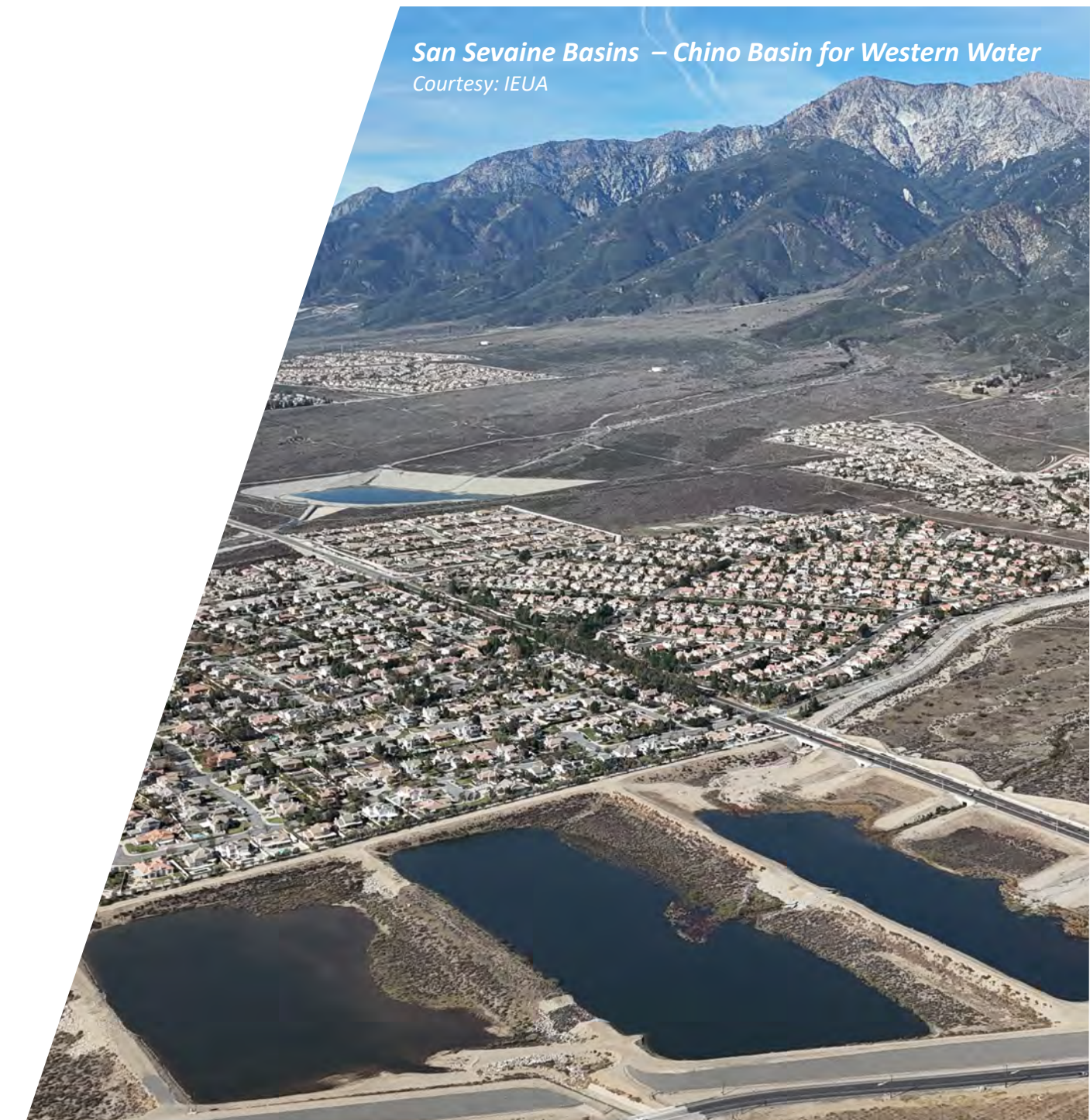
# Operations Committee

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- Purpose:
  - Analyze transactions for water purchases, storage and delivery
  - Support operating decisions for movement of SARCCUP water
  - Oversee financial transactions and streamline reporting
- Other highlights:
  - Key agencies (i.e., MWD) participate as non-voting parties or observers
  - Details procedures for water purchases, storage, points of delivery, scheduling transactions, etc.
- Meet as needed

# Current SARCCUP Storage

- **Orange County Basin** - OCWD has deposited 2,000 AF in their portion of the SARCCUP bank
- **Chino Basin** – Western Water has deposited 2,084 AF in their portion of the SARCCUP storage
- No water extracted from the program at this point

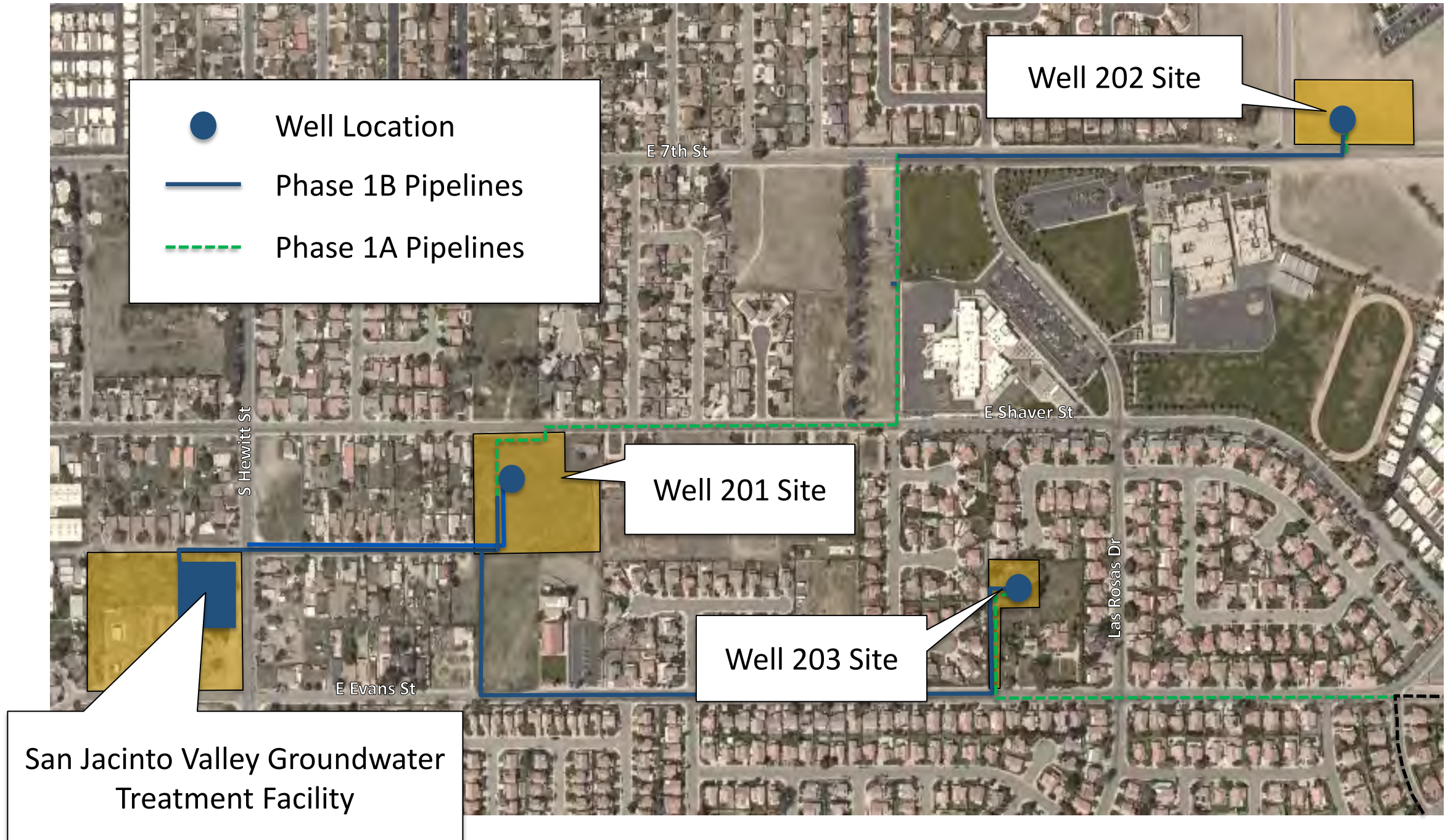


# EMWD Updates



San Jacinto Groundwater Basin Facilities (Mountain Avenue West  
Groundwater Replenishment and Extraction Wells)

# Wells 201, 202, 203



City of San Jacinto

# EMWD Updates

- ▶ Mountain Ave West Groundwater Replenishment Facility: facility utilized on a temporary basis while the recharge ponds were undergoing repair (April-June)
- ▶ Wells 201-203: Equipping completed in early 2024
- ▶ San Jacinto Valley Groundwater Treatment Facility:
  - Not included in SARCCUP grant funding but pertinent to the project
  - Groundbreaking ceremony held in early July
  - Construction completion in summer 2026



# Multi-Benefits of New SARCCUP Infrastructure

- Mountain Avenue West Replenishment Facility
  - 40-acre recharge facility, including 22-acres of active recharge basins as part of the San Jacinto Valley Enhanced Regional Recharge Program (SJVERRP)
  - Three separate basin facilities – one for de-silting and flow distribution and two for recharge operations
  - Capable of recharging up to 30,000 acre-feet per year (19,500 AF for SARCCUP Storage)
  - 11 monitoring well sites surround facility
- Three potable wells: Wells 201, 202, and 203 (plus Well 205 but not grant-funded)
  - Conveyance Pipelines
  - Hewitt and Evans Groundwater Treatment Facility (not grant-funded)
  - Each Well Capacity: 1,500 gpm
  - Total Water Supply: 6,500 AFY



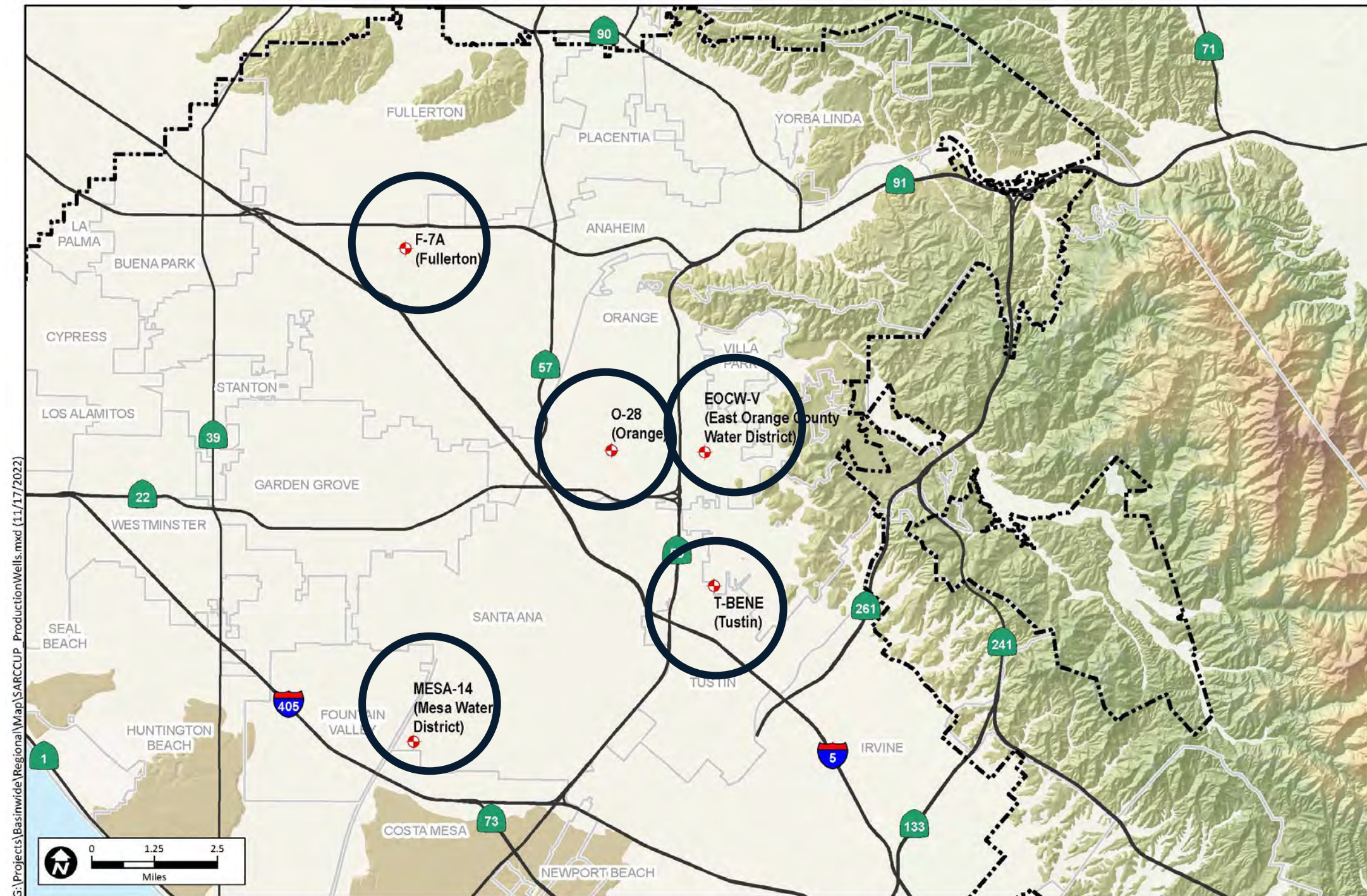


# OCWD UPDATES



Orange County Groundwater Wells

# Five SARCCUP production wells were constructed



# All five wells are completed and well equipping is on-going for two wells

Agency	Well Name	Date Well Completed	Projected Equipping Complete
City of Fullerton	Well 7A	February 2021	March 2025
City of Orange	Well 28	March 2022	March 2025
City of Tustin	Beneta Well (R)	September 2022	March 2024
East Orange County Water District	Vanderwerff Well	December 2021	September 2023
Mesa Water District	Well 14	March 2021	March 2023

# Multi-Benefits of New SARCCUP Infrastructure

- Provides each participating retailer additional pumping capacity to withdraw banked SARCCUP water when needed.
- The new wells are more efficient and will require less energy to withdraw water compared to older wells (reduce carbon footprint).
- With the new construction, OCWD took advantage of the opportunity to install wellhead treatment systems at wells that needed treatment for PFAS (4 of the 5). These systems will ensure that the quality of the produced water meets regulatory requirements.

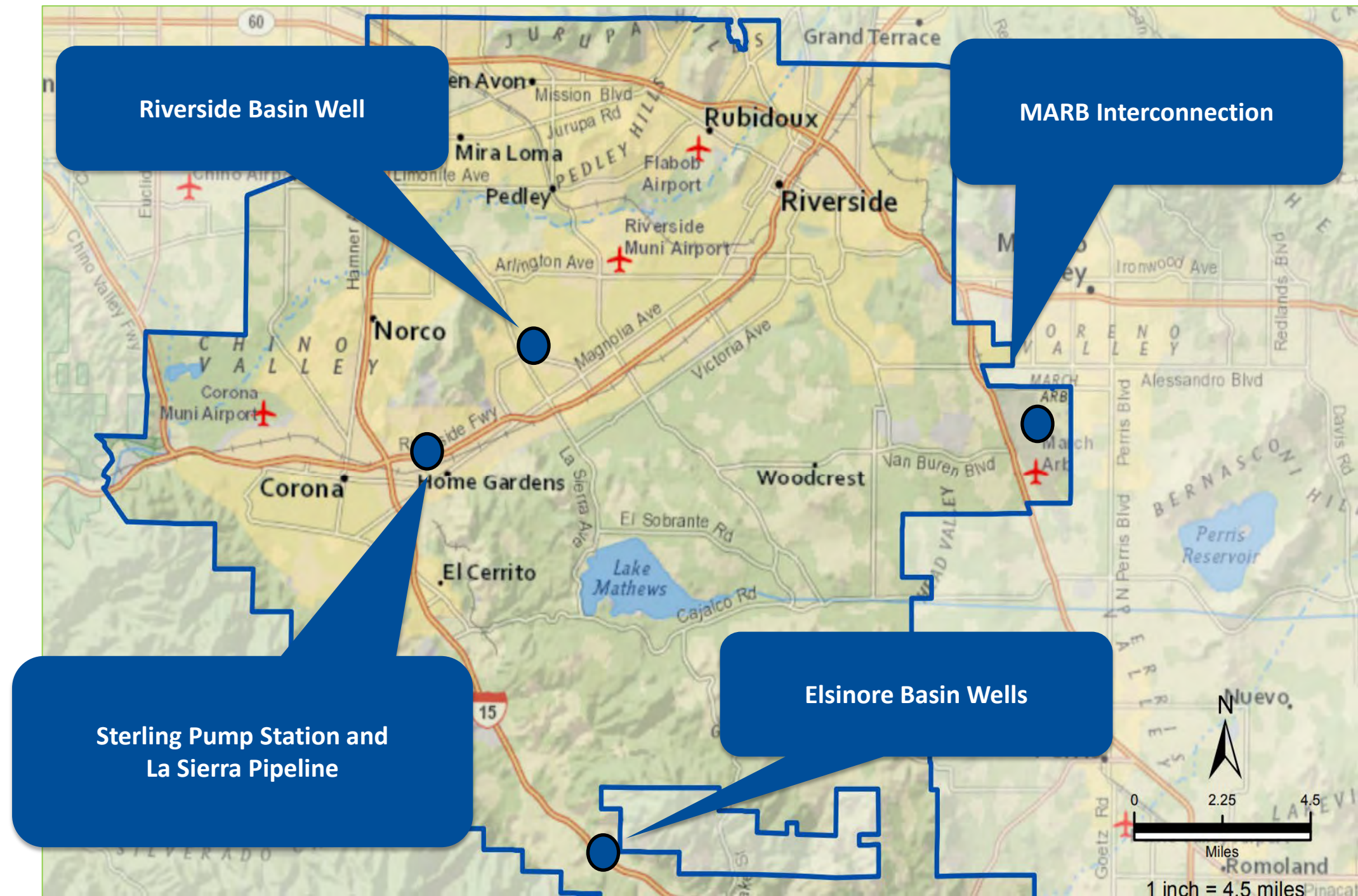


# WMWD Updates



Sterling Pump Station, Riverside-Arlington Basin Facilities, Elsinore  
Basin Wells, and Interconnections

# SARCCUP WMWD Facilities



# Sterling Pump Station and La Sierra Pipeline

- Sterling Pump Station & Reservoir, and La Sierra Pipeline (~\$40 million) were completed in late 2022
- Connection between Chino Desalter II to Arlington Desalter System to Mills Gravity Line
- Allows movement of extracted SARCCUP supplies to move to JCSD, Norco, Corona, Western retail, Temescal Valley, and Elsinore Valley



## Interconnections

- Magnolia Intertie construction underway (~90% complete)
- March Air Reserve Basin (MARB) Interconnection complete
- Allows movement of extracted SARCCUP supplies from various groundwater basins

## Riverside Basin Well

- Well drilling and casing installation complete
- Pumping development, testing and sampling complete
- Design bids due in September 2024
- Allows movement of extracted SARCCUP supplies from San Bernardino Basin Area, Riverside, and Riverside-Arlington groundwater basins

## Elsinore Basin Wells

- New extraction wells with PFAS treatment
- Projects under construction (~30% complete)
- Allows movement of extracted SARCCUP supplies from Elsinore groundwater basins

**MARB Interconnection Facility**



**Riverside Basin Well Casing Install**



**Elsinore Basin Wells**  
**GAC Backwash Foundation**      **Well 2 Drilling**





# Multi-Benefits of New SARCCUP Infrastructure

- Provides additional pumping capacity to withdraw banked SARCCUP water
- Newer energy efficient equipment (wells, pump station, etc.)
- Interconnections for movement of SARCCUP supplies from various groundwater basins
- Western's sub-agency took the opportunity to install treatment for PFAS
- New conveyance systems allows movement of extracted SARCCUP supplies to move to JCSD, Norco, Corona, Western retail, Temescal Valley, and Elsinore Valley
- Overarching:
  - Collaborating with neighboring agencies to optimize regional resources
  - Created a water storage initiative for the watershed to utilize surplus supplies
- Program underway with over 4,000 AF banked

# Thank You

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Ian Achimore  
Santa Ana Watershed Project Authority  
Office (951) 354-4233  
ian@sawpa.gov



Santa Ana Watershed Project Authority  
Cash Transaction Report  
Month of June 2024

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	\$	1,616,224.50
Net Investment Transfers		1,064,123.05
Cash Disbursements		<u>(1,509,902.05)</u>
Net Change for Month	\$	1,170,445.50
Balance at Beginning of Month		<u>1,000,990.45</u>
Balance at End of Month per General Ledger	<b>\$</b>	<b><u>2,171,435.95</u></b>
Collected Balance per Bank Statement	<b>\$</b>	<b><u>2,311,673.26</u></b>

**ACCOUNTS PAYABLE RECONCILIATION**

Accounts Payable Balance @ 05/31/2024	\$	5,437,554.96
Invoices Received for June 2024		860,166.93
Invoices Paid by check/wire during June 2024 (see attached register)		<u>(1,225,928.87)</u>
Accounts Payable Balance @ 06/30/2024	<b>\$</b>	<b><u>5,071,793.02</u></b>

**CASH RECEIPTS**

Brine Line Operating Revenues	\$ 446,709.61
Rialto Bioenergy Loan Payoff	1,152,221.81
LESJWA Admin Reimbursement	14,812.43
Other	<u>2,480.65</u>
Total Receipts and Deposits	\$ 1,616,224.50

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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>1,064,123.05</u>
Total Investment Transfers	\$ 1,064,123.05

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**CASH DISBURSEMENTS**

By Check or ACH:	
Payroll	\$ -
Operations	<u>1,225,928.87</u>
Total Checks Drawn	\$ 1,225,928.87
By Cash Transfer:	
Payroll	\$ 187,209.13
Payroll Taxes	<u>96,764.05</u>
Total Cash Transfers	\$ 283,973.18
Total Cash Disbursements	<u><u>\$ 1,509,902.05</u></u>

-

**Santa Ana Watershed Project Authority**  
**Check Detail**  
**Jun-24**

Category	Check #	Check Date	Type	Vendor	Check Amount
Accrued Volumetric Costs	EFT06101	6/20/2024	CHK	Orange County Sanitation District	\$ 714,652.16
<b>Accrued Volumetric Costs Total</b>					<b>\$ 714,652.16</b>
Asset	EFT06088	6/13/2024	CHK	Falcon Engineering Services	\$ 6,699.15
Asset	EFT06136	6/27/2024	CHK	Gillis & Panichapan Architects	\$ 1,445.00
<b>Asset Total</b>					<b>\$ 8,144.15</b>
Auto Expense	5835	6/13/2024	CHK	County of Riverside	\$ 1,407.71
Auto Expense	5838	6/20/2024	CHK	Fuller Truck Accessories	\$ 6,746.45
Auto Expense	5845	6/27/2024	CHK	County of Riverside	\$ 1,059.12
Auto Expense	EFT06127	6/27/2024	CHK	County of Riverside/Transportation	\$ 1,306.95
<b>Auto Expense Total</b>					<b>\$ 10,520.23</b>
Benefits	5839	6/20/2024	CHK	Mutual Of Omaha	\$ 3,366.18
Benefits	EFT06079	6/6/2024	CHK	HealthEquity, Inc.	\$ 140.00
Benefits	EFT06099	6/20/2024	CHK	ACWA JPIA	\$ 55,473.02
Benefits	EFT06100	6/20/2024	CHK	Aflac	\$ 362.66
Benefits	EFT06125	6/27/2024	CHK	HealthEquity, Inc.	\$ 134.00
Benefits	P046906	6/13/2024	WDL	MissionSquare	\$ 4,224.19
Benefits	P046907	6/13/2024	WDL	MissionSquare	\$ 447.26
Benefits	P046908	6/13/2024	WDL	CalPERS Supplemental Income	\$ 5,374.21
Benefits	P046909	6/13/2024	WDL	Public Employees' Retirement	\$ 26,540.26
Benefits	P046992	6/27/2024	WDL	MissionSquare	\$ 4,224.19
Benefits	P046993	6/27/2024	WDL	MissionSquare	\$ 447.26
Benefits	P046994	6/27/2024	WDL	Public Employees' Retirement	\$ 26,510.13
Benefits	P046995	6/27/2024	WDL	CalPERS Supplemental Income	\$ 5,374.21
Benefits	WDL000006648	6/3/2024	WDL	WageWorks	\$ 28.26
Benefits	WDL000006650	6/5/2024	WDL	WageWorks	\$ 50.38
Benefits	WDL000006651	6/6/2024	WDL	WageWorks	\$ 384.62
Benefits	WDL000006664	6/11/2024	WDL	WageWorks	\$ 7.47
Benefits	WDL000006665	6/13/2024	WDL	WageWorks	\$ 17.55
Benefits	WDL000006675	6/17/2024	WDL	WageWorks	\$ 5.00
Benefits	WDL000006676	6/18/2024	WDL	WageWorks	\$ 10.00
Benefits	WDL000006678	6/20/2024	WDL	WageWorks	\$ 97.60
Benefits	WDL000006679	6/21/2024	WDL	WageWorks	\$ 384.62
Benefits	WDL000006684	6/24/2024	WDL	WageWorks	\$ 189.00
Benefits	WDL000006685	6/25/2024	WDL	WageWorks	\$ 884.69
<b>Benefits Total</b>					<b>\$ 134,676.76</b>
Building Lease	5840	6/20/2024	CHK	Wilson Property Services, Inc	\$ 2,328.70
Building Lease	5841	6/20/2024	CHK	Wilson Property Services, Inc	\$ 2,556.00
Building Lease	5842	6/20/2024	CHK	Wilson Property Services, Inc	\$ 2,618.88
<b>Building Lease Total</b>					<b>\$ 7,503.58</b>
Cloud Storage	EFT06124	6/27/2024	CHK	VC3, Inc.	\$ 3,005.75
<b>Cloud Storage Total</b>					<b>\$ 3,005.75</b>
Conference Expense - Registration	5833	6/6/2024	CHK	Resource Trends, Inc.	\$ 3,500.00
<b>Conference Expense - Registration Total</b>					<b>\$ 3,500.00</b>
Construction	EFT06089	6/13/2024	CHK	Dudek	\$ 1,020.00
Construction	EFT06108	6/20/2024	CHK	Dudek	\$ 3,137.50
<b>Construction Total</b>					<b>\$ 4,157.50</b>
Consulting	EFT06080	6/6/2024	CHK	GEI Consultants	\$ 8,878.00
Consulting	EFT06082	6/6/2024	CHK	JPW Communications	\$ 1,956.50
Consulting	EFT06087	6/13/2024	CHK	CDM Smith, Inc.	\$ 55,125.23
Consulting	EFT06090	6/13/2024	CHK	Woodard & Curran Inc.	\$ 7,228.45
Consulting	EFT06096	6/13/2024	CHK	Kahn Soares & Conway	\$ 3,640.00
Consulting	EFT06106	6/20/2024	CHK	VC3, Inc.	\$ 437.50
Consulting	EFT06108	6/20/2024	CHK	Dudek	\$ 12,117.71
Consulting	EFT06109	6/20/2024	CHK	Woodard & Curran Inc.	\$ 18,578.75
Consulting	EFT06111	6/20/2024	CHK	Water Systems Consulting	\$ 2,637.50
Consulting	EFT06113	6/20/2024	CHK	CWE	\$ 3,417.46
Consulting	EFT06117	6/27/2024	CHK	West Coast Advisors	\$ 9,750.00
Consulting	EFT06122	6/27/2024	CHK	CDM Smith, Inc.	\$ 96,495.93
Consulting	EFT06124	6/27/2024	CHK	VC3, Inc.	\$ 3,213.05
Consulting	EFT06133	6/27/2024	CHK	Sol Media	\$ 540.00
Consulting	EFT06135	6/27/2024	CHK	JPW Communications	\$ 2,610.21
<b>Consulting Total</b>					<b>\$ 226,626.29</b>
Credit Cards	P046996	6/10/2024	WDL	US Bank	\$ 11,092.90

Santa Ana Watershed Project Authority  
Check Detail  
Jun-24

Category	Check #	Check Date	Type	Vendor	Check Amount
<b>Credit Cards Total</b>					<b>\$ 11,092.90</b>
Director Costs	EFT06114	6/27/2024	CHK	Eastern Municipal Water District	\$ 570.92
Director Costs	EFT06116	6/27/2024	CHK	Western Municipal Water District	\$ 545.59
Director Costs	EFT06126	6/27/2024	CHK	Jasmin Hall	\$ 34.84
Director Costs	EFT06129	6/27/2024	CHK	Bruce Whitaker	\$ 40.20
Director Costs	EFT06134	6/27/2024	CHK	T. Milford Harrison	\$ 58.96
<b>Director Costs Total</b>					<b>\$ 1,250.51</b>
Employee Reimbursement	EFT06081	6/6/2024	CHK	Haley Gohari	\$ 179.09
Employee Reimbursement	EFT06098	6/13/2024	CHK	Natalia Gonzalez	\$ 12.14
Employee Reimbursement	EFT06105	6/20/2024	CHK	Dean Unger	\$ 150.00
Employee Reimbursement	EFT06107	6/20/2024	CHK	Jeffrey J. Mosher	\$ 349.94
Employee Reimbursement	EFT06110	6/20/2024	CHK	Alison L Lewis	\$ 150.00
Employee Reimbursement	EFT06120	6/27/2024	CHK	David Ruhl	\$ 150.00
Employee Reimbursement	EFT06121	6/27/2024	CHK	Sara Villa	\$ 143.28
Employee Reimbursement	EFT06123	6/27/2024	CHK	Karen Williams	\$ 5.01
Employee Reimbursement	EFT06128	6/27/2024	CHK	Alison L Lewis	\$ 549.00
<b>Employee Reimbursement Total</b>					<b>\$ 1,688.46</b>
Equipment Rented	EFT06074	6/6/2024	CHK	Konica Minolta - Rental	\$ 678.07
Equipment Rented	EFT06103	6/20/2024	CHK	Pitney Bowes Global Financial	\$ 345.60
<b>Equipment Rented Total</b>					<b>\$ 1,023.67</b>
Facility Repair & Maintenance	EFT06077	6/6/2024	CHK	United Storm Water Inc.	\$ 9,139.61
Facility Repair & Maintenance	EFT06078	6/6/2024	CHK	TNT Elevator Inc	\$ 2,080.00
Facility Repair & Maintenance	EFT06084	6/6/2024	CHK	Pacific Shore Pest Control	\$ 135.00
Facility Repair & Maintenance	EFT06093	6/13/2024	CHK	Riverside Cleaning Systems	\$ 1,700.00
Facility Repair & Maintenance	EFT06104	6/20/2024	CHK	Innerline Engineering	\$ 8,926.74
Facility Repair & Maintenance	EFT06112	6/20/2024	CHK	Pacific Shore Pest Control	\$ 135.00
<b>Facility Repair &amp; Maintenance Total</b>					<b>\$ 22,116.35</b>
HVAC	EFT06137	6/27/2024	CHK	Magnolia Heating and Cooling	\$ 129.00
<b>HVAC Total</b>					<b>\$ 129.00</b>
Insurance Expense	EFT06094	6/13/2024	CHK	Zenith Insurance Company	\$ 4,440.00
<b>Insurance Expense Total</b>					<b>\$ 4,440.00</b>
Lab Costs	EFT06076	6/6/2024	CHK	E. S. Babcock & Sons, Inc.	\$ 6,640.57
Lab Costs	EFT06086	6/13/2024	CHK	E. S. Babcock & Sons, Inc.	\$ 2,539.00
Lab Costs	EFT06118	6/27/2024	CHK	E. S. Babcock & Sons, Inc.	\$ 2,852.57
<b>Lab Costs Total</b>					<b>\$ 12,032.14</b>
Landscape Maintenance	EFT06092	6/13/2024	CHK	Sims Tree Health Specialists	\$ 770.00
Landscape Maintenance	EFT06119	6/27/2024	CHK	Green Meadows Landscape	\$ 801.00
<b>Landscape Maintenance Total</b>					<b>\$ 1,571.00</b>
Legal Expense	EFT06095	6/13/2024	CHK	Lagerlof, LLP	\$ 4,477.00
Legal Expense	EFT06097	6/13/2024	CHK	Epps & Coulson, LLP	\$ 3,724.50
<b>Legal Expense Total</b>					<b>\$ 8,201.50</b>
Maintenance Labor	EFT06072	6/6/2024	CHK	Orange County Sanitation District	\$ 3,665.48
<b>Maintenance Labor Total</b>					<b>\$ 3,665.48</b>
Office Expense	EFT06085	6/13/2024	CHK	Aramark Refreshment Services	\$ 128.51
Office Expense	EFT06115	6/27/2024	CHK	Staples Business Credit	\$ 93.71
<b>Office Expense Total</b>					<b>\$ 222.22</b>
Other Contract Services	EFT06091	6/13/2024	CHK	EcoTech Services Inc	\$ 1,448.55
<b>Other Contract Services Total</b>					<b>\$ 1,448.55</b>
Other Expense	5847	6/27/2024	CHK	Bri Communications	\$ 8,200.00
<b>Other Expense Total</b>					<b>\$ 8,200.00</b>
Payroll	WDL000006652	6/14/2024	WDL	Direct Deposit 6/14/2024	\$ 89,673.57
Payroll	WDL000006659	6/14/2024	WDL	PR Tax - Federal	\$ 38,270.03
Payroll	WDL000006660	6/14/2024	WDL	PR Tax - State	\$ 8,474.40
Payroll	WDL000006661	6/14/2024	WDL	PR Tax - State AZ	\$ 101.79
Payroll	WDL000006680	6/28/2024	WDL	Direct Deposit 6/28/2024	\$ 97,535.56
Payroll	WDL000006681	6/28/2024	WDL	PR Tax - Federal	\$ 40,918.64
Payroll	WDL000006682	6/28/2024	WDL	PR Tax - State	\$ 8,897.40
Payroll	WDL000006683	6/28/2024	WDL	PR Tax - State AZ	\$ 101.79
<b>Payroll Total</b>					<b>\$ 283,973.18</b>

**Santa Ana Watershed Project Authority**  
**Check Detail**  
**Jun-24**

Category	Check #	Check Date	Type	Vendor	Check Amount
Safety	EFT06075	6/6/2024	CHK	Underground Service Alert	\$ 256.37
<b>Safety Total</b>					<b>\$ 256.37</b>
Security	5846	6/27/2024	CHK	SafeT Security	\$ 416.55
<b>Security Total</b>					<b>\$ 416.55</b>
Shipping/Postage	EFT06073	6/6/2024	CHK	General Logistics Systems US	\$ 27.08
Shipping/Postage	EFT06102	6/20/2024	CHK	General Logistics Systems US	\$ 27.08
<b>Shipping/Postage Total</b>					<b>\$ 54.16</b>
Software	5836	6/13/2024	CHK	enfoTech	\$ 27,870.00
Software	EFT06124	6/27/2024	CHK	VC3, Inc.	\$ 1,147.00
<b>Software Total</b>					<b>\$ 29,017.00</b>
Subscriptions	EFT06083	6/6/2024	CHK	Verizon Connect	\$ 104.70
<b>Subscriptions Total</b>					<b>\$ 104.70</b>
Utilities	5831	6/6/2024	CHK	Riverside Public Utilities	\$ 120.15
Utilities	5832	6/6/2024	CHK	Burrtec Waste Industries, Inc	\$ 211.50
Utilities	5834	6/13/2024	CHK	Riverside Public Utilities	\$ 1,607.60
Utilities	5837	6/20/2024	CHK	AT&T	\$ 967.97
Utilities	5843	6/27/2024	CHK	AT&T	\$ 887.43
Utilities	5844	6/27/2024	CHK	AT&T	\$ 1,007.38
Utilities	EFT06130	6/27/2024	CHK	Verizon Wireless Services LLC	\$ 1,036.74
Utilities	EFT06131	6/27/2024	CHK	Verizon Wireless Services LLC	\$ 316.73
Utilities	EFT06132	6/27/2024	CHK	Verizon Wireless Services LLC	\$ 56.39
<b>Utilities Total</b>					<b>\$ 6,211.89</b>
<b>Grand Total</b>					<b>\$ 1,509,902.05</b>
		Accounts Payable			
	Checks	\$ 1,139,635.07			
	Wire Transfers	\$ 86,293.80			
		\$ 1,225,928.87			
	Other	\$ -			
	Payroll	\$ 283,973.18			
Total Disbursements for June 2024		<b>\$ 1,509,902.05</b>			

Santa Ana Watershed Project Authority  
Consulting  
*Jun-24*

Check #	Check Date	Task #	Task Description	Vendor Name	Total Contract	Check Amount	Remaining Contract Amount	Notes/Comments
EFT06087	6/13/2024	CDM386-16	Implementation of SAR Regional Bacteria Monitoring Program	CDM Smith, Inc.	\$ 1,126,600.00	\$ 55,125.23	\$ 2.06	
EFT06122	6/27/2024	CDM377-02	PFAS Regional Analysis for Upper Santa Ana River Watershed - Phase 2	CDM Smith, Inc.	\$ 465,917.00	\$ 96,495.93	\$ 301,842.50	
EFT06113	6/20/2024	CWE374-01	Basin Monitoring Program Task Force SAR Surface Water Quality Monitoring	CWE	\$ 93,711.00	\$ 3,417.46	\$ 63,230.45	
EFT06108	6/20/2024	DUDK240-07	Inland Empire Brine Line Master Plan	Dudek	\$ 399,980.00	\$ 12,117.71	\$ 51,383.48	
EFT06080	6/6/2024	GEI386-02	Santa Ana River Regional Bacteria Monitoring Program	GEI Consultants	\$ 1,191,054.00	\$ 8,878.00	\$ 1,154,721.25	
EFT06082	6/6/2024	JPW392-02	Emerging Constituents Program Public Relations Consultant	JPW Communications	\$ 114,954.00	\$ 1,956.50	\$ 49,380.43	
EFT06135	6/27/2024	JPW392-02	Emerging Constituents Program Public Relations Consultant	JPW Communications	\$ 114,954.00	\$ 2,610.21	\$ 49,380.43	
EFT06096	6/13/2024	KSC374-03	Basin Monitoring Program TF Regulatory Support	Kahn, Soares, & Conway	\$ 133,000.00	\$ 1,000.00	\$ 75,009.59	
EFT06096	6/13/2024	KSC384-03	MSAR Pathogen TMDL TF Regulatory Support	Kahn, Soares, & Conway	\$ 148,500.00	\$ 2,640.00	\$ 136,020.00	
EFT06133	6/27/2024	SOL100-15	Website Related Change Requests	Sol Media	\$ 17,280.00	\$ 540.00	\$ 240.00	
EFT06106	6/20/2024	ACS100-26	IT Services	VC3, Inc.	\$ 288,000.00	\$ 437.50	\$ 157,893.98	
EFT06124	6/27/2024	ACS100-26	IT Services	VC3, Inc.	\$ 288,000.00	\$ 3,213.05	\$ 157,893.98	
EFT06111	6/20/2024	WSC373-02	FYE 2024 Roundtable of Regions Network Coordinator	Water Systems Consulting	\$ 72,900.00	\$ 2,637.50	\$ 6,796.08	
EFT06117	6/27/2024	WCA100-03-06	State Legislative Consulting Services	West Coast Advisors	\$ 117,000.00	\$ 9,750.00	\$ 48,750.00	
EFT06090	6/13/2024	W&C327-03	IEBL Reach IV-D Rehabilitation Work Plan Mid-Term Recommendations	Woodard & Curran	\$ 247,174.00	\$ 7,228.45	\$ 66,709.27	
EFT06109	6/20/2024	RMC504-401-10	SARCCUP Program Mgmt Services	Woodard & Curran	\$ 90,957.31	\$ 18,578.75	\$ 12.31	
					<b>\$ 226,626.29</b>			



**COMMISSION MEMORANDUM NO. 2024.47**

**DATE:** August 20, 2024  
**TO:** SAWPA Commission  
**SUBJECT:** Inter-Fund Borrowing – June 2024  
**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 June 2024. 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	05/31/ 2024 Balance	Loan Receipts	New Charges	06/30/ 2024 Balance
135	Proposition 84 Admin R2	\$57,088.11	(\$0.00)	\$0.00	\$57,088.11
145	Proposition 84 Admin R4	434,645.06	(0.00)	41,822.50	476,467.56
150	Proposition 1 R1 – Admin	92,980.75	(0.00)	14,396.81	107,377.56
155	Proposition 1 R2 - Admin	45,253.05	(0.00)	18,928.79	64,181.84
378	Weather Modification	7,240.03	(0.00)	1,923.35	9,163.38
397	WECAN - Riverside	17,731.62	(0.00)	3,381.07	21,112.69
398	DCI 2021 Drought Relief	14,303.79	(0.00)	1,066.73	15,370.52
477	LESJWA Administration	13,481.34	(14,812.43)	11,791.37	10,460.28
	<b>Total Funds Borrowed</b>	<b>\$682,723.75</b>	<b>(\$14,812.43)</b>	<b>\$93,310.62</b>	<b>\$761,221.94</b>

General Fund Reserves Balance	\$2,711,091.86
Less Amount Borrowed	<u>761,221.94</u>
Balance of General Fund Reserves	\$1,949,869.92

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, 155 – Proposition 1 & 84 Admin	DWR – Prop 1 & 84 Grant	Monthly/Quarterly	Up to 4 months
397 – WECAN - Riverside	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 Round I grant funds. Once the contract has been signed by DWR these funds will be billed quarterly and 10% will be withheld for retention.

**Fund 155**

This fund is for the administration of Proposition 1 Round II 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.

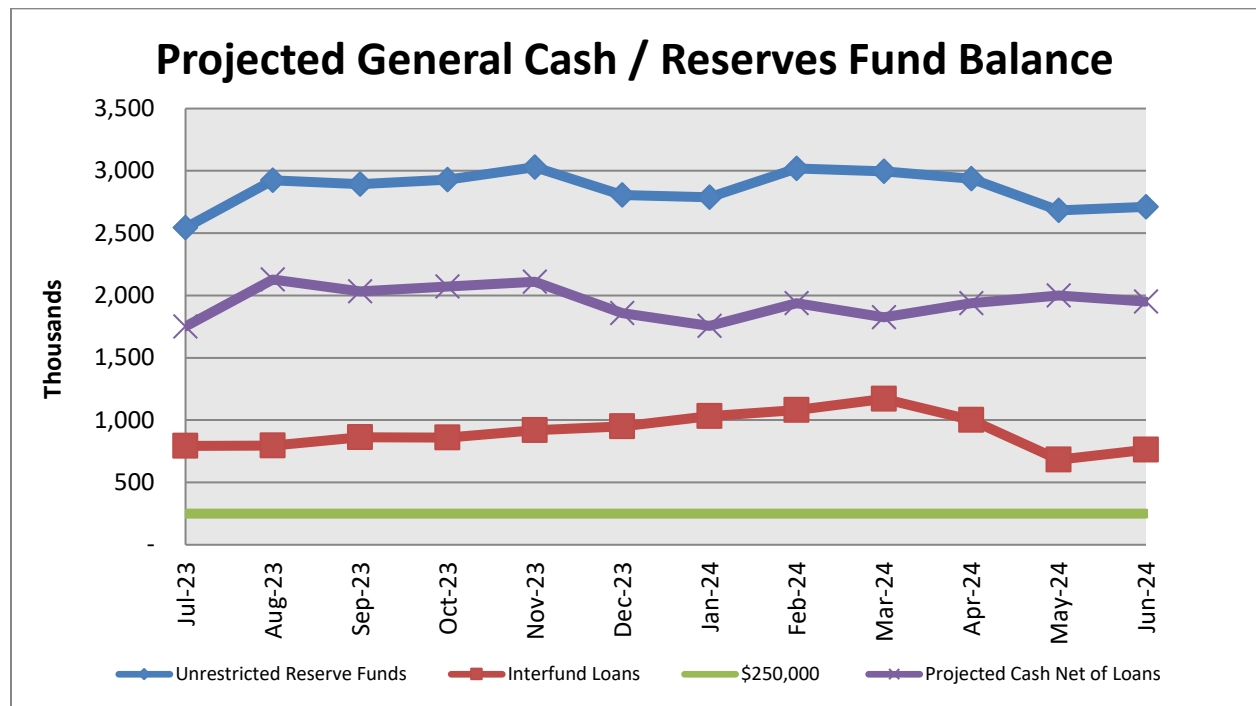
**Fund 504**

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 06/30/2024	Remaining Grant Budget
145	Proposition 84 Admin R4	\$3,213,384	(\$2,371,584)	\$841,800
150	Proposition 1 R1 Admin	1,157,000	(722,368)	434,632
155	Proposition 1 R2 Admin	1,352,928	(64,181)	1,288,747
378	Prop 1 – R@ Weather Modification	861,400	(75,726)	785,674
397	WECAN – City of Riverside	592,417	(180,243)	412,174
398	DCI 2021 Drought Grant	5,000,000	(129,670)	4,870,330
504	Prop 84 – 2015 Round (SARCCUP)	1,543,810	(976,056)	567,754
505	Prop 1 – Round 1 Capital Projects	500,000	(416,448)	83,552
Totals		\$14,220,939	(\$4,936,276)	\$9,284,663

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. 2024.48

**DATE:** August 20, 2024  
**TO:** SAWPA Commission  
**SUBJECT:** Performance Indicators and Financial Reporting – June 2024  
**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                          |
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Santa Ana Watershed Project Authority  
Balance Sheet by Fund Type  
For the Eleven Months Ending Friday, May 31, 2024

	General Fund	Brine Line Enterprise	Capital Projects	OWOW Projects	Roundtable Projects	Fund Totals
<b>Assets</b>						
<b>Current Assets</b>						
Cash and Investments	\$3,348,314.37	\$63,550,205.19	(\$3,096,358.47)	\$1,048,827.63	\$2,766,301.95	\$67,617,290.67
Accounts Receivable	(21.76)	2,414,639.07	0.00	4,941,117.53	14,812.43	7,370,547.27
Installment Notes Receivable	0.00	1,084,839.00	0.00	0.00	0.00	1,084,839.00
Prepays and Deposits	134,722.58	248,915.32	0.00	0.00	0.00	383,637.90
Total Current Assets	<u>3,483,015.19</u>	<u>67,298,598.58</u>	<u>(3,096,358.47)</u>	<u>5,989,945.16</u>	<u>2,781,114.38</u>	<u>76,456,314.84</u>
<b>Fixed Assets</b>						
Property, Plant & Equipment						
less accum depreciation	1,380,110.90	68,241,559.36	0.00	0.00	0.00	69,621,670.26
Work In Process	0.00	0.00	3,202,653.76	0.00	0.00	3,202,653.76
Total fixed assets	<u>1,380,110.90</u>	<u>68,241,559.36</u>	<u>3,202,653.76</u>	<u>0.00</u>	<u>0.00</u>	<u>72,824,324.02</u>
<b>Other Assets</b>						
Wastewater treatment/disposal rights, net of amortization	0.00	19,683,575.74	0.00	0.00	0.00	19,683,575.74
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>19,911,895.98</u>	<u>0.00</u>	<u>0.00</u>	<u>1,910,560.00</u>	<u>21,858,500.23</u>
<b>Total Assets</b>	<u><b>\$4,899,170.34</b></u>	<u><b>\$155,452,053.92</b></u>	<u><b>\$106,295.29</b></u>	<u><b>\$5,989,945.16</b></u>	<u><b>\$4,691,674.38</b></u>	<u><b>\$171,139,139.09</b></u>
<b>Liabilities and Fund Equity</b>						
<b>Current Liabilities</b>						
Accounts Payable/Accrued Expenses	\$3,462,132.66	\$1,083,051.12	\$21,448.45	\$4,577,333.41	\$83,338.40	\$9,227,304.04
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	21,009,918.90	0.00	0.00	0.00	21,009,918.90
Lease Liability	35,811.27	230,000.68	0.00	0.00	0.00	265,811.95
Deferred Revenue	0.00	58,743,202.50	0.00	0.00	0.00	58,743,202.50
Total Liabilities	<u>3,497,943.93</u>	<u>81,261,332.81</u>	<u>21,448.45</u>	<u>4,577,333.41</u>	<u>83,338.40</u>	<u>89,441,397.00</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	3,731,026.81	49,342,199.08	288,729.11	1,998,240.48	4,191,215.43	59,551,410.91
Revenue Over/Under Expenditures	(2,329,800.40)	3,928,015.00	(203,882.27)	(585,628.73)	417,120.55	1,225,824.15
Total Fund Equity	<u>1,401,226.41</u>	<u>74,190,721.11</u>	<u>84,846.84</u>	<u>1,412,611.75</u>	<u>4,608,335.98</u>	<u>81,697,742.09</u>
<b>Total Liabilities &amp; Fund Equity</b>	<u><b>\$4,899,170.34</b></u>	<u><b>\$155,452,053.92</b></u>	<u><b>\$106,295.29</b></u>	<u><b>\$5,989,945.16</b></u>	<u><b>\$4,691,674.38</b></u>	<u><b>\$171,139,139.09</b></u>

Santa Ana Watershed Project Authority  
Revenue & Expenses by Fund Type  
For the Eleven Months Ending Friday, May 31, 2024

	General Fund	Brine Line Enterprise	Capital Projects	OWOW Projects	Roundtable Projects	Fund Totals
<b>Operating Revenue</b>						
Discharge Fees	\$0.00	\$11,673,148.81	\$0.00	\$0.00	\$0.00	\$11,673,148.81
Grant Proceeds	1,040.00	0.00	0.00	2,222,872.62	0.00	2,223,912.62
Financing Proceeds	0.00	0.00	0.00	0.00	141,555.08	141,555.08
Total Operating Revenue	<u>1,040.00</u>	<u>11,673,148.81</u>	<u>0.00</u>	<u>2,222,872.62</u>	<u>141,555.08</u>	<u>14,038,616.51</u>
<b>Operating Expenses</b>						
Labor	1,911,249.24	1,154,797.57	1,028.55	587,292.81	110,619.53	3,764,987.70
Benefits	521,199.80	423,810.65	377.48	215,536.51	40,597.39	1,201,521.83
Indirect Costs	0.00	1,953,917.44	1,740.30	993,699.41	187,168.23	3,136,525.38
Education & Training	51,024.13	108.00	0.00	0.00	0.00	51,132.13
Consulting & Professional Services	242,998.22	314,349.08	200,735.94	1,220,810.72	696,875.55	2,675,769.51
Operating Costs	2,166.14	2,832,517.15	0.00	233.00	0.00	2,834,916.29
Repair & Maintenance	91,090.63	248,954.02	0.00	0.00	0.00	340,044.65
Phone & Utilities	56,003.20	8,390.02	0.00	0.00	0.00	64,393.22
Equipment & Computers	312,427.87	47,974.51	0.00	0.00	19.00	360,421.38
Meeting & Travel	42,241.46	579.03	0.00	13,706.15	1,091.32	57,617.96
Other Administrative Costs	175,608.86	118,162.45	0.00	21,517.89	12,329.96	327,619.16
Indirect Costs Applied	(3,214,376.47)	0.00	0.00	0.00	0.00	(3,214,376.47)
Other Expenses	51,514.53	193,068.50	0.00	1,134.00	0.00	245,717.03
Construction	0.00	0.00	0.00	1,489,537.55	0.00	1,489,537.55
Total Operating Expenses	<u>243,147.61</u>	<u>7,296,628.42</u>	<u>203,882.27</u>	<u>4,543,468.04</u>	<u>1,048,700.98</u>	<u>13,335,827.32</u>
Operating Income (Loss)	(242,107.61)	4,376,520.39	(203,882.27)	(2,320,595.42)	(907,145.90)	702,789.19
<b>Nonoperating Income (Expense)</b>						
Member Contributions	696,275.00	0.00	0.00	1,592,000.00	20,000.00	2,308,275.00
Participant Fees	0.00	0.00	0.00	105,233.33	1,217,492.99	1,322,726.32
Interest Income	111,654.31	2,517,466.27	0.00	37,733.36	65,873.34	2,732,727.28
Capital Contributions - RBF	0.00	260,432.00	0.00	0.00	0.00	260,432.00
Interest Expense - Debt Service	0.00	(486,080.46)	0.00	0.00	0.00	(486,080.46)
Other Income	2,182.49	212,217.48	0.00	0.00	0.00	214,399.97
Retiree Medical Benefits	(83,407.12)	0.00	0.00	0.00	0.00	(83,407.12)
Gain/Loss on Disposal/Sale of Assets	0.00	6,716.76	0.00	0.00	0.00	6,716.76
Total Nonoperating Income (Expense)	<u>726,704.68</u>	<u>2,510,752.05</u>	<u>0.00</u>	<u>1,734,966.69</u>	<u>1,303,366.33</u>	<u>6,275,789.75</u>
Excess Rev over (under) Exp	<u>\$484,597.07</u>	<u>\$6,887,272.44</u>	<u>(\$203,882.27)</u>	<u>(\$585,628.73)</u>	<u>\$396,220.43</u>	<u>\$6,978,578.94</u>

Aging Report  
Santa Ana Watershed Project Authority  
Receivables as of June 30, 2024

Customer Name	Project	Total	0-30 Days	31-60 Days	61 and Over
City of Beaumont	Brine Line	2,399.88	2,399.88		
Chino Basin Desalter Authority	Brine Line	317,525.67		197,768.41	119,757.26
Department of Water Resources	Prop 84, Prop 1	5,323,780.45		394,965.03	4,928,815.42
Eastern Municipal Water District	Brine Line	217,932.87		217,932.87	
Inland Empire Utilities Agency	Brine Line	117,796.01	117,796.01		
Lake Elsinore & San Jacinto Watersheds Authority	LESJWA Admin	11,791.37	11,791.37		
Orange County Public Works	Brine Line CIP	210,010.15			210,010.15
Rialto BioEnergy	Brine Line	8,896.88	8,896.88		
Riverside, City of	WECAN	32,790.32			32,790.32
San Bernardino Valley Municipal Water District	Brine Line	291,214.19	149,763.45	3,000.00	138,450.74
Western Municipal Water District	Brine Line	822,380.82	425,981.90		396,398.92
Total Accounts Receivable		7,356,518.61	716,629.49	813,666.31	5,826,222.81

Santa Ana Watershed Project Authority  
Open Task Orders  
Jun-24  
(Reflects Invoices Received as of 07/17/2024)

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
ACS100-26	100-00	VC3, Inc.	IT Services	01/01/2023	12/31/2026	\$ 288,000.00	\$ -	\$ 288,000.00	\$ 130,106.02	\$ 157,893.98	Dean Unger
ACS100-27	100-00	VC3, Inc.	Server Replacement Project	08/01/2023	06/30/2024	\$ 66,000.00	\$ -	\$ 66,000.00	\$ 55,738.36	\$ 10,261.64	Dean Unger
BGB100-03	100-00	BGB Design Group	SAWPA Irrigation Replacement and Landscape Refresh	12/01/2023	06/30/2024	\$ 5,490.00	\$ -	\$ 5,490.00	\$ 4,700.00	\$ 790.00	David Ruhl
FALC100-01	100-00	Falcon Engineering Services, Inc.	Irrigation Replacement and Landscape Refresh	03/25/2024	06/30/2024	\$ 15,224.48	\$ -	\$ 15,224.48	\$ 6,699.15	\$ 8,525.33	David Ruhl
FEBR100-01	100-00	Fedak & Brown, LLP	Professional Audit Services	04/19/2022	06/30/2025	\$ 78,980.00	\$ -	\$ 78,980.00	\$ 40,930.00	\$ 38,050.00	Karen Williams
FOST100-02	100-00	Foster & Foster	2024 GASB 68 Actuarial Information for CalPERS Cost-Sharing Plans	03/05/2024	06/30/2025	\$ 1,700.00	\$ -	\$ 1,700.00	\$ -	\$ 1,700.00	Karen Williams
GPA100-02	100-00	Gillis & Panichapan Architects	Lobby Security Improvements - Bid Documents and Support	04/19/2023	12/31/2024	\$ 74,600.00	\$ -	\$ 74,600.00	\$ 52,710.00	\$ 21,890.00	David Ruhl
INSOL100-23	100-00	Integrated Systems Solutions	Great Plains and Journyx Support	07/01/2023	06/30/2024	\$ 5,000.00	\$ 3,000.00	\$ 8,000.00	\$ 7,233.50	\$ 766.50	Dean Unger
KON100-08	100-00	Konica Minolta - Rental	Copiers and Scanners Lease	01/15/2021	01/15/2025	\$ 29,040.00	\$ -	\$ 29,040.00	\$ 27,660.08	\$ 1,379.92	Dean Unger
LSGK100-12	100-00	Lagerlof, LLP	Legal Services	07/01/2023	06/30/2024	\$ 94,720.00	\$ -	\$ 94,720.00	\$ 44,622.00	\$ 50,098.00	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	\$ -	Karen Williams
NICO100-12	100-00	Nicolay Consulting Group	GASB 75 OPEB Actuarial Services	04/19/2024	06/30/2025	\$ 5,400.00	\$ -	\$ 5,400.00	\$ -	\$ 5,400.00	Karen Williams
NSL100-01	100-00	Nate Sassaman Leadership	SAWPA Leadership Services	07/01/2023	12/31/2024	\$ 24,000.00	\$ -	\$ 24,000.00	\$ 20,000.00	\$ 4,000.00	Shavonne Turner
QOVO100-01	100-00	QOVO Solutions	Security Camera System	07/01/2023	06/30/2024	\$ 28,962.87	\$ 4,235.82	\$ 33,198.69	\$ 33,183.16	\$ 15.53	Dean Unger
RAA100-02	100-00	Ralph Anderson & Associates	Classification and Compensation Study	03/01/2023	07/31/2024	\$ 42,800.00	\$ -	\$ 42,800.00	\$ -	\$ 42,800.00	Karen Williams
SOL100-15	100-00	Sol Media	Website Related Changes	07/01/2023	06/30/2024	\$ 17,280.00	\$ -	\$ 17,280.00	\$ 17,040.00	\$ 240.00	Dean Unger
SOL100-18	100-00	Sol Media	Website Related Changes	07/01/2024	06/30/2025	\$ 20,400.00	\$ -	\$ 20,400.00	\$ -	\$ 20,400.00	Dean Unger
SOL100-19	100-00	Sol Media	Web Hosting	07/01/2024	10/29/2025	\$ 3,630.00	\$ -	\$ 3,630.00	\$ -	\$ 3,630.00	Dean Unger
SOL100-20	100-00	Sol Media	Regional Water Quality Dashboard Web Hosting	07/01/2024	10/29/2025	\$ 3,040.00	\$ -	\$ 3,040.00	\$ -	\$ 3,040.00	Dean Unger
ZHAP100-01	100-00	Zhappo Studios	On-Demand Graphic Design Services	01/29/2024	01/29/2025	\$ 7,310.00	\$ -	\$ 7,310.00	\$ 1,555.50	\$ 5,754.50	Karen Williams
BMH100-03	100-03	Bell, McAndrews, & Hiltachk	FPPC Lobby Reporting	07/01/2022	06/30/2024	\$ 1,320.00	\$ -	\$ 1,320.00	\$ 1,073.00	\$ 247.00	Karen Williams
WCA100-03-06	100-03	West Coast Advisors	State Legislative Consulting Services	01/01/2024	12/31/2024	\$ 117,000.00	\$ -	\$ 117,000.00	\$ 68,250.00	\$ 48,750.00	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	\$ 72,085.50	\$ 16,210.00	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	\$ 76.00	\$ 19,924.00	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	\$ 28,075.00	\$ 647.50	Daniel Vasquez
DUDK240-07	240	Dudek	Inland Empire Brine Line Master Plan	11/01/2022	06/30/2024	\$ 399,980.00	\$ -	\$ 399,980.00	\$ 348,596.52	\$ 51,383.48	David Ruhl
DUDK240-08	240	Dudek	Hydraulic Modeling Assistance	03/27/2023	06/30/2024	\$ 20,000.00	\$ 20,000.00	\$ 40,000.00	\$ 20,711.25	\$ 19,288.75	David Ruhl

Santa Ana Watershed Project Authority  
Open Task Orders  
Jun-24  
(Reflects Invoices Received as of 07/17/2024)

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
DUDK240-09	240	Dudek	Inland Empire Brine Line Engineering Services	07/01/2023	06/30/2024	\$ 15,000.00	\$ -	\$ 15,000.00	\$ 1,960.00	\$ 13,040.00	David Ruhl
DUDK240-10	240	Dudek	Brine Line Sewer System Management Plan Audit 2024	07/01/2024	06/30/2025	\$ 28,220.00	\$ -	\$ 28,220.00	\$ -	\$ 28,220.00	Daniel Vasquez
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	\$ 23,193.12	\$ 75,856.88	Daniel Vasquez
INN240-05	240	Innerline Engineering	Brine Line Pipeline Cleaning Services	07/01/2022	06/30/2024	\$ 264,880.00	\$ -	\$ 264,880.00	\$ 88,760.00	\$ 176,120.00	Daniel Vasquez
INN240-06	240	Innerline Engineering	Brine Line Pipeline Cleaning Services	07/01/2024	06/30/2026	\$ 316,700.00	\$ -	\$ 316,700.00	\$ -	\$ 316,700.00	Daniel Vasquez
INN240-07	240	Innerline Engineering	On-Call CCTV	07/01/2024	06/30/2026	\$ 102,530.00	\$ -	\$ 102,530.00	\$ -	\$ 102,530.00	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
PE240-01	240	PE Instruments	Brine Line Flow Meter Calibration Services	07/01/2024	06/30/2026	\$ 19,950.00	\$ -	\$ 19,950.00	\$ -	\$ 19,950.00	Daniel Vasquez
W&C320-01	320-03	Woodard & Curran	Reach IV and IV-B DIP Condition Assessment	02/09/2023	06/30/2024	\$ 392,356.00	\$ 65,113.00	\$ 457,469.00	\$ 347,135.35	\$ 110,333.65	Daniel Vasquez
W&C327-03	327	Woodard & Curran	IEBL Reach IV-D Rehabilitation Work Plan Mid-Term Recommendations	09/05/2023	06/30/2024	\$ 247,174.00	\$ -	\$ 247,174.00	\$ 180,464.73	\$ 66,709.27	Daniel Vasquez
DUDK328-02	328	Dudek	Agua Mansa Lateral Engineering Services During Construction	05/01/2023	06/30/2024	\$ 52,670.00	\$ 25,000.00	\$ 77,670.00	\$ 76,385.73	\$ 1,284.27	David Ruhl
DUDK328-03	328	Dudek	Agua Mansa Lateral Project - Biological Survey and Monitoring	03/31/2024	06/30/2024	\$ 13,730.00	\$ -	\$ 13,730.00	\$ 3,961.25	\$ 9,768.75	David Ruhl
FALC328-01	328	Falcon Engineering	Agua Mansa Lateral Project Construction Management & Inspection Services	08/14/2023	06/30/2024	\$ 78,922.00	\$ 127,618.30	\$ 206,540.30	\$ 197,203.05	\$ 9,337.25	David Ruhl
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	\$ 66,103.92	\$ 6,796.08	Ian Achimore
CWE374-01	374	CWE	Basin Monitoring Program Task Force SAR Surface Water Quality Monitoring	09/05/2023	02/15/2027	\$ 93,711.00	\$ -	\$ 93,711.00	\$ 30,480.55	\$ 63,230.45	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	\$ 57,990.41	\$ 75,009.59	Rachel Gray
WEST374-02	374	West Yost	Ambient Water Quality Pilot Study for Nitrogen and TDS	12/30/2022	03/31/2025	\$ 339,960.00	\$ -	\$ 339,960.00	\$ 273,950.95	\$ 66,009.05	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	\$ 12,688.34	\$ 142,311.66	Rachel Gray
NAWC370-03	378	North American Weather Consultants	SAR Weather Modification Pilot Operations	07/01/2022	06/30/2026	\$ 1,061,912.00	\$ 35,160.00	\$ 1,097,072.00	\$ 334,401.40	\$ 762,670.60	Rachel Gray
GEI384-02	384-01	GEI Consultants	MSAR TMDL - Limited Basin Plan Amendment Revisions	07/01/2022	12/31/2024	\$ 67,000.00	\$ -	\$ 67,000.00	\$ 48,256.25	\$ 18,743.75	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	\$ 12,480.00	\$ 136,020.00	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	\$ 1,126,597.94	\$ 2.06	Rick Whetsel
GEI386-02	386	GEI Consultants	Santa Ana River Regional Bacteria Monitoring Program	02/01/2024	06/30/2027	\$ 1,191,054.00	\$ -	\$ 1,191,054.00	\$ 36,332.75	\$ 1,154,721.25	Rick Whetsel
IERC387-01	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	\$ 70,266.32	\$ 77,510.75	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	\$ 65,573.57	\$ 49,380.43	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	\$ 4,680.00	\$ 43,320.00	Rachel Gray

Santa Ana Watershed Project Authority  
Open Task Orders  
Jun-24  
(Reflects Invoices Received as of 07/17/2024)

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
ECOT397-04	397	EcoTech Services	WECAN Riverside Eastside Climate Collaborative Landscaping	07/19/2022	12/31/2025	\$ 567,150.00	\$ -	\$ 567,150.00	\$ 116,552.33	\$ 450,597.67	Rick Whetsel
QUAN504-01	504-04	Quantum Spatial, Inc.	Water Efficiency Budget Assistance	02/10/2021	04/30/2025	\$ 594,387.00	\$ 39,599.00	\$ 633,986.00	\$ 566,221.84	\$ 67,764.16	Ian Achimore
RMC504-401-10	504-04	Woodard & Curran	SARCCUP Program Mgmt. Services	07/01/2023	06/30/2024	\$ 60,906.00	\$ 30,051.31	\$ 90,957.31	\$ 90,945.00	\$ 12.31	Ian Achimore
RMC504-401-11	504-04	Woodard & Curran	SARCCUP Program Mgmt. Services	07/01/2024	06/30/2025	\$ 136,098.00	\$ -	\$ 136,098.00	\$ -	\$ 136,098.00	Ian Achimore

\$ 4,689,140.89

## 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  
 June 30, 2024

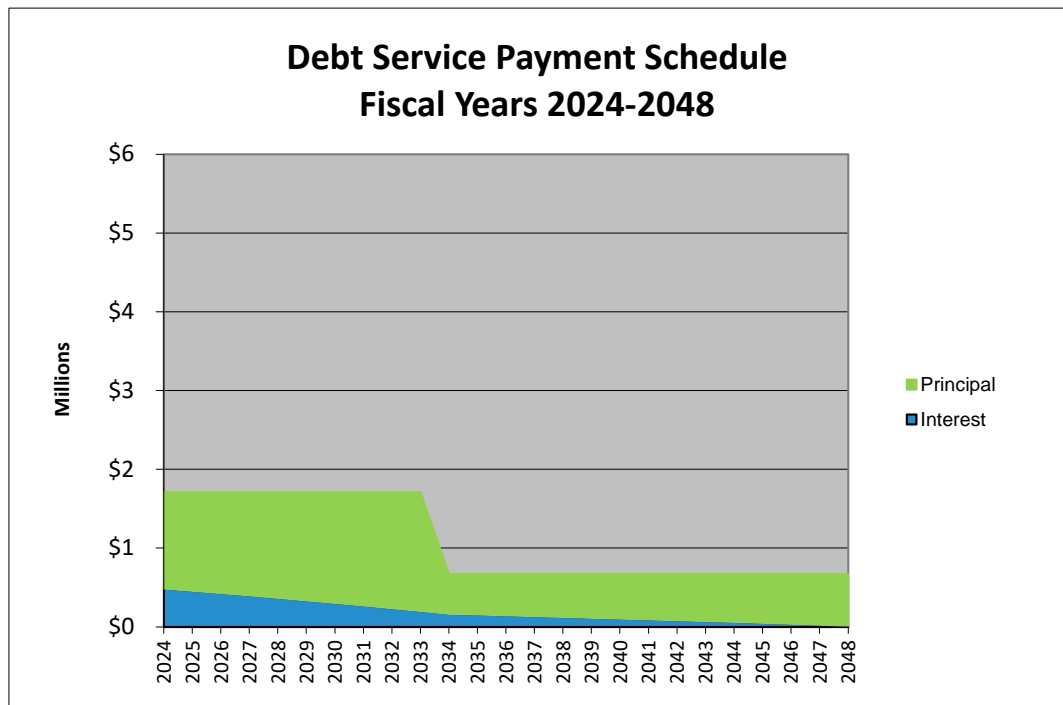
FYE	Rates	Loan Pymts	Interest Earned *	Excess Cash	Ending Cash Balance
Beginning Balance					2,899,430
2024	1,709,476	(1,709,476)	57,989	57,989	3,015,407
2025	1,709,476	(1,709,476)	60,308	60,308	3,075,715
2026	1,709,476	(1,709,476)	61,514	61,514	3,137,230
2027	1,709,476	(1,709,476)	62,745	62,745	3,199,974
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

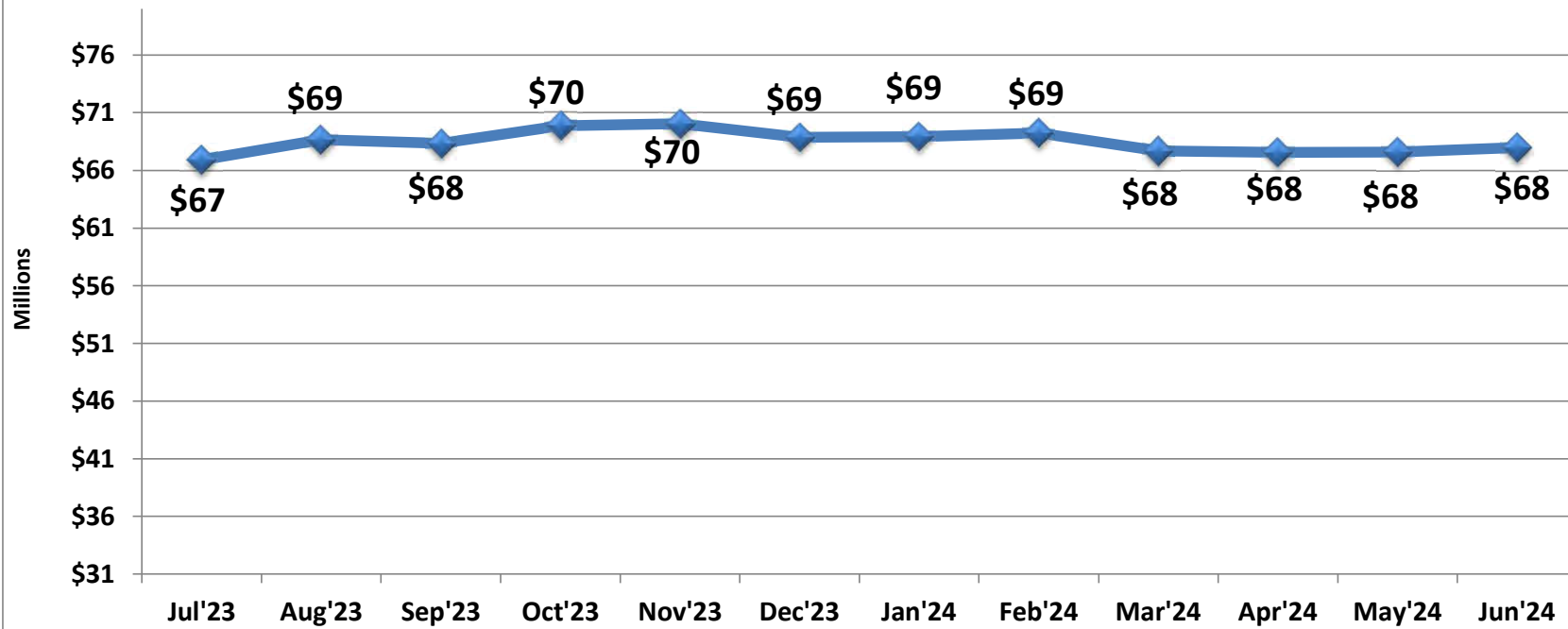


Santa Ana Watershed Project Authority  
 Brine Line Debt Service Payment Schedule  
 June 30, 2024

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





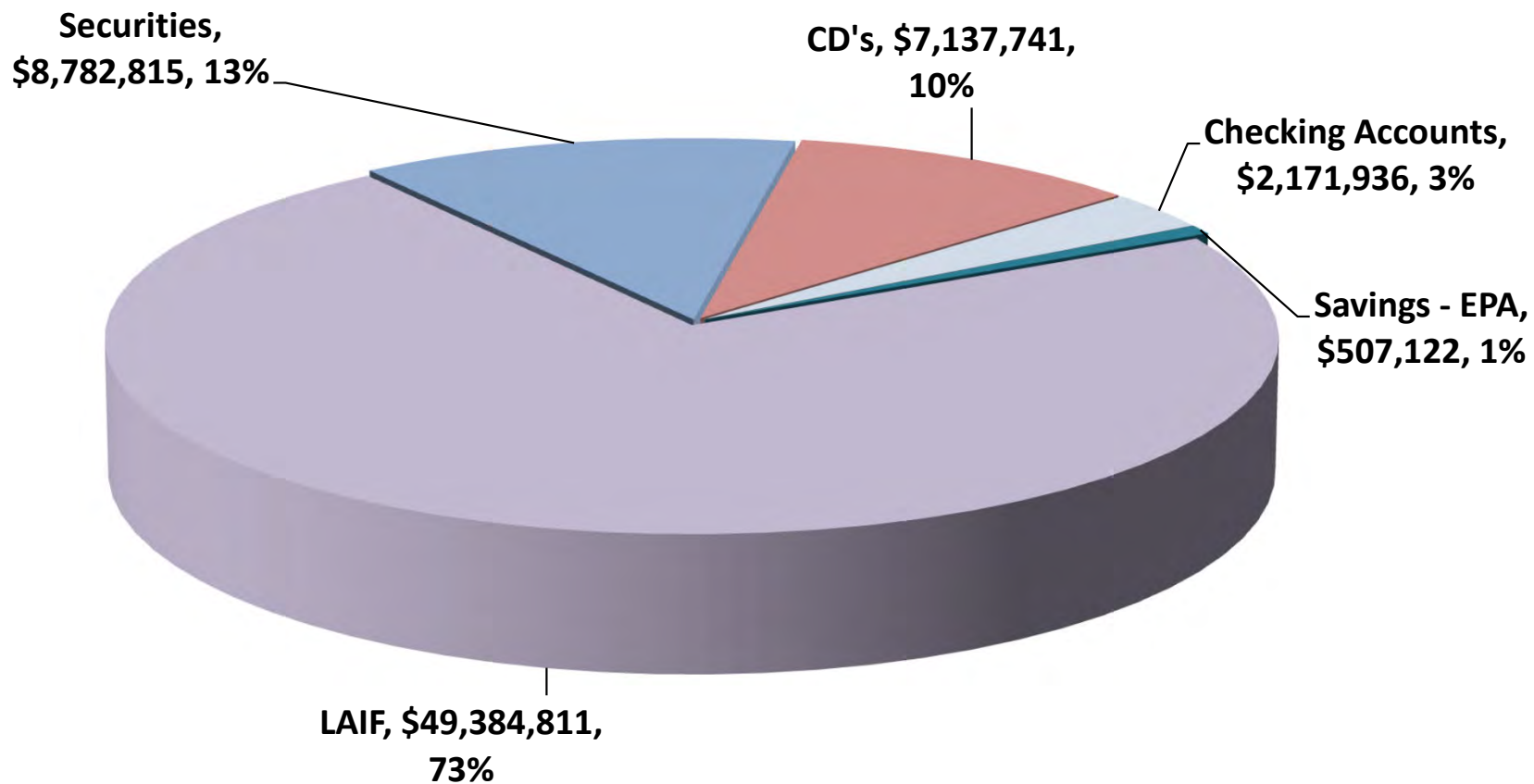
# CASH BALANCE & SOURCE OF FUNDS

*June 30, 2024*

Fund Accounts		Cash and Investments						
		Total	Checking (Cash)	LAIF Account	Savings EPA	Investment Securities	Certificates of Deposit	Total
100	General Fund	\$ 1,949,870	1,949,870	-	-	-	-	\$ 1,949,870
100	Building Reserve	\$ 620,007	-	620,007	-	-	-	\$ 620,007
370	Basin Planning General	\$ 28,362	-	28,362	-	-	-	\$ 28,362
370	USBR Partnership Studies	\$ 47,184	-	47,184	-	-	-	\$ 47,184
373	Watershed Management Plan	\$ 145,808	-	145,808	-	-	-	\$ 145,808
240	Brine Line Debt Retirement	\$ 2,979,538	-	2,979,538	-	-	-	\$ 2,979,538
240	Brine Line - Pipeline Replacement & Capital Improvement	\$ 34,149,034	-	18,228,478	-	8,782,815	7,137,741	\$ 34,149,034
240	Brine Line - OC San Pipeline Rehabilitation	\$ 2,849,924	-	2,849,924	-	-	-	\$ 2,849,924
240	Brine Line - Pipeline Capacity Management	\$ 12,671,389	-	12,671,389	-	-	-	\$ 12,671,389
240	Brine Line - OC San Future Treatment & Disposal Capacity	\$ 1,940,031	-	1,940,031	-	-	-	\$ 1,940,031
240	Brine Line - Operating Reserve	\$ 2,240,462	-	2,240,462	-	-	-	\$ 2,240,462
240	Brine Line - Operating Cash	\$ 4,429,327	222,066	4,207,261	-	-	-	\$ 4,429,327
401	Legal Defense Fund	\$ 507,122	-	-	507,122	-	-	\$ 507,122
374	Basin Monitoring Program TF	\$ 662,642	-	662,642	-	-	-	\$ 662,642
377	PFAS Study	\$ 390,461	-	390,461	-	-	-	\$ 390,461
381	SAR Fish Conservation	\$ 110,081	-	110,081	-	-	-	\$ 110,081
384	Middle SAR TMDL TF	\$ 361,675	-	361,675	-	-	-	\$ 361,675
386	RWQ Monitoring TF	\$ 118,706	-	118,706	-	-	-	\$ 118,706
387	Mitigation Bank Credits	\$ 749,289	-	749,289	-	-	-	\$ 749,289
392	Emerging Constituents TF	\$ 167,571	-	167,571	-	-	-	\$ 167,571
504	Prop 84 - SARCCUP Projects	\$ 773,812	-	773,812	-	-	-	\$ 773,812
505	Prop 1 - Capital Projects	\$ 92,130	-	92,130	-	-	-	\$ 92,130
		<b>\$ 67,984,425</b>	<b>\$ 2,171,936</b>	<b>\$ 49,384,811</b>	<b>\$ 507,122</b>	<b>\$ 8,782,815</b>	<b>\$ 7,137,741</b>	<b>\$ 67,984,425</b>

# Cash & Investments - June 2024

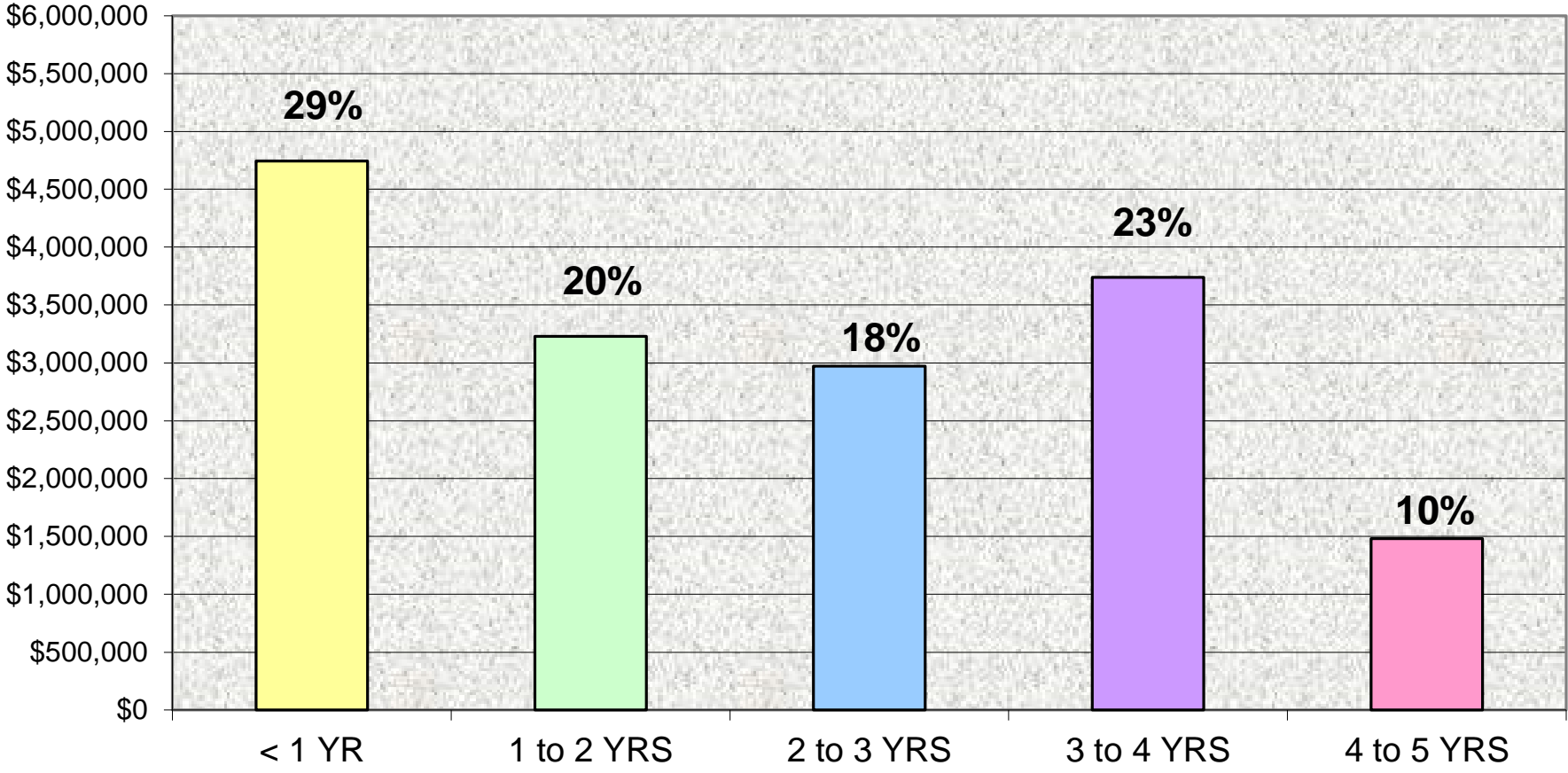
## \$67,984,425



Santa Ana Watershed Project Authority  
Reserve Account Analysis  
June 30, 2024

Reserve Account	Balance @ 7/1/2023	Interest Earned	Fund Receipts/ Contributions	Inter-Fund Loans	Fund Expenses	Balance @ 6/30/2024
Brine Line Operating Cash	3,191,159	128,074	12,227,808		(11,117,714)	4,429,327
Brine Line Operating Reserve	2,302,489	79,332			(141,358)	2,240,462
OC San Future Treatment & Disposal Capacity	1,872,799	67,231				1,940,030
Pipeline Capacity Management	12,232,268	439,121				12,671,389
Pipeline Replacement & Capital Investment	32,305,799	1,252,164	3,699,913		(3,108,842)	34,149,034
OC San Pipeline Rehabilitation	2,429,092	95,523	325,309			2,849,924
Debt Retirement	2,876,283	103,254				2,979,538
General Fund	1,496,265	116,021	727,037	(761,222)	371,769	1,949,870
Building Reserve	737,493	28,004	100,000		(245,490)	620,007
	<u>59,443,647</u>	<u>2,308,723</u>	<u>17,080,067</u>	<u>(761,222)</u>	<u>(14,241,635)</u>	<u>63,829,581</u>

# Twelve Month Maturity Schedule Securities

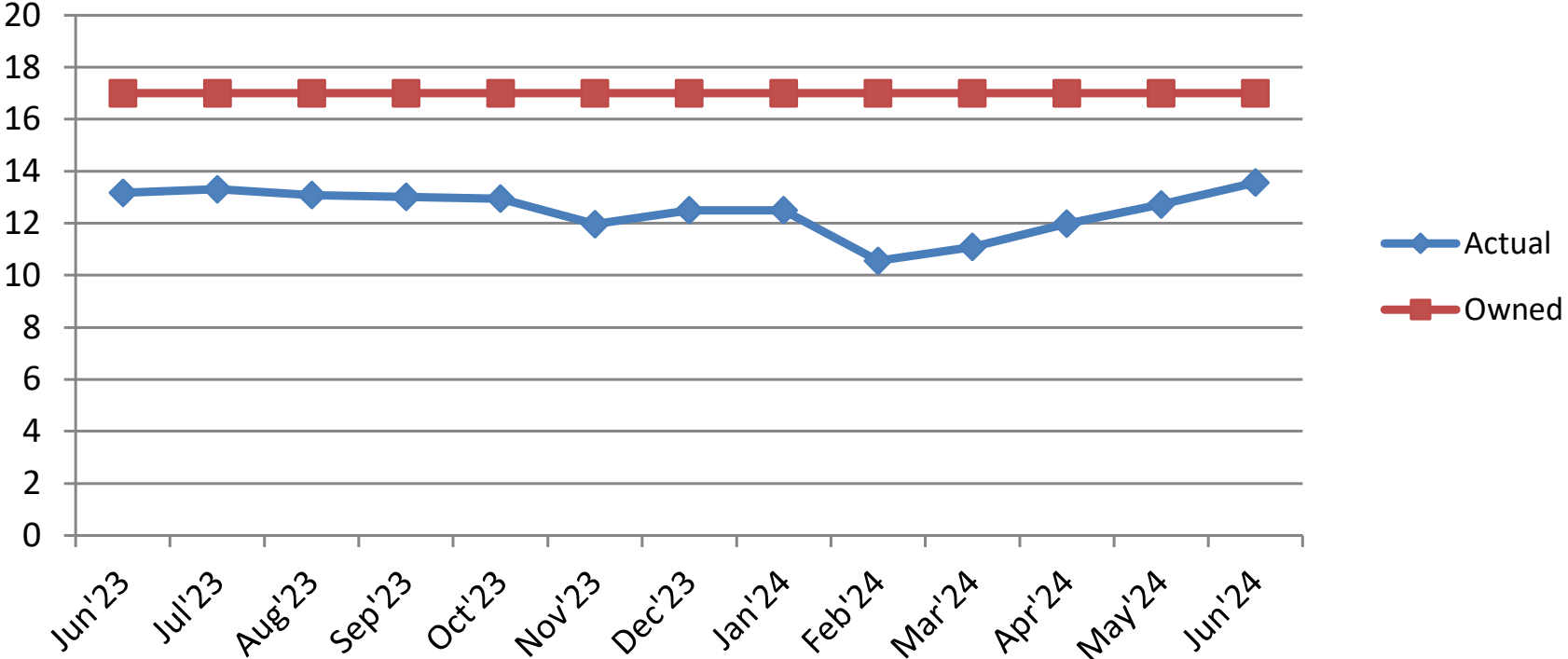


**SAWPA**  
**TREASURER'S REPORT**  
As of June 30, 2024

**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	494,122.92	2.750%
Agency	FHLB	8/30/2022	11/27/2024	100.00	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	992,067.02	3.650%
Agency	FHLB	10/28/2022	10/3/2024	99.89	\$ 998,910.00	\$ 1,000,000.00	\$ 1,000,000.00	997,367.46	4.500%
Agency	FHLB	11/4/2022	9/10/2027	99.20	\$ 991,965.00	\$ 1,000,000.00	\$ 1,000,000.00	985,858.33	4.125%
Agency	FHLB	6/6/2023	12/13/2024	99.99	\$ 499,966.50	\$ 500,000.00	\$ 500,000.00	498,220.99	4.625%
Agency	FHLB	6/6/2023	6/9/2028	100.50	\$ 502,505.00	\$ 500,000.00	\$ 500,000.00	493,877.42	4.000%
Agency	FHLB	1/25/2024	6/30/2028	99.73	\$ 999,170.00	\$ 1,000,000.00	\$ 1,000,000.00	989,451.32	4.000%
Agency	FNMA	2/4/2020	1/7/2025	101.08	\$ 505,380.00	\$ 500,000.00	\$ 500,000.00	490,398.67	1.625%
Agency	FNMA	10/30/2020	8/25/2025	99.53	\$ 995,952.00	\$ 1,000,000.00	\$ 1,000,000.00	947,818.26	0.375%
Agency	USTN	4/19/2021	11/30/2025	98.25	\$ 982,500.00	\$ 1,000,000.00	\$ 1,000,000.00	937,851.56	0.375%
Agency	USTN	9/15/2021	5/31/2025	99.58	\$ 989,726.56	\$ 1,000,000.00	\$ 1,000,000.00	955,781.25	0.250%
CD	American Express Natl Bank	8/17/2022	8/19/2024	100.00	\$ 245,000.00	\$ 245,000.00	\$ 245,000.00	244,272.08	3.350%
CD	Beal Bank USA	8/17/2022	8/12/2026	100.00	\$ 245,000.00	\$ 245,000.00	\$ 245,000.00	236,622.98	3.200%
CD	Synchrony Bank	8/12/2022	8/12/2025	100.00	\$ 245,000.00	\$ 245,000.00	\$ 245,000.00	240,021.66	3.350%
CD	Capital One Bank USA	5/25/2022	5/25/2027	100.00	\$ 246,000.00	\$ 246,000.00	\$ 246,000.00	234,942.99	3.200%
CD	Morgan Stanley Private Bank	11/15/2022	11/15/2027	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	248,065.99	5.000%
CD	Prime Alliance Bank	11/17/2022	11/17/2027	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	248,024.04	4.950%
CD	Cooperative Center FSU	12/29/2022	12/29/2025	100.00	\$ 249,000.00	\$ 249,000.00	\$ 249,000.00	247,483.49	4.650%
CD	Affinity Bank	3/17/2023	3/17/2028	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	249,644.96	4.900%
CD	Discover Bank	3/22/2023	3/23/2027	100.00	\$ 243,000.00	\$ 243,000.00	\$ 243,000.00	244,007.67	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	247,279.38	4.600%
CD	UBS Bank USA	5/17/2023	5/17/2027	100.00	\$ 249,000.00	\$ 249,000.00	\$ 249,000.00	246,942.52	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	242,434.76	4.600%
CD	Farmers Insurance Group	7/26/2023	7/27/2026	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	242,645.94	5.100%
CD	Barclays Bank Delaware	7/26/2023	7/28/2025	100.00	\$ 243,000.00	\$ 243,000.00	\$ 243,000.00	248,942.87	5.100%
CD	Chartway Federal Credit Uni	9/8/2023	9/8/2027	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	249,393.34	5.000%
CD	Greenstate Credit Union	9/26/2023	9/26/2028	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	251,581.90	5.000%
CD	Empower Fed Credit Union	9/29/2023	9/29/2027	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	250,249.43	5.100%
CD	US Alliance Fed Credit Union	9/29/2023	9/29/2028	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	252,552.42	5.100%
CD	Numerica Credit Union	11/10/2023	11/10/2026	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	251,657.11	5.550%
CD	Heritage Community CR UN	11/15/2023	11/16/2026	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	251,163.08	5.450%
CD	Members Trust of SW FCU	1/19/2024	1/19/2029	100.00	\$ 249,000.00	\$ 249,000.00	\$ 249,000.00	242,931.07	4.000%
CD	Hughes FCU	1/29/2024	1/29/2027	100.00	\$ 249,000.00	\$ 249,000.00	\$ 249,000.00	246,152.24	4.400%
CD	Farmers & Merchants TR	1/30/2024	2/1/2027	100.00	\$ 249,000.00	\$ 249,000.00	\$ 249,000.00	244,630.59	4.150%
CD	Nicolet National Bank	3/8/2024	3/8/2029	100.00	\$ 249,000.00	\$ 249,000.00	\$ 249,000.00	245,531.34	4.250%
CD	Medallion Bank	3/13/2024	3/15/2027	100.00	\$ 249,000.00	\$ 249,000.00	\$ 249,000.00	247,250.94	4.600%
CD	Wells Fargo Bank	3/12/2024	3/12/2027	100.00	\$ 249,000.00	\$ 249,000.00	\$ 249,000.00	246,675.93	4.500%
CD	Toyota Financial SGS Bank	5/24/2024	5/24/2029	100.00	\$ 244,000.00	\$ 244,000.00	\$ 244,000.00	244,302.31	4.600%
CD	First Foundation Bank	5/22/2024	5/22/2029	100.00	\$ 244,000.00	\$ 244,000.00	\$ 244,000.00	244,295.57	4.600%
CD	Alliant Credit Union	12/30/2022	12/30/2025	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	248,042.76	5.100%
					\$16,165,325.06	\$16,168,000.00	\$16,168,000.00	15,920,556.56	4.082%

# Average Daily Flow by Month







## SUMMARY OF LABOR MULTIPLIERS

		Benefit Rate
Total Employee Benefits	1,346,541	0.335
Total Payroll	4,022,439	
Gross Indirect Costs	3,958,723	
Less: Member Contributions & Other Revenue	(601,831)	
Indirect Costs for Distribution	3,356,891	
		Indirect Rate
Direct Labor	1,973,722	1.701
Indirect Costs	3,356,891	
<b>FY 2023-24 Labor multiplier - thru 06/30/24</b>		<b>2.036</b>
FY 2023-24 Budgeted Labor multiplier		<u>2.058</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>



## INDIRECT COSTS

*( to be Distributed )*

G/L Acct.	Description	Actual thru 6/30/24
51000	Salaries - Regular	\$ 2,048,717
52000	Benefits	\$ 751,879
60111	Tuition Reimbursement	\$ 9,050
60112	Training	\$ 9,483
60113	Education	\$ 1,151
60114	Other Training & Education	\$ 32,811
60120	Audit Fees	\$ 20,130
60121	Consulting	\$ 94,765
60126	Temporary Services	\$ 5,364
60128	Other Professional Services	\$ 785
60129	Other Contract Services	\$ -
60130	Legal Fees	\$ 19,058
60145	Permit Fees	\$ 527
60153	Materials & Supplies	\$ 468
60154	Safety	\$ 1,699
60155	Security	\$ 14,027
60156	Custodial Contract Services	\$ 24,838
60157	Landscaping Maintenance	\$ 22,460
60158	HVAC	\$ 11,818
60159	Facility Repair & Maintenance	\$ 21,974
60160	Telephone	\$ 26,433
60161	Cellular Services	\$ 8,781
60163	Electricity	\$ 20,134
60164	Water Services	\$ 4,222
60170	Equipment Expensed	\$ 4,410
60171	Equipment Rented	\$ 4,388

(Continued - next column)

G/L Acct.	Description	Actual thru 6/30/24
60172	Equipment Repair / Maintenance	\$ 1,865
60180	Computer Hardware	\$ 139,631
60181	Computer Software	\$ 106,611
60182	Internet Services	\$ 23,704
60183	Computer Supplies	\$ 1,478
60184	Computer Repair/Maint	\$ -
60185	Cloud Storage	\$ 29,297
60190	Offsite Meeting/Travel Expense	\$ 4,923
60191	In House Meetings	\$ 607
60192	Conference Expense	\$ 38,514
60193	Car, Repair, Maintenance	\$ -
60200	Dues	\$ 54,017
60202	Subscriptions	\$ 26,352
60203	Contributions	\$ 24,999
60210	Bank Charges	\$ -
60211	Shipping/Postage	\$ 1,936
60212	Office Supplies	\$ 8,394
48000	Commission Fees	\$ 54,650
60221	Commission Mileage Reimb.	\$ 2,853
60222	Other Commission Expense	\$ -
60230	Other Expense	\$ 5,591
60240	Building Lease	\$ 7,956
81010	Retiree Medical Expense	\$ 83,407
80001	Insurance Expense	\$ 57,696
80000	Building Repair/Replacement Reserve	\$ 100,000
80000	Fixed Assets	\$ 24,871

**Total Costs**      \$ 3,958,723

Direct Costs Paid by Projects	\$ 3,467,127
Member Contribution Offset	\$ 450,000
Interest & Other Revenue Offset	\$ 151,831
	\$ 4,068,959

Over (Under) Allocation %	2.7%
Over (Under) Allocation of General Fund Costs	\$ 110,236



## BENEFITS SUMMARY

*(Distributed based on Actual Labor)*

<u>G/L Acct</u>	<u>Description</u>	<u>Budget</u>		<u>Actual @</u> <u>6/30/24</u>
70101	FICA Expense	\$	211,101	\$ 219,272
70102	Medicare Expense	\$	59,818	\$ 59,667
70103	State Unemployment Insurance	\$	3,906	\$ 3,991
70104	Worker's Compensation Insurance	\$	72,456	\$ 49,745
70105	State Disability Insurance	\$	39,569	\$ 32,442
70106	PERS Pension Plan	\$	487,199	\$ 390,726
70111	Medical Expense	\$	511,245	\$ 475,834
70112	Dental Expense	\$	28,657	\$ 30,583
70113	Vision Insurance	\$	7,751	\$ 6,867
70114	Life Insurance Expense	\$	15,940	\$ 15,640
70115	Long Term Disability	\$	18,593	\$ 17,808
70116	Wellness Program Expense	\$	3,900	\$ 3,068
70120	Car Allowance	\$	39,000	\$ 40,900
	<b>Total Benefits</b>	\$	1,499,135	\$ 1,346,541
	<b>Total Payroll</b>	\$	4,086,368	\$ 4,022,439
	<b>Benefits Rate</b>		36.7%	33.5%

Santa Ana Watershed Project Authority  
 Labor Hours Budget vs Actual  
 Month Ending June 30, 2024


	Fund	Budget	Actual	%
100	General Fund	27,297	25,948	95.06%
145	Prop 84 - 2015 Program Mgmt	2,140	2,002	93.53%
150	Prop1 - Program Management	1,135	1,037	91.37%
155	Prop1 Round 2	-	287	-100.00%
240	Brine Line Enterprise	19,253	17,982	93.40%
320	Brine Line Protection	633	24	3.75%
327	Reach IV-D Corrosion Repairs	10	90	895.00%
328	Agua Mansa Lateral Construction	110	197	178.86%
370-01	Basin Planning General	1,830	2,202	120.30%
370-02	USBR Partnership Studies	85	1	0.59%
373	Watershed Management (OWOW)	2,140	1,886	88.11%
374	Basin Monitoring Program TF	620	433	69.88%
377	PFAS Study	220	91	41.25%
378	Weather Modification	215	347	161.51%
381	SAR Fish Conservation	185	178	96.35%
384-01	MSAR TMDL TF	155	109	70.32%
386MONIT	RWQ Monitoring TF	115	79	68.48%
387	Arundo Removal & Habitat Restoration	235	303	128.83%
392	Emerging Constituents TF	220	164	74.55%
397ADMIN	WECAN Riverside	137	198	144.71%
398RELIE	DACI	155	78	50.16%
477-02	LESJWA - Administration	455	385	84.62%
477TMDL	LESJWA - TMDL Task Force	375	357	95.20%
504-401IMPLE	Prop 84 - Final Round Implementation	65	2	3.08%
504-401PA23	Prop 84 - Final Round PA23 Admin	170	9	5.15%
504-402PA22	Prop84 - Final Round PA22 Admin	240	58	23.96%
504-402RATES	Prop 84 - Final Round Water Rates	145	132	90.86%
505-00	Prop1 - Capital Projects	540	287	53.06%
		58,880	54,861	93.17%

Note: Should be at 100% of budget for 12 months

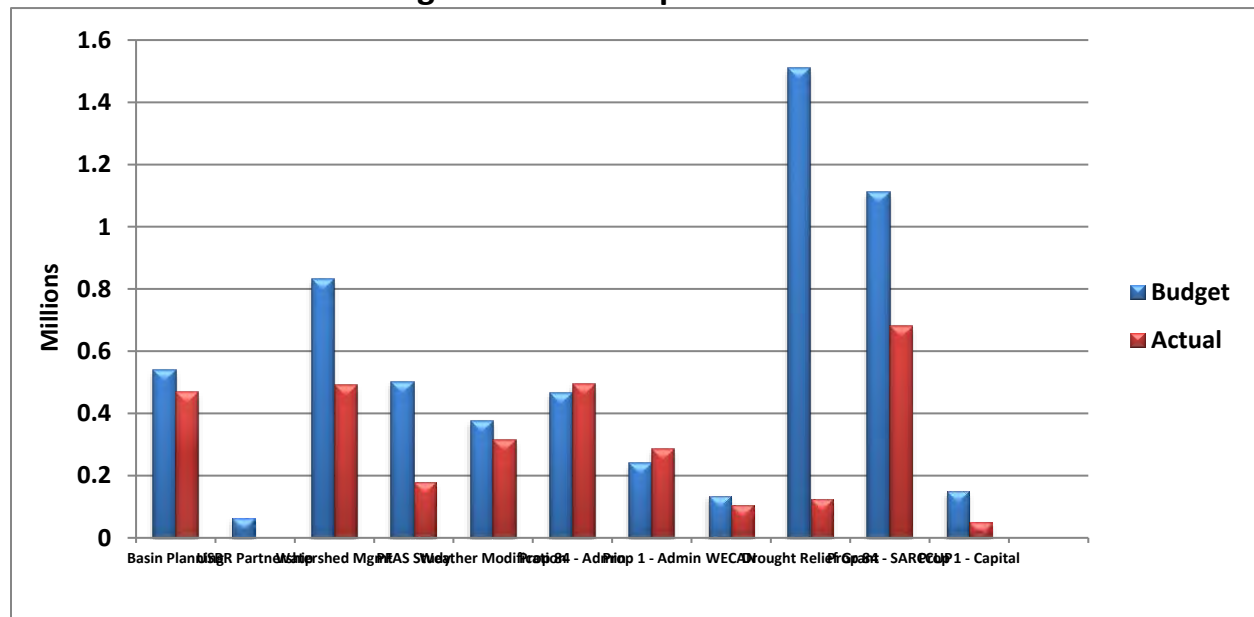
**Santa Ana Watershed Project Authority  
PA25 - OWOW Fund - Financial Report  
May 2024**

*Staff comments provided on the last page are an integral part of this report.*

<b>Overview</b>	This report highlights the agency's key financial indicators for the Fiscal Year-to-Date (FYTD) through May 2024 unless otherwise noted.
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<b>Budget to Actual Expenses - OWOW</b>				 <b>Favorable</b>
	<b>Annual Budget</b>	<b>FYTD Budget</b>	<b>FYTD Actual</b>	<b>Favorable (Unfavorable) Variance</b>
Basin Planning General	\$589,459	\$540,337	\$470,646	\$69,691
USBR Partnership Studies	68,859	63,121	133	62,988
Watershed Mgmt. (OWOW)	908,756	833,026	491,714	341,312
PFAS Study	547,652	502,014	178,474	323,540
Weather Modification	410,911	376,668	316,702	59,965
Prop 84 - Administration	508,900	466,492	495,457	(28,965)
Prop 1 – Administration	262,343	240,481	286,805	(46,324)
WECAN - Riverside	147,679	135,372	106,270	29,102
Drought Relief Grant DACI	1,649,378	1,511,930	124,925	1,387,005
Prop 84 – SARCCUP & Other	1,212,085	1,111,078	682,157	428,921
Prop 1 – Capital Projects	163,313	149,704	51,465	98,239
<b>Total</b>	<b>\$6,469,335</b>	<b>\$5,930,223</b>	<b>\$3,204,748</b>	<b>\$2,725,475</b>

**Budget to Actual Expenses - OWOW**



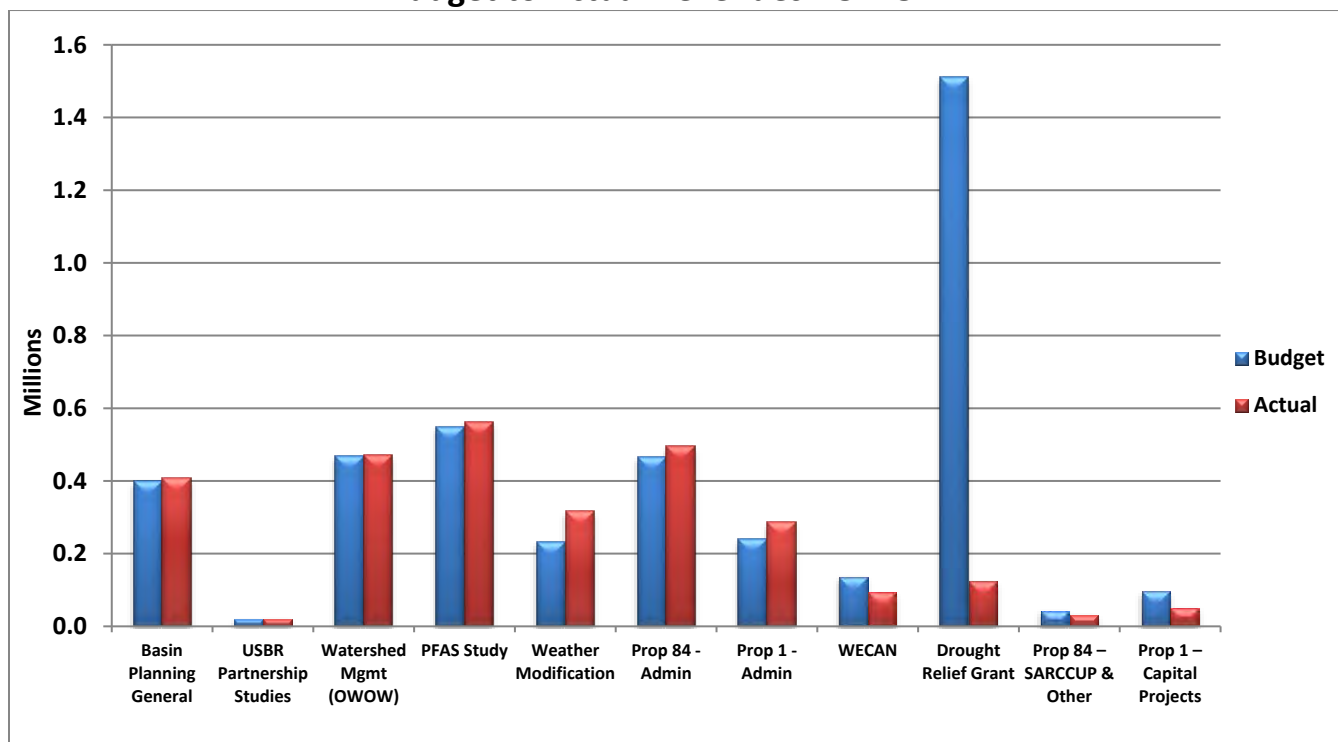
## Budget to Actual Revenues - OWOW



Concern

	Annual Budget	FYTD Budget	FYTD Actual	Favorable (Unfavorable) Variance
Basin Planning General	\$500,000	\$400,000	\$407,836	\$7,836
USBR Partnership Studies	70,000	20,000	21,213	1,213
Watershed Mgmt. (OWOW)	767,900	467,900	471,189	3,289
PFAS Study	550,000	550,000	562,997	12,997
Weather Modification	434,500	233,000	316,702	83,702
Prop 84 - Administration	508,900	466,492	495,457	28,965
Prop 1 – Administration	262,343	240,481	286,805	46,324
WECAN - Riverside	147,679	136,721	93,986	(42,735)
Drought Relief Grant - DACI	1,649,378	1,511,930	124,925	(1,387,005)
Prop 84 – SARCCUP & Other	47,584	43,619	32,224	(11,395)
Prop 1 – Capital Projects	105,951	97,122	51,465	(45,657)
<b>Total</b>	<b>\$5,044,235</b>	<b>\$4,167,265</b>	<b>\$2,864,799</b>	<b>(\$1,302,466)</b>

## Budget to Actual Revenues - OWOW







## Reserve Fund Balance

	Amount
Basin Planning General	\$56,664
USBR Partnership Studies	47,184
Watershed Management (OWOW)	188,031
PFAS Study	489,807
Proposition 84 – SARCCUP & Other	796,391
Proposition 1 – Capital Projects	94,740
<b>Total Reserves</b>	<b>\$1,672,817</b>

### Legend

#### Compared to Budget

	Ahead or Favorable	Above +5% Favorable Revenue or Expense Variance
	On Track	+5% to -2% Variance
	Behind	-3% to -5% Variance
	Concern	Below -5% Variance

## Staff Comments

For this month's report, the item(s) explained below are either "behind", a "concern", or have changed significantly from the prior month.

1) Revenues are 31% and expenses are 45.9% under budget. It is expected they will both be on track with the budget by the end of the year.


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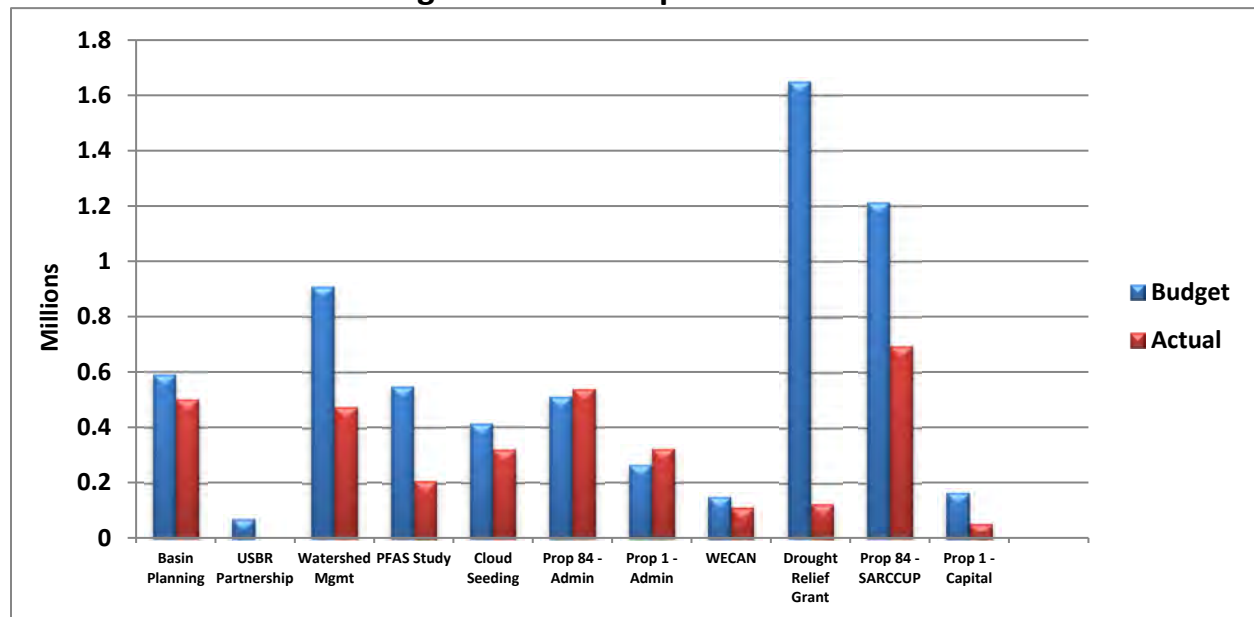
**Santa Ana Watershed Project Authority  
PA25 - OWOW Fund - Financial Report  
June 2024**

*Staff comments provided on the last page are an integral part of this report.*

<b>Overview</b>	This report highlights the agency's key financial indicators for the Fiscal Year-to-Date (FYTD) through June 2024 unless otherwise noted.
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<b>Budget to Actual Expenses - OWOW</b>				 <b>Favorable</b>
	Annual Budget	FYTD Budget	FYTD Actual	Favorable (Unfavorable) Variance
Basin Planning General	\$589,459	\$589,459	\$499,514	\$89,945
USBR Partnership Studies	68,859	68,859	133	68,726
Watershed Mgmt. (OWOW)	908,756	908,756	473,473	435,283
PFAS Study	547,652	547,652	209,768	337,884
Cloud Seeding	410,911	410,911	318,626	92,285
Prop 84 - Administration	508,900	508,900	537,279	(28,379)
Prop 1 – Administration	262,343	262,343	320,131	(57,788)
WECAN - Riverside	147,679	147,679	108,760	38,919
Drought Relief Grant DACI	1,649,378	1,649,378	125,992	1,523,386
Prop 84 – SARCCUP & Other	1,212,085	1,212,085	693,724	518,361
Prop 1 – Capital Projects	163,313	163,313	54,075	109,238
<b>Total</b>	<b>\$6,469,335</b>	<b>\$6,469,335</b>	<b>\$3,341,475</b>	<b>\$3,127,860</b>

**Budget to Actual Expenses - OWOW**



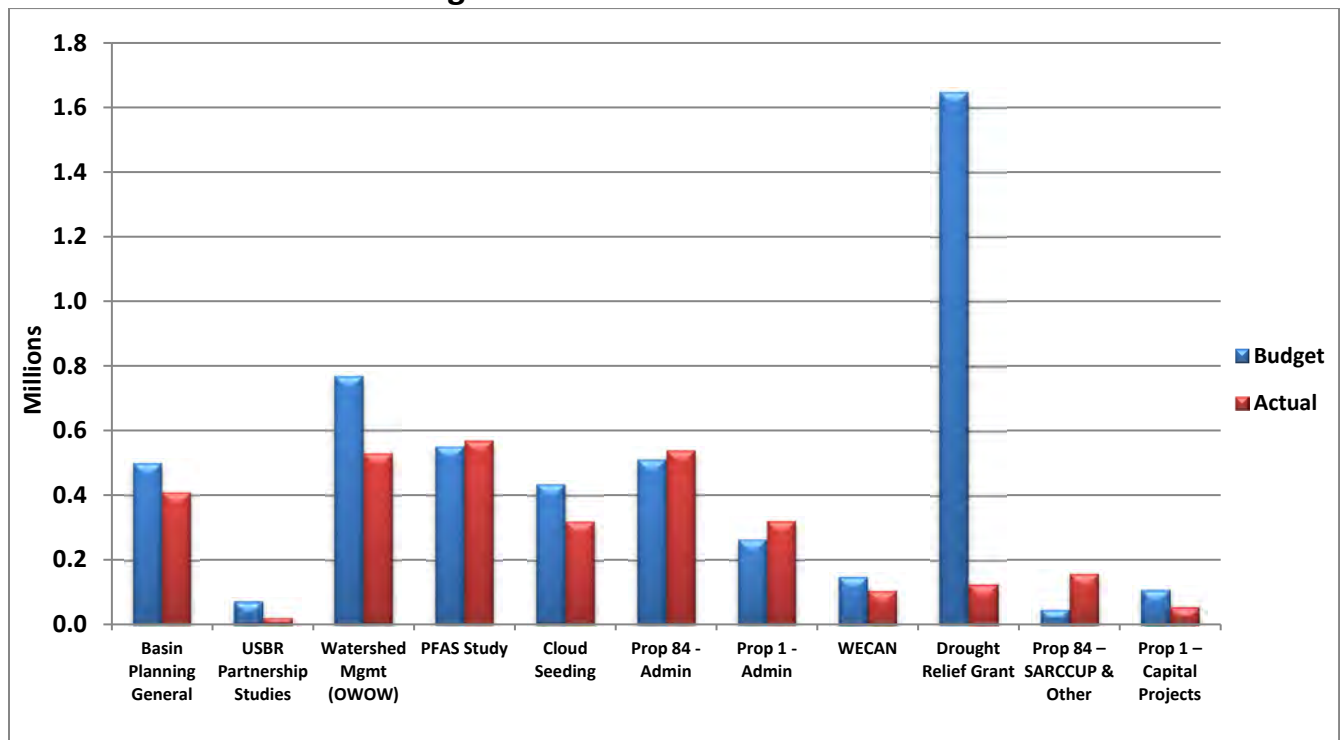
## Budget to Actual Revenues - OWOW



Concern

	Annual Budget	FYTD Budget	FYTD Actual	Favorable (Unfavorable) Variance
Basin Planning General	\$500,000	\$500,000	\$408,741	(\$91,259)
USBR Partnership Studies	70,000	70,000	21,722	(48,278)
Watershed Mgmt. (OWOW)	767,900	767,900	529,335	(238,565)
PFAS Study	550,000	550,000	568,113	18,113
Cloud Seeding	434,500	434,500	318,626	(115,874)
Prop 84 - Administration	508,900	508,900	537,279	28,379
Prop 1 – Administration	262,343	262,343	320,128	57,785
WECAN - Riverside	147,679	147,679	105,250	(42,429)
Drought Relief Grant - DACI	1,649,378	1,649,378	125,992	(1,523,386)
Prop 84 – SARCCUP & Other	47,584	47,584	156,225	108,641
Prop 1 – Capital Projects	105,951	105,951	54,075	(51,876)
<b>Total</b>	<b>\$5,044,235</b>	<b>\$5,044,235</b>	<b>\$3,145,486</b>	<b>(\$1,898,749)</b>

## Budget to Actual Revenues - OWOW







## Reserve Fund Balance

	Amount
Basin Planning General	\$28,362
USBR Partnership Studies	47,184
Watershed Management (OWOW)	145,808
PFAS Study	390,461
Proposition 84 – SARCCUP & Other	773,812
Proposition 1 – Capital Projects	92,130
<b>Total Reserves</b>	<b>\$1,477,757</b>

### Legend

#### Compared to Budget

	Ahead or Favorable	Above +5% Favorable Revenue or Expense Variance
	On Track	+5% to -2% Variance
	Behind	-3% to -5% Variance
	Concern	Below -5% Variance

## Staff Comments

For this month's report, the item(s) explained below are either "behind", a "concern", or have changed significantly from the prior month.


1) Revenues are 37.6% and expenses are 48.4% under budget. They are both under budget because we had budgeted for grants that we did not receive and some of the grants had a slower start than anticipated.

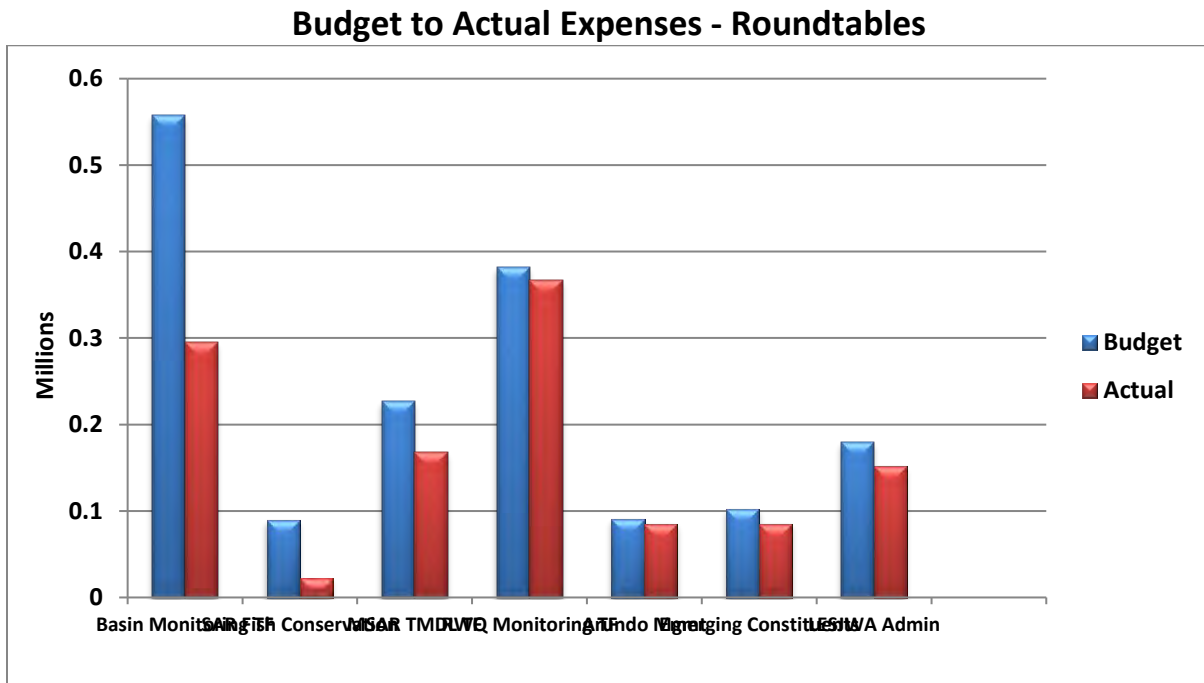
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**Santa Ana Watershed Project Authority  
PA26 - Roundtable Fund - Financial Report  
May 2024**

*Staff comments provided on the last page are an integral part of this report.*

<b>Overview</b>	This report highlights the agency's key financial indicators for the Fiscal Year-to-Date (FYTD) through May 2024 unless otherwise noted.
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<b>Budget to Actual Expenses - Roundtables</b>				 <b>Favorable</b>
	<b>Annual Budget</b>	<b>FYTD Budget</b>	<b>FYTD Actual</b>	<b>Favorable (Unfavorable) Variance</b>
Basin Monitoring TF	\$607,712	\$557,069	\$294,710	\$262,359
SAR Fish Conservation	97,457	89,336	22,298	66,838
MSAR TMDL TF	236,146	226,814	167,697	59,117
RWQ Monitoring TF	416,225	381,540	366,776	14,764
Arundo Mgmt.	99,252	90,981	84,766	6,215
Emerging Constituents	111,706	102,397	84,863	17,534
LESJWA Admin	195,857	179,536	151,555	27,981
<b>Total</b>	<b>\$1,764,355</b>	<b>\$1,627,673</b>	<b>\$1,172,865</b>	<b>\$454,808</b>



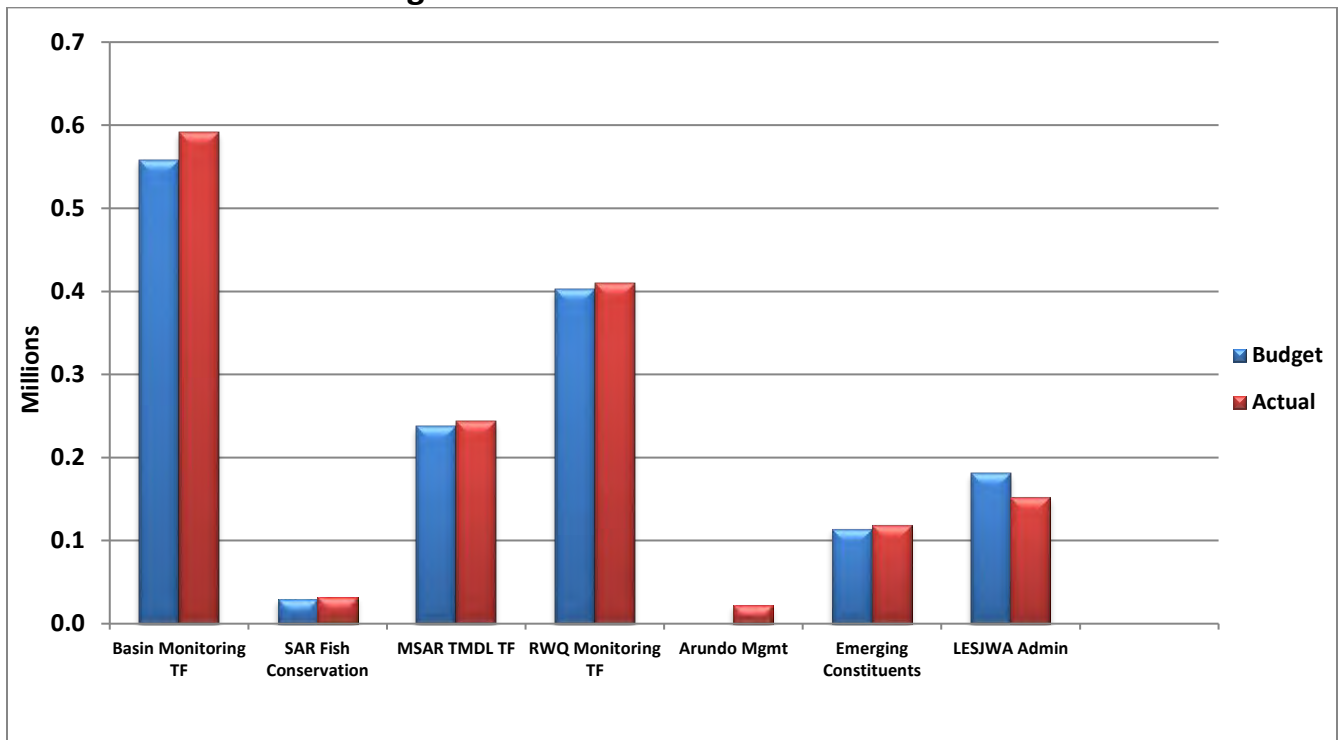
## Budget to Actual Revenues - Roundtables



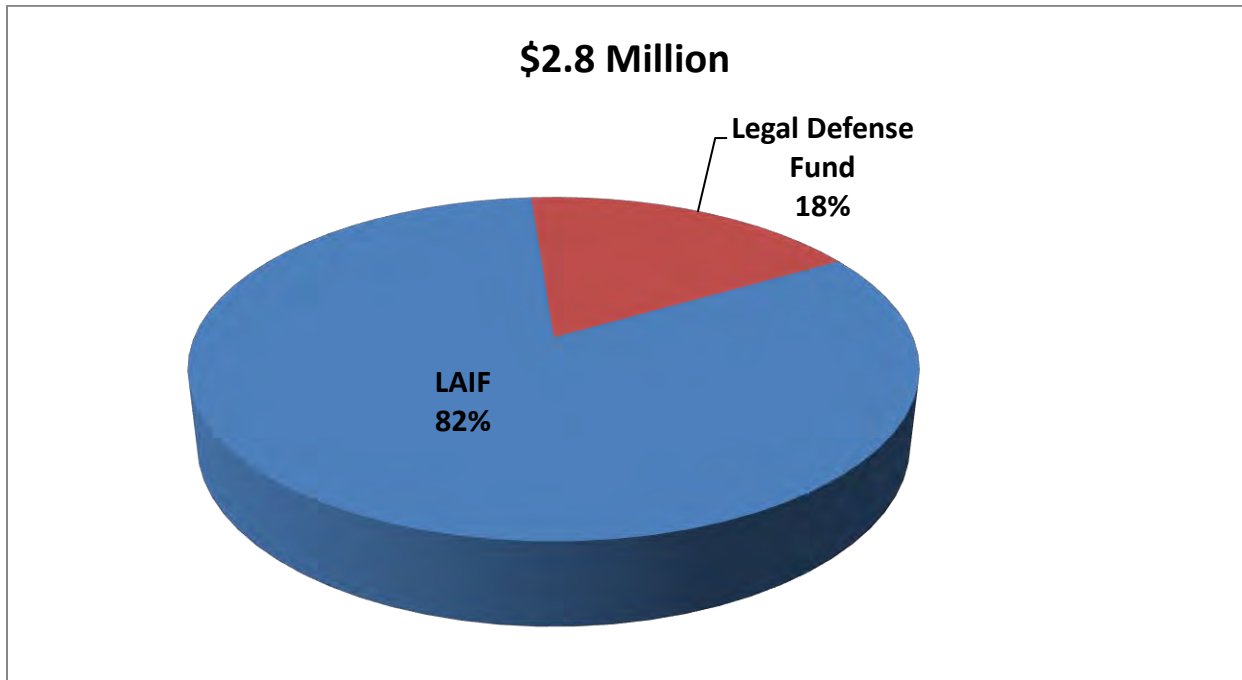
**On Track**

	Annual Budget	FYTD Budget	FYTD Actual	Favorable (Unfavorable) Variance
Basin Monitoring TF	\$558,000	\$558,000	\$591,399	\$33,399
SAR Fish Conservation	29,000	29,000	31,993	2,993
MSAR TMDL TF	237,040	237,040	243,367	6,327
RWQ Monitoring TF	402,716	402,716	410,207	7,491
Arundo Mgmt.	-	-	21,731	21,731
Emerging Constituents	114,000	114,000	118,835	4,835
LESJWA Admin	195,857	180,369	151,555	(28,814)
<b>Total</b>	<b>\$1,536,613</b>	<b>\$1,521,125</b>	<b>\$1,569,087</b>	<b>\$47,962</b>

### Budget to Actual Revenues - Roundtables



## Total Cash & Investments







## Reserve Fund Balance

	Amount
Basin Monitoring Task Force	\$684,745
SAR Fish Conservation	115,120
Middle SAR TMDL Task Force	366,674
Regional Water Quality Monitoring Task Force	184,749
Arundo Management & Habitat	751,763
Emerging Constituents Task Force	174,054
Legal Defense Fund	504,949
<b>Total Reserves</b>	<b>\$2,779,784</b>

## Legend

### Compared to Budget

	Ahead or Favorable	Above +5% Favorable Revenue or Expense Variance
	On Track	+5% to -2% Variance
	Behind	-3% to -5% Variance
	Concern	Below -5% Variance

## Staff Comments

For this month's report, the item(s) explained below are either "behind", a "concern", or have changed significantly from the prior month.


- 1) Both Revenues and Expenses are on track with the budget.
-

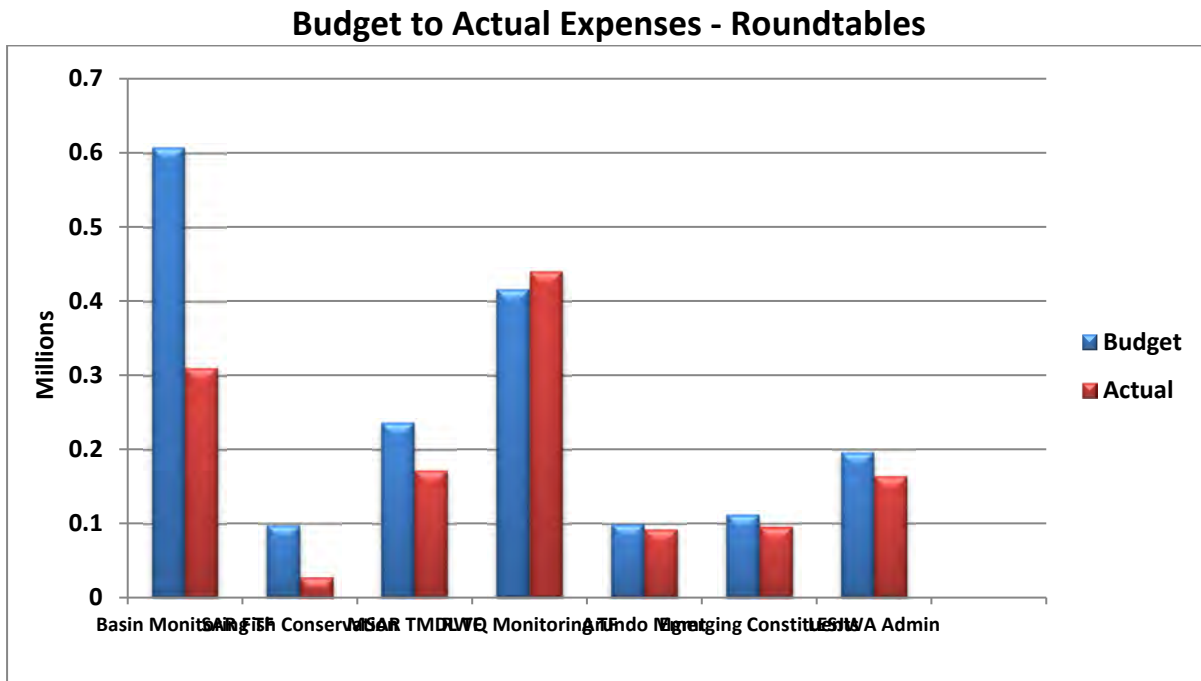


**Santa Ana Watershed Project Authority  
PA26 - Roundtable Fund - Financial Report  
June 2024**

*Staff comments provided on the last page are an integral part of this report.*

<b>Overview</b>	This report highlights the agency's key financial indicators for the Fiscal Year-to-Date (FYTD) through June 2024 unless otherwise noted.
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<b>Budget to Actual Expenses - Roundtables</b>				 <b>Favorable</b>
	<b>Annual Budget</b>	<b>FYTD Budget</b>	<b>FYTD Actual</b>	<b>Favorable (Unfavorable) Variance</b>
Basin Monitoring TF	\$607,712	\$607,712	\$310,126	\$297,586
SAR Fish Conservation	97,457	97,457	27,537	69,920
MSAR TMDL TF	236,146	236,146	171,725	64,421
RWQ Monitoring TF	416,225	416,225	440,357	(24,132)
Arundo Mgmt.	99,252	99,252	92,106	7,146
Emerging Constituents	111,706	111,706	95,327	16,379
LESJWA Admin	195,857	195,857	163,460	32,397
<b>Total</b>	<b>\$1,764,355</b>	<b>\$1,764,355</b>	<b>\$1,300,638</b>	<b>\$463,717</b>



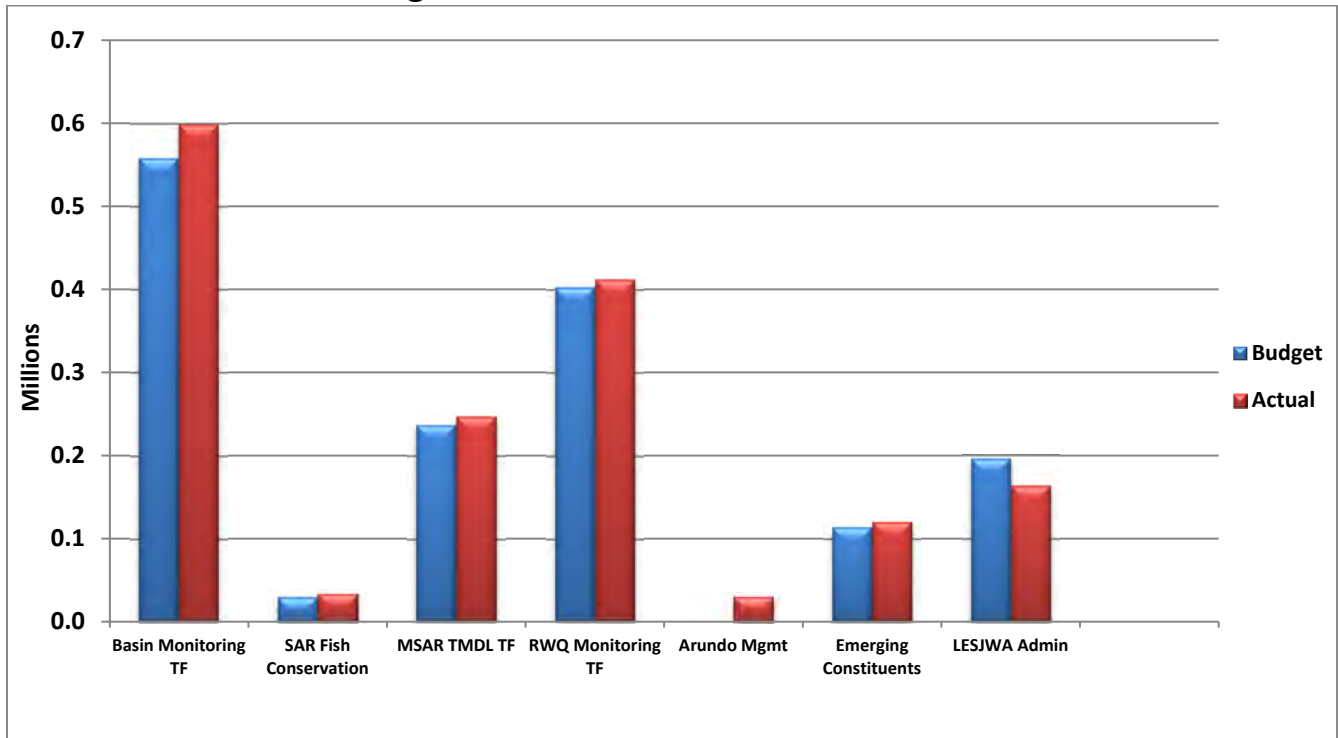
## Budget to Actual Revenues - Roundtables



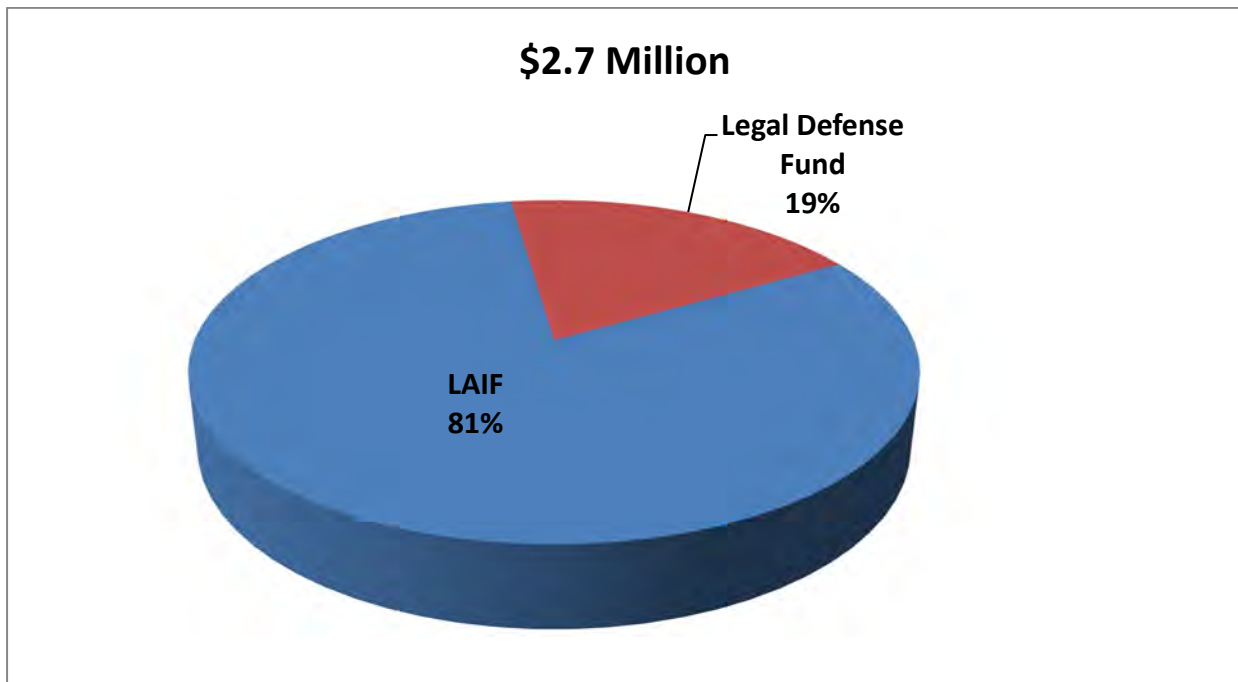
**On Track**

	Annual Budget	FYTD Budget	FYTD Actual	Favorable (Unfavorable) Variance
Basin Monitoring TF	\$558,000	\$558,000	\$598,788	\$40,788
SAR Fish Conservation	29,000	29,000	33,224	4,224
MSAR TMDL TF	237,040	237,040	247,330	10,290
RWQ Monitoring TF	402,716	402,716	412,169	9,453
Arundo Mgmt.	-	-	29,859	29,859
Emerging Constituents	114,000	114,000	120,739	6,739
LESJWA Admin	195,857	195,857	163,460	(32,397)
<b>Total</b>	<b>\$1,536,613</b>	<b>\$1,536,613</b>	<b>\$1,605,569</b>	<b>\$68,956</b>

## Budget to Actual Revenues - Roundtables



## Total Cash & Investments







## Reserve Fund Balance

	Amount
Basin Monitoring Task Force	\$662,642
SAR Fish Conservation	110,081
Middle SAR TMDL Task Force	361,675
Regional Water Quality Monitoring Task Force	118,706
Arundo Management & Habitat	749,289
Emerging Constituents Task Force	167,571
Legal Defense Fund	507,122
<b>Total Reserves</b>	<b>\$2,677,086</b>

## Legend

### Compared to Budget

	Ahead or Favorable	Above +5% Favorable Revenue or Expense Variance
	On Track	+5% to -2% Variance
	Behind	-3% to -5% Variance
	Concern	Below -5% Variance

## Staff Comments

For this month's report, the item(s) explained below are either "behind", a "concern", or have changed significantly from the prior month.

- 1) Revenues are 4.5% over budget because of interest earned on the funds. Expenses are 26.3% below budget. This is due to not completing some of the work in the Basin Monitoring Task Force.



**August 9, 2024**

**To:** Santa Ana Watershed Project Authority

**From:** Michael Boccadoro  
Beth Olhasso

**RE:** July Report

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Overview:

Water managers remain frustrated that they are unable to move water into storage in San Luis Reservoir because of pumping restrictions in the Delta. Lake Oroville is sitting at 77 percent capacity, 116 percent of normal; Shasta Lake is sitting at 73 percent of capacity, 110 percent of average; San Luis Reservoir is at just 43 percent of capacity; 103 percent of average. The past few months, San Luis has dropped a consistent percent per month.

The State Water Resources Control Board has unanimously approved the Making Conservation a California Way of Life regulations. The enacting resolution included some final changes that should help usher along variances and protect urban trees. The response in the press to adoption has been favorable to the water community. Both the LA Times and CalMatters have noted how hard it is going to be for communities to reach the standards while also noting the cost. CalMatters focused on the disproportionate impact the regulations will have on hotter, inland communities.

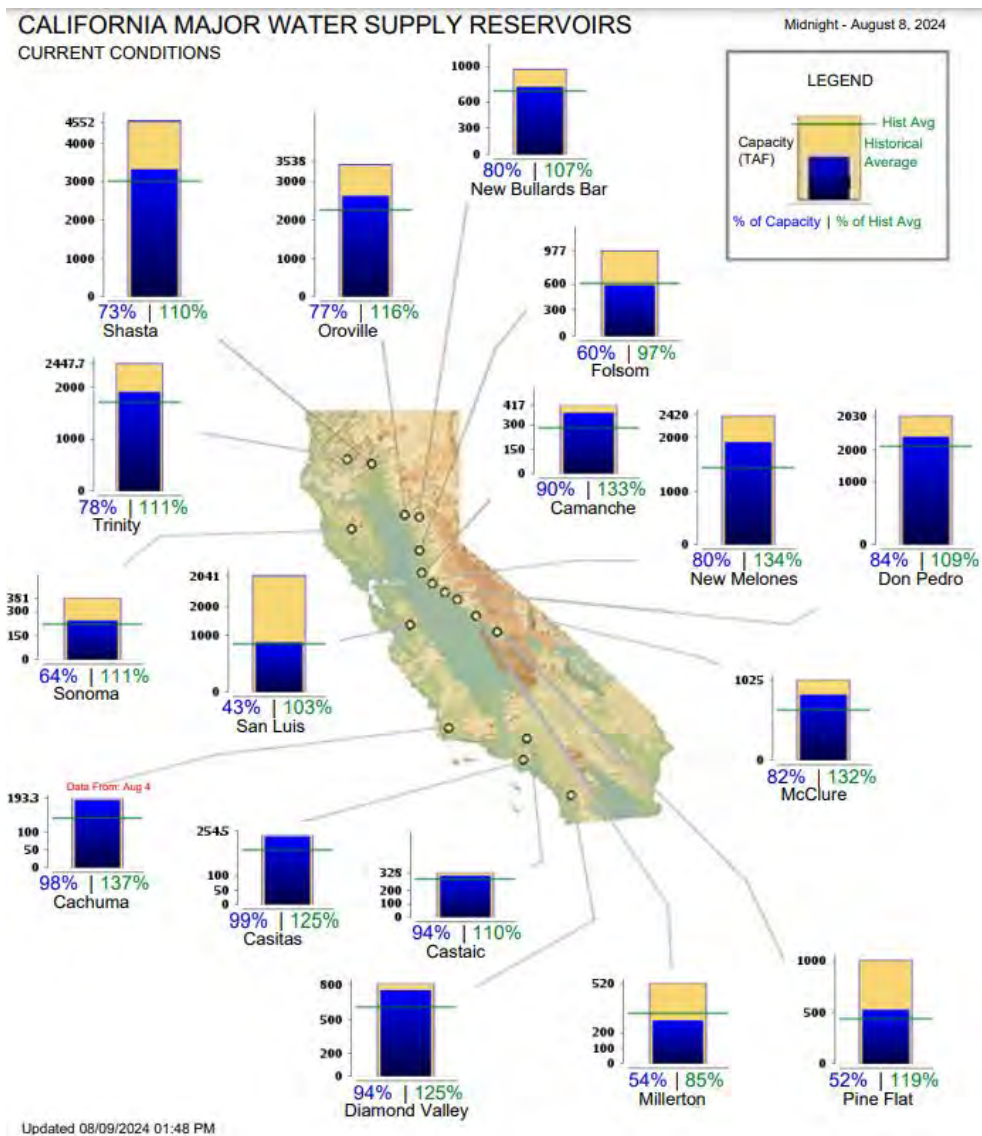
In the quest to control PFAS at the source, rather than in POTW effluent, the Department of Toxic Substances Control has released a workplan to look at specific products and their use of PFAS. Not surprisingly, the manufacturing community has responded with a strongly worded letter outlining why certain products cannot be included on the list for PFAS control. While there is no mention of wastewater, this proceeding is important to keep as much PFAS out of the sewer as possible.

The Legislature has passed both a budget and a \$10 billion climate bond and has returned to Sacramento after a month-long recess for the final short four weeks before the end of the 2023-2024 legislative session. Before they left on July 3, work on all of the bills sent over from the opposite house ahead of the July 3 policy committee deadline was feverish. The most significant bill left for SAWPA and member agencies is SB 1255 (Durazo, D- Los Angeles). The bill would create a low-income water rate assistance program that customers would have to opt-out of on their water bill. A strong Inland Empire coalition has proposed amendments to the bill and will work with ACWA and others to make major changes to the measure.

# Santa Ana Watershed Project Authority Status Report – July 2024

## ***Water Supply Conditions***

With record and prolonged, heatwaves it is no surprise that reservoir levels have been steadily dropping. However, with abundant water in the system, major northern storage reservoirs have been able to hover above historical averages. San Luis Reservoir remains unable to take advantage of significant water in the system to replenish supplies due to pumping restrictions. Lake Oroville is at 116 percent of average, 77 percent capacity; Shasta is at 110 percent average, 73 percent capacity; San Luis Reservoir is at 103 percent average, just 43 percent capacity.



### ***Making Conservation a California Way of Life***

The State Water Resources Control Board released their final revision of the Making Conservation a California Way of Life regulations on June 21 and approved the regulation July 3. While the regulations aren't perfect, many of the changes requested by the water community have been included in the final draft. However, as [stated by Chelsea Haines](#) of ACWA to the Los Angeles Times "This regulation will be very challenging- it will require a whole statewide effort to change the way that we use water in California. It's an unprecedented approach and will require a significant amount of funding and technical support."

The [enacting resolution](#) gives direction to SWRCB staff on several key items including variances, enforcement and protecting tree canopy.

[CalMatters](#) recently noted that inland communities will have a harder time complying with the regulations- a talking point member agencies have been pointing out in written and oral comments.

### ***PFAS***

PFAS manufacturers and various industry groups are urging California toxics officials to substantially scale back a proposed 2024-26 workplan to examine a variety of consumer products that contain PFAS for potential listing as "priorities" under the state's Safer Consumer Products (SCP) green chemistry program, targeting vehicle and electronics components in particular.

The Sustainable PFAS Action Network (SPAN), which represents PFAS manufacturers and users, is recommending the California Department of Toxic Substances Control (DTSC) "make clear in its final version of the Work Plan that certain products and uses of PFAS are not within the scope of the final Work Plan," according to July 15 comments from the group to the department.

Such products should be excluded because they either: "represent items which are not consumer products (e.g., products which are used in industrial and commercial use applications and in the manufacture of other products), or (2) are products which involve an unavoidable and essential use (i.e., socially beneficial) of PFAS or may contain PFAS necessary in order to perform these beneficial functions," the group adds.

Special interest groups are commenting on DTSC's "Stakeholder Discussion Draft: Three Year Priority Product Work Plan (2024-2026)" for the SCP, which was released May 16.

The work plan identifies categories of consumer goods DTSC plans to evaluate to identify "Priority Products" for regulation over the next three years. And it emphasizes that the SCP program may only designate a priority product if it falls within one of the categories described in the current work plan, with exceptions for those covered by a legislative mandate, an executive order, or a stakeholder petition that the agency has granted.

DTSC also notes that inclusion of a product category in the work plan by itself does not subject products to regulation, create any new legal obligations, or imply that the department has "made any determinations regarding the safety of products within that category."

The draft 24-26 plan consists of consumer product categories DTSC plans to evaluate, including two new additions: paints, which were previously part of the “Building Products and Materials Used in Construction and Renovation” category; and products “that Contain or Generate Microplastics.”

Another four entries on the list are carryovers from DTSC’s prior 2021-23 plan: beauty, personal care, and hygiene products; cleaning products; building products and materials used in construction and renovation; and children’s products.

In addition, two categories have been carried over and expanded — food packaging, which has been expanded into “Food Contact Articles”; and motor vehicle tires, now part of “Motor Vehicle Parts, Accessories, Maintenance, and Repair Materials.”

Under the SCP program, once a product is listed as a priority, companies are required to conduct chemical alternatives analyses to determine whether there are safer substitutes. Based on the results of the analyses, DTSC can eventually restrict or ban the original chemicals at issue in the products.

SPAN and other industry groups argue the plan lays out an overly aggressive approach toward PFAS in a variety of products.

The group is recommending DTSC significantly narrow “the scope of the motor vehicle parts category by clarifying it will not devote its limited resources to motor vehicle parts and components that are essential to the safe and long-lasting operation of a motor vehicle,” the letter continues.

More broadly, SPAN is asking DTSC to acknowledge recent amendments to Maine’s statute addressing PFAS as a component in products that are distributed in that state, which “essentially exclude” from prohibitions “products falling within certain specified categories which are representative of products that are of critical importance to the public’s well-being.”

The group recommends DTSC “consider adopting a regulation that would implement a similar approach and set parameters which would provide public notice of certain categories of PFAS-containing products and PFAS uses that will be beyond the scope of DTSC’s efforts in the Safer Consumer Products efforts.”

### ***FY 24-25 State Budget Finalized***

After passing a legislative version of the budget ahead of the June 15 deadline, the Governor, the Pro Tem and the Speaker reached final agreement on the Fiscal Year 2024-25 \$297.9 billion state budget. The agreement, which passed on June 27, just ahead of the new fiscal year, assumes withdrawals from the Rainy-Day Fund over the next two years, using \$5.1 billion in 24-25.

The agreement purports to solve a \$46.8 billion deficit through \$16 billion in reductions, the use of reserves, \$6 billion in “fund shifts,” \$3.1 billion in “delays and pauses,” and \$2.1 billion in deferrals.

The agreement includes several categories important to SAWPA including:



- \$73.5 million for recycled water
- \$330 million for the Agreements to Support Healthy Rivers and Landscapes (Voluntary Agreements)

### ***Legislative Update***

In addition to finalizing the 2024-25 State Budget, members worked feverishly on bills that passed out of their house of origin. The deadline for bills to be out of second house policy committees was July 3. The Legislature returned from recess on August 5 for a four-week sprint to the end of session on August 31.

Consideration of a Climate Bond happened behind closed doors and resulted in the final draft being released 72 hours before final consideration. The \$10 billion bond contains about \$3.4 billion for water, including:

- \$610 million for Safe Drinking Water
- \$386.25 million for Groundwater Storage
- \$386.25 million for Recycled Water
- \$75 million for Water Storage
- \$75 million for Regional Conveyance
- \$550 million for Flood
- \$150 million for Delta Levees
- \$480 million for Dam Safety
- \$110 million for Stormwater
- \$100 million for Watershed Resilience (IRWM)

The bond will appear on the November ballot as Proposition 4.

Other priority legislation for 2024 include:

**Water Use Efficiency:** SB 1110 and SB 1330 are the two bills on WUE that survived out of their first house. Both had to take amendments that narrow the effectiveness of the bills. The Legislature has been hesitant to make changes to the regulations before they are finalized by the SWRCB. How the bills will change now that the regulations have been finalized, is still under discussion.

**Connection Fees:** The legislature is looking to improve the state’s housing crisis by changing the way connection fees are collected. The bill with the most significant concerns for SAWPA member agencies was SB 1210 (Skinner, D- Berkeley). The bill, as introduced, would have prevented a connection or capacity fee from exceeding one percent of the building permit value and would spread the connection fee collection out over a period of ten years. The bill was recently amended to alleviate the concerns of the water community. The bill passed out of the Assembly Local Government Committee.

**Groundwater:** AB 2079 (Bennett) was amended late in the policy process and required some quick evaluation by SAWPA member agencies. Mr. Bennett has historically been interested in SGMA regulated basins, however AB 2079 would put requirements on not only SGMA regulated basins, but also adjudicated basins. The bill would essentially impose a ban on new large-diameter,

high capacity wells if the well would be within ¼ mile of a well used for domestic water supply or community water supply, or the well would be located within ¼ mile of an area that has subsided greater than half of a foot since January 1, 2015. SAWPA member agencies joined forces to secure amendments that exclude drinking water wells, monitoring wells, wells of a retail water agency and injection wells. The amendments remove the opposition of the inland coalition. However, the bill was unable to secure enough votes to pass the Senate Natural Resources and Water Committee.

### **Low Income Water Rate Assistance**

A group of environmental justice groups have proposed legislation to create Low Income Rate Assistance programs for water and wastewater customers.

SAWPA member agencies have been discussing the proposed legislation and WCA is participating in an ACWA workgroup to try to craft acceptable amendments. The proposed language would create a “voluntary contribution” on all water and wastewater bills that customers may opt-out of, should they choose. The proponents have expressly rejected a request to make the contribution “opt-in.” Additionally, Prop 218 experts have been engaged to determine if this proposal is even legal. The bill was heard in the Environmental Safety & Toxic Materials Committee on June 25 and in the Utilities & Energy Committee on July 1. The bill has been amended several times, and there are more amendments under discussion over the summer recess that member agency staff has reviewed. The current set of amendments do not eliminate the “opt-out” approach, therefore they do not alleviate the concerns of member agencies.