



**SAWPA COMMISSION
REGULAR MEETING MINUTES
DECEMBER 17, 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
Michael Camacho, Alternate, Inland Empire Utilities Agency

COMMISSIONERS ABSENT

Jasmin A. Hall, Inland Empire Utilities Agency

**COMMISSIONERS PRESENT;
NON-VOTING**

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

STAFF PRESENT

Jeff Mosher, Karen Williams, David Ruhl, Rachel Gray, Shavonne
Turner, Marie Jauregui, Dean Unger, John Leete, Bonnie Gallagher,
Alison Lewis, Sara Villa, Zyanya Ramirez

OTHERS PRESENT

Andrew Turner, Lagerlof, LLP; Lisa Haney, Orange County Water
District; John Kennedy, Orange County Water District; Cindy Saks,
San Bernardino Valley Municipal Water District; Adekunle Ojo, San
Bernardino Valley Municipal Water District; Mallory O'Connor,
Western Municipal Water District; Chris Olsen, Orange County
Water District; Chris Brown, C.J. Brown & Company

The Regular Meeting of the Santa Ana Watershed Project Authority Commission was called to order at 9:31 a.m. by Chair Bruce Whitaker on behalf of the Santa Ana Watershed Project Authority, 11615 Sterling Avenue, Riverside, California.

1. CALL TO ORDER

2. ROLL CALL

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

3. PUBLIC COMMENTS

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

4. ITEMS TO BE ADDED OR DELETED

There were no items to be added or deleted.

5. CONSENT CALENDAR

A. APPROVAL OF MEETING MINUTES: DECEMBER 3, 2024

Recommendation: Approve as posted.

MOVED, to approve the Consent Calendar as posted.

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

6. NEW BUSINESS

A. RESOLUTION IN SUPPORT FOR THE CONTINUED INVESTMENT IN PLANNING FOR THE DELTA CONVEYANCE PROJECT (CM#2024.71)

Jeff Mosher referenced Resolution No. 2024-7 in support of the continued investment in planning for the Delta Conveyance Project, contained in the agenda packet on pages 15-16.

A letter of support addressing the Delta Conveyance Project was approved by the SAWPA Commission on December 3, 2024, though it was requested that a Resolution be submitted to ensure an official record. Commissioner Gardner noted there are often significant disagreements among the MET member agencies, particularly between those areas that are more developed and already have extensive infrastructure, and those that are less developed and require new infrastructure. It is crucial for our region that new facilities continue to be developed, and that the costs are shared equitably, as these projects are too large for smaller regions to fund alone. Commissioner Gardner congratulated the MET Board for securing a vote with over 97% approval, it is an impressive display of cooperation, understanding, and mutual support.

MOVED, to adopt Resolution No. 2024-7 in support of the continued investment in planning for the Delta Conveyance Project.

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

B. FISCAL YEAR 2023-2024 REPORT ON AUDIT (CM#2024.72)

Karen Williams introduced Christopher Brown of C.J. Brown & Company, and he provided a presentation on SAWPA's Audit Report.

Mr. Brown reported there are two key reports from the audit: the financial report and the management report. The financial report includes the auditor's opinion, which is an unmodified (clean) opinion. In their assessment, the financial statements fairly present the financial position of SAWPA as of June 30, 2024. The management report is the auditor's communication with the Commission, detailing the responsibilities, the scope of the audit, any accounting practice differences, and any unusual findings.

The financial results, the key highlights, show an increase in total assets of approximately \$4.9 million, mainly due to higher current assets such as investments and accounts receivable. Liabilities decreased by about \$3.6 million, with current liabilities rising by approximately \$1.1 million. The change in net position was an increase of approximately \$6.7 million, reflecting a positive financial outlook.

In terms of revenues, operating revenues remained steady. Investment earnings, however, rose by about \$2.3 million due to favorable rates and investments. On the expense side, higher wastewater treatment and disposal costs were attributed to increased flows.

Overall, the audit results are positive, with a strong financial position. The total net position at the end of the fiscal year was \$87.6 million. Mr. Brown thanked SAWPA staff and reported that there were no significant issues or weaknesses identified during the audit.

MOVED, to receive and review the Annual Comprehensive Financial Report (ACFR) for the Fiscal Year Ended June 30, 2024, which includes the Report on Audit prepared by C.J. Brown & Company CPAs, then:

1. Accept the ACFR, including the Report on Audit as prepared by C.J. Brown & Company CPAs; and
2. Direct staff to file the Report with the respective government agencies as required by law; and
3. Direct staff to submit the ACFR, with any necessary changes, for the Certificate of Achievement for Excellence in Financial Reporting Award.

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

C. DEPARTMENT OF WATER RESOURCES' CALIFORNIA STREAM GAGE IMPROVEMENT PROGRAM FUNDING OPPORTUNITY (CM#2024.73)

Haley Gohari provided a presentation on the Department of Water Resources' Stream Gage Improvement Program, contained in the agenda packet on pages 173-189. Ms. Gohari noted that the staff's recommendation is for the Commission to authorize staff to apply on behalf of the Santa Ana River Watershed for the Department of Water Resources (DWR) California Stream Gauge Improvement Program funding opportunity. This would fund new or upgraded stream gauges on natural waterways.

Senate Bill 19, passed in 2019, and directed DWR and the State Water Resources Control Board to develop a plan to deploy a network of stream gauges to address gaps in data necessary for water resources management and conservation. The bill recommends upgrading existing gauges, installing new ones, and adding water temperature sensors. It also identifies priority locations for improvement, which were outlined in the California Stream Gauging Prioritization Plan 2022. Eligible costs under the program include site identification, engineering, design and construction, stream gauge equipment, administrative expenses (such as staff time and permitting), and operation and maintenance costs through June 30, 2027. Estimated costs for each new gauge are approximately \$50,000.

In August, during a quarterly planning managers' meeting, staff presented the newly announced DWR program and coordinated with individual member agencies to gather feedback and identify potential locations that would be eligible for funding. SAWPA offered to submit the application on behalf of the watershed, gathering potential locations and equipment types, and offering assistance in facilitating the application process.

Ms. Gohari referenced DWR ArcGIS Stream Gauge map to view submitted locations and avoid duplication of efforts. Based on discussions with member agencies, they have identified potential locations for new stream gauges, which are reflected on the map. The detailed map further outlines the concentrated areas for proposed gauges. Ms. Gohari noted there is a

compiled list of potential sites for new or upgraded stream gauges, which offer several benefits for the watershed. These include improved flow tracking to recharge facilities, enhanced flow accuracy, and a better understanding of surface water and groundwater interactions throughout the region. Some of the potential sites identified by the team have varying benefits, such as reactivating historical gauges, supporting groundwater modeling efforts, and upgrading technology. Staff are still awaiting final decisions from some member agencies regarding their interest in specific locations. However, staff will only submit proposals for locations that are confirmed and approved by the individual member agencies.

Additional benefits of these stream gauges include the generation of data that can inform regional and local projects, such as Firo, surface water modeling conducted by the task forces, and other monitoring programs. These gauges could also aid in quantifying stormwater capture efforts and enhance the models we use for water management. Understanding the interactions between groundwater and surface water is another key advantage. The anticipated schedule, if approved by the Commission, staff will submit an initial survey and full application by December 31, 2024. Notifications of potential awards will occur in January, with an executed agreement expected by March 2025. Installation and operation of the stream gauges will begin on October 1, 2026.

MOVED, to authorize SAWPA Staff to apply on behalf of the Santa Ana River Watershed under Department of Water Resources' (DWR) California Stream Gage Improvement Program (CalSIP) funding opportunity for new or upgraded stream gauges on natural waterways.

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

D. CONTRACT AMENDMENT | JEFF MOSHER

Jeff Mosher referenced the First Amendment to Employment Agreement between SAWPA and Jeff Mosher, contained in the agenda packet on page 257.

Commissioner Camacho asked if the contract has already been approved or can there be adjustments made. Commissioner Gardner noted that the contract was discussed in closed session. However, what is currently presented may be subject to misinterpretation. The figure currently differs from what was discussed. There are still several points to address, but it is important to note that nothing is final, and no action was taken in the closed session.

Mr. Mosher thanked the Commission and Legal Counsel, Andy Turner, for working through the efforts of the performance evaluation. One thing that was raised was the historical context, particularly regarding how things have evolved. The amendment references the amount from the original 2021 contract, but there is a history behind how it arrived at this point. Mr. Mosher noted that Karen Williams will walk through the numbers to explain.

Ms. Karen Williams stated that when Mr. Mosher was hired in February 2021, his annual salary was set at \$259,000. The contract also stipulated that he would receive the same benefits as staff, including the annual cost-of-living (COLA) increase. On August 16, 2021, Mr. Mosher received a 2.2% COLA increase, which was approved by the Commission. As a result, his salary was raised to \$264,698. On July 1, 2022, Mr. Mosher received a 5% COLA increase, approved by the Commission, which brought his salary to \$277,932.90. On July 1, 2023, Mr. Mosher received a COLA increase of 4.6%, also approved by the Commission,

bringing his salary to \$290,717.81. On July 1, 2024, the Commission approved a 4.3% COLA increase, which raised Mr. Mosher's salary to \$303,218.68 (current salary).

The proposed action differs slightly from what is outlined in the packet. The annual salary proposed is \$320,000, which represents a 5.5% increase. The figure listed in the packet, \$318,379.61, is not accurate. Staff heard a 5% increase initially, but what was discussed in the closed session was a 5% increase or up to \$320,000. Therefore, the correct amount is a 5.5% increase, bringing the salary to \$320,000.

Chair Whitaker noted that this agreement was made during the pandemic lockdown, and it is important to note that COLAs are not really considered true salary increases—they are primarily adjustments to account for changes in the spending power of the dollar. The Commission was provided some context by reviewing the past few years, which helped clarify the situation.

Commissioner Gardner emphasized that essentially, it is a bit confusing because the contract was never amended to reflect the COLAs that all employees received. This has led to the interpretation that the proposed increase might seem much larger than it is. It is just a little over a 5% increase in the General Manager's pay, which is a recognition of the work he has done over the past year. He has not received a merit increase since he arrived, and considering his contributions, commitment, and skills, the consensus of the Commission proposed an increase to \$320,000 annually. This represents a slight increase of just over 5% from his current salary of \$303,218.68. Commissioner Gardner noted that during the performance review, the Commission rated the General Manager's performance quite highly and took all these factors into account. Overall, there was a general sense that SAWPA is in a good place right now, and we want to encourage all staff to continue working in that direction.

Commissioner Gardner also noted that a Classification and Compensation Study was prepared by Ralph Andersen and Associates at the direction of the Commission, but it has not yet been adopted. There were concerns raised about some of the comparable agencies included in the study, as well as others that were not included. As a result, the study is being sent back to the consultant for revisions. It is anticipated to remove the top four (4) most highly compensated entities and replace them with six (6) other entities that are more comparable in terms of SAWPA's scope, responsibilities, budget, number of employees, and other relevant factors. Mr. Mosher noted the compensation study is separate and applies to all staff positions. The upcoming changes will focus on establishing maximum salary ranges for each position, with both a minimum and maximum set for every role. The consultant's study will recommend adjustments to the maximum salaries where needed, based on market data, if certain positions are found to be misaligned with current market trends. The compensation study item will be brought back to Commission in January to review the details of the changes recommended by Ralph Anderson.

Commissioner Camacho expressed concerns about the COLA being low to mid-range, therefore it is not keeping up with inflation considering that Mr. Mosher's salary is not being adjusted. Mr. Mosher noted that because SAWPA is a Joint Powers Authority (JPA) we get information on the COLA ranges from all the member agencies and use the CPI, then there is a recommendation made to the SAWPA Commission. Commissioner Camacho referenced a salary schedule and questioned how SAWPA compares in size with Cucamonga Valley Water District, MODOC, and WRD. There are other agencies he could reference and go through the salary ranges but emphasized that Mr. Mosher is doing an outstanding job. As an outlier and alternate, and not always present at the Commission meetings and don't have all the information, but if we're looking for a fair comparison, he believes Cucamonga Valley Water District (CVWD) would be a good agency in terms of size, responsibility, budget, and other

factors, their General Manager earns \$363,000 a year. Modoc's General Manager is listed at \$325,000, though does not believe it is still accurate. Additionally, WRD is on the higher end, with their General Manager earning \$406,000.

Considering all of this and recognizing the work and responsibility our general manager has; he believes the Commission should consider something higher than the proposed \$320,000 salary. A range between \$320,000 and \$363,000 could be more in line with what we are seeing in the region for similar roles. Especially since Mr. Mosher has only received COLA adjustments over the years and given his consistent performance. He has known Mr. Mosher for some time and believes he is performing excellently and would like to put this out there for discussion and consideration.

Commissioner Harrison noted that this agency is different from CVWD; it is an arm of five (5) different agencies. There are responsibilities and other factors that are not directly comparable. This is why the study is to be altered to include six (6) additional agencies that are more similar to our structure, as they better reflect what we do here compared to the original set of agencies included in the study. On that basis, it is not entirely fair to say that just because another agency or district pays their General Manager a certain amount, we should fall within the same salary range. The responsibilities here are different, particularly since our primary support comes from the five (5) member agencies and ultimately cover the costs.

Commissioner Slawson said that he is not concerned with comparing those other agencies unless there is an extreme disparity. The focus is on evaluation and the increase, which should be a way to reward and recognize merit. He is comfortable with the proposed amount of \$320,000, though he could consider a slightly higher amount. Part of the reasoning is what Commissioner Camacho mentioned regarding being on the lower end of the COLAs that have been provided. When you receive a COLA, it is usually a year after your dollar has already been devalued, so, you are not fully catching up with inflation. Each time you get a COLA; you are still a little behind. Commissioner Harrison noted that Commissioner Jasmin Hall strongly supported the \$320,000, recognizing the achievements made. There were numerous discussions with the general managers to determine what might be appropriate. However, he understands that members of the Commission were concerned when it was looked back that there had not been any adjustments over the years.

Commissioner Camacho asked if there is anything preventing a merit increase during the calendar year for the agency? It would be helpful in the future to have the chance to consult with the member agencies about their evaluations as well, because we represent our respective boards. If we were to make an ad-hoc decision today, we would not have that opportunity for input from the other agencies. Commissioner Camacho hopes it can be considered later.

Commissioner Gardner noted that if the Commission feels that six months down the road, the General Manager deserves additional compensation, the Commission could address that at that time. Additionally, in six months, there will be another COLA adjustment, correct? Commissioner Slawson called for a motion to stay with the \$320,000, as it was a reasonable amount that was discussed at some point. Commissioner Gardner second the motion and noted it is also important to note that the Commission was not entirely comfortable with the list of comparable used to develop the market data, as there were several concerns with it.

Commissioner Botello noted that when the consultant first presented the comparison numbers to the Commission, he questioned them at the time and did not receive support. Additionally, he wants to clarify that the Compensation Study and the general manager's salary are not mutually exclusive. Mr. Botello said that he feels this process should have taken place in

January, as that is typically when these types of discussions occur at the beginning of the year. He believes this process was rushed, and we need to take a step back and carefully consider how we move forward. It is important to recognize that SAWPA is not a proprietary entity, and it does not generate revenue on its own, but is funded by five (5) independent agencies. This makes it a unique position, and we need to account for that as we move forward in our discussions and decisions.

Commissioner Gardner suggested that whenever the General Manager receives a COLA adjustment, the Commission should formally update the contract to reflect the new salary. This way, it is always known what the current base salary is without needing to dig through documents. This approach should be applied to any contract employee keeping their contracts up to date with their current salary and benefits.

MOVED, to approve the First Amendment to Employment Agreement between the Santa Ana Watershed Project Authority and Jeff Mosher and authorize the Commission Chair to execute the First Amendment.

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

E. ADOPT RESOLUTION NO. 2024-8 IN RECOGNITION OF BRUCE WHITAKER

Jeff Mosher referenced Resolution No. 2024-8 in recognition of Bruce Whitaker, contained in the agenda packet on pages 259-260. Mr. Mosher commended Bruce for all his efforts in serving as a SAWPA Commissioner and an OWOW Steering Committee member acknowledging all his contributions, expressing that he will be missed.

Chair Whitaker noted that with the lockdown and all the remote meetings we had, along with the challenges of Zoom and getting quorums, were certainly interesting times, and he hopes in the future not to be referred as the "Pandemic Commissioner". Chair Whitaker expressed his appreciation and noted that he's seen SAWPA in different phases over the years and has had a very high-functioning Commission, and a group of outstanding general managers, and believes SAWPA is in a great place, and well-prepared to stand firm against certain recommendations from Northern California or Sacramento that don't work for us. SAWPA needs to be that vocal, respected voice and expert in many areas, and is happy to see it in that direction.

The Commission noted that Chair Whitaker has brought a real sense of professionalism and leadership to this commission and has genuinely been impressed by his leadership and dedication to making SAWPA as transparent as possible. The Cloud Seeding Demonstration project is a notable example of this. There were some real concerns from the public, and it was impressive on how clearly Mr. Whitaker communicated that their concerns were welcome and would be considered.

MOVED, to adopt Resolution No. 2024-8 in recognition of Bruce Whitaker.

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

7. INFORMATIONAL REPORTS

Recommendation: Receive for Information.

A. CASH TRANSACTIONS REPORT – OCTOBER 2024

Presenter: Karen Williams

B. INTER-FUND BORROWING – OCTOBER 2024 (CM#2024.74)

Presenter: Karen Williams

C. PERFORMANCE INDICATORS/FINANCIAL REPORTING – OCTOBER 2024 (CM#2024.75)

Presenter: Karen Williams

D. PROJECT AGREEMENT 25 – OWOW FUND – FINANCIAL REPORT, SEPTEMBER 2024

Presenter: Karen Williams

E. PROJECT AGREEMENT 26 – ROUNDTABLE FUND – FINANCIAL REPORT, SEPTEMBER 2024

Presenter: Karen Williams

F. FIRST QUARTER FYE 2025 EXPENSE REPORT

- General Manager
- Staff

Presenter: Karen Williams

G. BUDGET VS ACTUAL VARIANCE REPORT FYE 2025 FIRST QUARTER – SEPTEMBER 30, 2024 (CM#2024.76)

Presenter: Karen Williams

H. FINANCIAL REPORT FOR THE FIRST QUARTER ENDING SEPTEMBER 30, 2024

Presenter: Karen Williams

I. STATE LEGISLATIVE REPORT

Presenter: Jeff Mosher

J. GENERAL MANAGER REPORT

Jeff Mosher informed the Commission

K. CHAIR'S COMMENTS/REPORT

Chair Bruce Whitaker noted

L. COMMISSIONERS' COMMENTS

Commissioner

M. COMMISSIONERS' REQUEST FOR FUTURE AGENDA ITEMS

There were no requests for future agenda items.

8. CLOSED SESSION

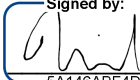
There was no Closed Session.

9. ADJOURNMENT

There being no further business for review, Chair Bruce Whitaker adjourned the meeting at 10:43 a.m.

Approved at a Regular Meeting of the Santa Ana Watershed Project Authority Commission on Tuesday, January 21, 2025.

Signed by:



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Mike Gardner, Vice Chair

Attest:

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