



S A W P A

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

This meeting will be conducted in person at the addresses listed below. As a convenience to the public, members of the public may also participate virtually using one of the options set forth below. Any member of the public may listen to the meeting or make comments to the Commission using the call-in number or Zoom link. 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.

Meeting Access Via Computer (Zoom):	Meeting Access Via Telephone:
<ul style="list-style-type: none"> • https://sawpa.zoom.us/j/84257724393 	<ul style="list-style-type: none"> • 1 (669) 900-6833
<ul style="list-style-type: none"> • Meeting ID: 842 5772 4393 	<ul style="list-style-type: none"> • Meeting ID: 842 5772 4393

REGULAR COMMISSION MEETING TUESDAY, JANUARY 21, 2025 – 9:30 A.M.

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

and

301 N. Ross Street, Room 327
Santa Ana, CA 92701

AGENDA

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE (Mike Gardner, Vice 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 with the subject line "Public Comment". Submit your electronic comments by 5:00 p.m. on Monday, January 20, 2025. 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: DECEMBER 17, 20247
Recommendation: Approve as posted.

B. TREASURER'S REPORT: NOVEMBER 2024.....17
Recommendation: Approve as posted.

6. WORKSHOP DISCUSSION AGENDA

A. LEGISLATIVE REPORT

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

7. NEW BUSINESS

A. APPROVAL OF FY 2025 SALARY SCHEDULE (CM#2025.1)23

Presenter: Jeff Mosher
Recommendation: To approve the salary schedule for FY 2025 as required by CalPERS.

B. AMENDMENT TO THE PA 24 AGREEMENT – APPOINTMENT OF ALTERNATE REPRESENTATIVES (CM#2025.2)27

Presenter: Jeff Mosher
Recommendation: To recommend to the PA 24 Committee the amendment to the PA 24 Agreement dated July 17, 2019, allowing for the appointment of two (2) alternate representatives.

C. FYE 2026 AND 2027 BUDGET GOALS AND OBJECTIVES (CM#2025.3).....41

Presenter: Jeff Mosher, Karen Williams, David Ruhl, and Rachel Gray
Recommendation: To review and discuss the goals and objectives that will be used in preparing the FYE 2026 and 2027 Budget and receive and file.

D. RFP FOR INVESTMENT MANAGEMENT SERVICES (CM#2025.4).....85

Presenter: Karen Williams
Recommendation: Receive and file.

E. CLASSIFICATION AND COMPENSATION STUDY UPDATE (CM#2025.5).....125

Presenter: Jeff Mosher
Recommendation: To approve the removal of four (4) labor market survey agencies and the addition of six (6) labor market survey agencies from the Classification and Compensation Study being conducted by Ralph Andersen & Associates.

8. INFORMATIONAL REPORTS

Recommendation: Receive for information.

A. CASH TRANSACTIONS REPORT – NOVEMBER 2024135

Presenter: Karen Williams

B. INTER-FUND BORROWING – NOVEMBER 2024 (CM#2025.6)141

Presenter: Karen Williams

C. PERFORMANCE INDICATORS/FINANCIAL REPORTING – NOVEMBER 2024 (CM#2025.7)147

Presenter: Karen Williams

D. PROJECT AGREEMENT 25 – OWOW FUND – FINANCIAL REPORT, OCTOBER 2024169

Presenter: Karen Williams

E. PROJECT AGREEMENT 26 – ROUNDTABLE FUND – FINANCIAL REPORT, OCTOBER 2024173
Presenter: Karen Williams

F. STATE LEGISLATIVE REPORT177
Presenter: Jeff Mosher

G. GENERAL MANAGER REPORT183
Presenter: Jeff Mosher

H. CHAIR’S COMMENTS/REPORT

I. COMMISSIONERS’ COMMENTS

J. COMMISSIONERS’ REQUEST FOR FUTURE AGENDA ITEMS

9. CLOSED SESSION

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

10. ADJOURNMENT

PLEASE NOTE:

Americans with Disabilities Act: If you require any special disability related accommodations to participate in this meeting, call (951) 354-4220 or email svilla@sawpa.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, 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 January 16, 2025, a copy of this agenda has been uploaded to the SAWPA website at www.sawpa.gov and posted at SAWPA’s office at 11615 Sterling Avenue, Riverside, California.

2025 SAWPA Commission Meetings/Events

First and Third Tuesday of the Month

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

January 1/7/25 Commission Workshop [cancelled] 1/21/25 Regular Commission Meeting	February 2/4/25 Commission Workshop 2/18/25 Regular Commission Meeting
March 3/4/25 Commission Workshop 3/18/25 Regular Commission Meeting	April 4/1/25 Commission Workshop 4/15/25 Regular Commission Meeting
May 5/6/25 Commission Workshop 5/20/25 Regular Commission Meeting 5/13 – 5/15/25 ACWA Spring Conference, Monterey, CA	June 6/3/25 Commission Workshop 6/17/25 Regular Commission Meeting
July 7/1/25 Commission Workshop 7/15/25 Regular Commission Meeting	August 8/5/25 Commission Workshop 8/19/25 Regular Commission Meeting
September 9/2/25 Commission Workshop 9/16/25 Regular Commission Meeting	October 10/7/25 Commission Workshop 10/21/25 Regular Commission Meeting
November 11/4/25 Commission Workshop 11/18/25 Regular Commission Meeting	December 12/2/25 Commission Workshop 12/16/25 Regular Commission Meeting 12/2 – 12/4/25 ACWA Fall Conference, San Diego, 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: JANUARY

DATE	TIME	MEETING DESCRIPTION	LOCATION
1/15/25	1:00 PM	Lake Elsinore/Canyon Lake TMDL Task Force Mtg	Virtual/Teleconference
1/29/25	1:30 PM	MSAR TMDL Task Force Mtg	Virtual/Teleconference

MONTH OF: FEBRUARY

DATE	TIME	MEETING DESCRIPTION	LOCATION
2/4/25	8:30 AM	PA 23 Committee Mtg	Hybrid (SAWPA & Virtual/Teleconference)
2/4/25	10:00 AM	PA 24 Committee Mtg	Hybrid (SAWPA & Virtual/Teleconference)
2/20/25	4:00 PM	LESJWA Board of Directors Mtg	Hybrid (Elsinore Valley MWD, 31315 Chaney Street, Lake Elsinore, CA 92530 & Virtual/Teleconference)
2/27/25	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
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’Conor,
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.

Mike Gardner, Vice Chair

Attest:

Sara Villa, Clerk of the Board

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*Santa Ana Watershed
Project Authority*



Finance Department

Santa Ana Watershed Project Authority
TREASURER'S REPORT

November 2024

During the month of November 2024, the Agency's actively managed temporary idle cash earned a return of 3.425%, representing interest earnings of \$39,198. Additionally, the Agency's position in overnight funds L.A.I.F. generated \$208,597 in interest, resulting in \$247,795 of interest income from all sources. Please note that this data represents monthly earnings only and does not indicate actual interest received. There were zero (0) investment positions purchased, zero (0) positions sold, one (1) position matured, and zero (0) positions were called.

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

December 12, 2024

Prepared and submitted by:

A handwritten signature in black ink that reads 'Karen Williams'.

Karen L. Williams, Deputy GM/Chief Financial Officer

Santa Ana Watershed Project Authority

INVESTMENT PORTFOLIO - MARKED TO MARKET - UNREALIZED GAINS & LOSSES

November 30, 2024

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

Investment Type	Security Type	CUSIP	Dealer	Purchase Date	Maturity Date	Call Date (if appl)	Par Value	Yield To Maturity	Investment Cost	Market Value Current Month	Unrealized Gain/(Loss)	Coupon Rate	Interest Earned
Agency	FHLB	3130A3GE8	MBS	02-04-20	12-13-24	No Call	\$ 500,000.00	1.414%	\$ 531,250.00	\$ 499,613.22	\$ (31,637)	2.750%	\$ 581.14
Agency	FHLB	3130ASWP0	MBS	08-30-22	11-27-24	No Call	\$ -	0.000%	\$ -	\$ -	\$ -	0.000%	\$ 3,001.64
Agency	FHLB	3130ATHWO	WMS	11-04-22	09-10-27	No Call	\$ 1,000,000.00	4.125%	\$ 991,965.00	\$ 997,988.21	\$ 6,023	4.125%	\$ 3,390.41
Agency	FHLB	3130ATUR6	MBS	06-06-23	12-13-24	No Call	\$ 500,000.00	4.629%	\$ 499,966.50	\$ 499,985.67	\$ 19	4.625%	\$ 1,902.33
Agency	FHLB	3130AWC24	MBS	06-06-23	06-09-28	No Call	\$ 500,000.00	3.889%	\$ 502,505.00	\$ 496,527.46	\$ (5,978)	4.000%	\$ 1,278.58
Agency	FHLB	3130AWN63	WMS	01-25-24	06-30-28	No Call	\$ 1,000,000.00	4.020%	\$ 999,170.00	\$ 997,256.14	\$ (1,914)	4.000%	\$ 1,278.58
Agency	FNMA	3135G0X24	MBS	02-04-20	01-07-25	No Call	\$ 500,000.00	1.398%	\$ 505,380.00	\$ 498,390.55	\$ (6,989)	1.625%	\$ 574.56
Agency	FNMA	3135G05X7	WMS	10-30-20	08-25-25	No Call	\$ 1,000,000.00	0.460%	\$ 995,952.00	\$ 970,852.95	\$ (25,099)	0.375%	\$ 378.08
Agency	USTN	91282CAZ4	WMS	04-19-21	11-30-25	No Call	\$ 1,000,000.00	0.761%	\$ 982,500.00	\$ 960,781.25	\$ (21,719)	0.375%	\$ 625.20
Agency	USTN	91282ZTO	WMS	09-15-21	05-31-25	No Call	\$ 1,000,000.00	0.530%	\$ 989,726.56	\$ 979,375.00	\$ (10,352)	0.250%	\$ 435.76
CD	Beal Bank USA	07371DEV5	MBS	08-17-22	08-12-26	No Call	\$ 245,000.00	3.200%	\$ 245,000.00	\$ 240,936.30	\$ (4,064)	3.200%	\$ 644.38
CD	Synchrony Bank	87164XP34	MBS	08-12-22	08-12-25	No Call	\$ 245,000.00	3.350%	\$ 245,000.00	\$ 243,097.93	\$ (1,902)	3.350%	\$ 74.44
CD	Capital One Bank USANA	14042TGJ0	MBS	05-25-22	05-25-27	No Call	\$ 246,000.00	3.200%	\$ 246,000.00	\$ 240,627.80	\$ (5,372)	3.200%	\$ 647.01
CD	Morgan Stanley Private Bank	61768UAT4	MBS	11-15-22	11-15-27	11-15-23	\$ 248,000.00	5.000%	\$ 248,000.00	\$ 248,987.46	\$ 987	5.000%	\$ 1,019.18
CD	Prime Alliance Bank	74160NJF8	MBS	11-17-22	11-17-27	05-17-23	\$ 248,000.00	4.950%	\$ 248,000.00	\$ 248,058.33	\$ 58	4.950%	\$ 1,008.99
CD	Cooperative Center FSU	21686MAA6	MBS	12-29-22	12-29-25	No Call	\$ 249,000.00	4.650%	\$ 249,000.00	\$ 249,985.83	\$ 986	4.650%	\$ 951.66
CD	Affinity Bank	00833JQA4	MBS	03-17-23	03-17-28	No Call	\$ 248,000.00	4.900%	\$ 248,000.00	\$ 254,241.04	\$ 6,241	4.900%	\$ 998.79
CD	Discover Bank	2546732V7	MBS	03-22-23	03-23-27	No Call	\$ 243,000.00	5.050%	\$ 243,000.00	\$ 247,862.82	\$ 4,863	5.050%	\$ 1,008.62
CD	Global Fed CR UN Alaska	37892MAF1	MBS	05-12-23	05-12-27	No Call	\$ 249,000.00	4.600%	\$ 249,000.00	\$ 251,746.90	\$ 2,747	4.600%	\$ 941.42
CD	UBS Bank USA	90355GDJ2	MBS	05-17-23	05-17-27	No Call	\$ 249,000.00	4.550%	\$ 249,000.00	\$ 251,473.59	\$ 2,474	4.550%	\$ 931.19
CD	BMW Bank of North Americ	05580A2G8	MBS	06-16-23	06-16-26	No Call	\$ 244,000.00	4.600%	\$ 244,000.00	\$ 245,289.95	\$ 1,290	4.600%	\$ 922.52
CD	Barclays Bank Delaware	06740KRW9	MBS	07-26-23	07-28-25	No Call	\$ 243,000.00	5.100%	\$ 243,000.00	\$ 243,971.90	\$ 972	5.100%	\$ 1,018.60
CD	Farmers Insurance Group	30960QAS6	MBS	07-26-23	07-27-26	No Call	\$ 248,000.00	5.100%	\$ 248,000.00	\$ 251,585.28	\$ 3,585	5.100%	\$ 1,039.56
CD	Chartway Federal Credit Union	16141BAQ4	MBS	09-08-23	09-08-27	No Call	\$ 248,000.00	5.000%	\$ 248,000.00	\$ 253,783.46	\$ 5,783	5.000%	\$ 1,019.18
CD	Greenstate Credit Union	39573LEM6	MBS	09-26-23	09-26-28	No Call	\$ 248,000.00	5.000%	\$ 248,000.00	\$ 256,271.85	\$ 8,272	5.000%	\$ 1,019.18
CD	Empower Fed Credit Union	291916AA2	MBS	09-29-23	09-29-27	No Call	\$ 248,000.00	5.100%	\$ 248,000.00	\$ 254,581.01	\$ 6,581	5.100%	\$ 1,039.56
CD	US Alliance Fed Credit Union	90352RDF9	MBS	09-29-23	09-29-28	No Call	\$ 248,000.00	5.100%	\$ 248,000.00	\$ 257,172.27	\$ 9,172	5.100%	\$ 1,039.56
CD	Numerica Credit Union	67054NBN2	MBS	11-10-23	11-10-26	No Call	\$ 248,000.00	5.550%	\$ 248,000.00	\$ 254,468.42	\$ 6,468	5.550%	\$ 1,131.29
CD	Heritage Community Cr Un	42728MAB0	MBS	11-15-23	11-16-26	No Call	\$ 248,000.00	5.450%	\$ 248,000.00	\$ 254,099.47	\$ 6,099	5.450%	\$ 1,110.90
CD	Members Trust of SW FCU	585899AG2	MBS	01-19-24	01-19-29	No Call	\$ 249,000.00	4.000%	\$ 249,000.00	\$ 248,595.56	\$ (404)	4.000%	\$ 818.63
CD	Hughes FCU	444425AL6	MBS	01-29-24	01-29-27	No Call	\$ 249,000.00	4.400%	\$ 249,000.00	\$ 250,360.06	\$ 1,360	4.400%	\$ 900.49
CD	Farmers & Merchants TR	308693BG4	MBS	01-30-24	02-01-27	No Call	\$ 249,000.00	4.150%	\$ 249,000.00	\$ 249,070.98	\$ 71	4.150%	\$ 849.33
CD	Nicolet National Bank	654062LP1	MBS	03-08-24	03-08-29	No Call	\$ 249,000.00	4.250%	\$ 249,000.00	\$ 251,090.95	\$ 2,091	4.250%	\$ 869.79
CD	Medallion Bank	58404DUP4	MBS	03-13-24	03-15-27	No Call	\$ 249,000.00	4.600%	\$ 249,000.00	\$ 251,478.35	\$ 2,478	4.600%	\$ 941.42
CD	Wells Fargo Bank	949764MZ4	MBS	03-12-24	03-12-27	No Call	\$ 249,000.00	4.500%	\$ 249,000.00	\$ 250,980.12	\$ 1,980	4.500%	\$ 920.96
CD	Toyota Financial SGS Bank	89235MPN5	MBS	05-24-24	05-24-29	No Call	\$ 244,000.00	4.600%	\$ 244,000.00	\$ 249,679.32	\$ 5,679	4.600%	\$ 922.52
CD	First Foundation Bank	32026U5U6	MBS	05-22-24	05-22-29	No Call	\$ 244,000.00	4.600%	\$ 244,000.00	\$ 249,669.52	\$ 5,670	4.600%	\$ 922.52
CD	Alliant Credit Union	01882MAD4	MBS	12-30-22	12-30-25	No Call	\$ 248,000.00	5.100%	\$ 248,000.00	\$ 250,112.80	\$ 2,113	5.100%	\$ 1,039.56

Total Actively Invested Funds							\$ 13,923,000.00		\$ 13,921,415.06	\$ 13,900,049.72	\$ (21,365)	3.425%	\$ 39,197.56
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Total Local Agency Investment Fund									\$ 56,688,281.78			4.477%	\$ 208,597.35
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Total Invested Cash							\$ 13,923,000.00		\$ 70,609,696.84			4.270%	\$ 247,794.91
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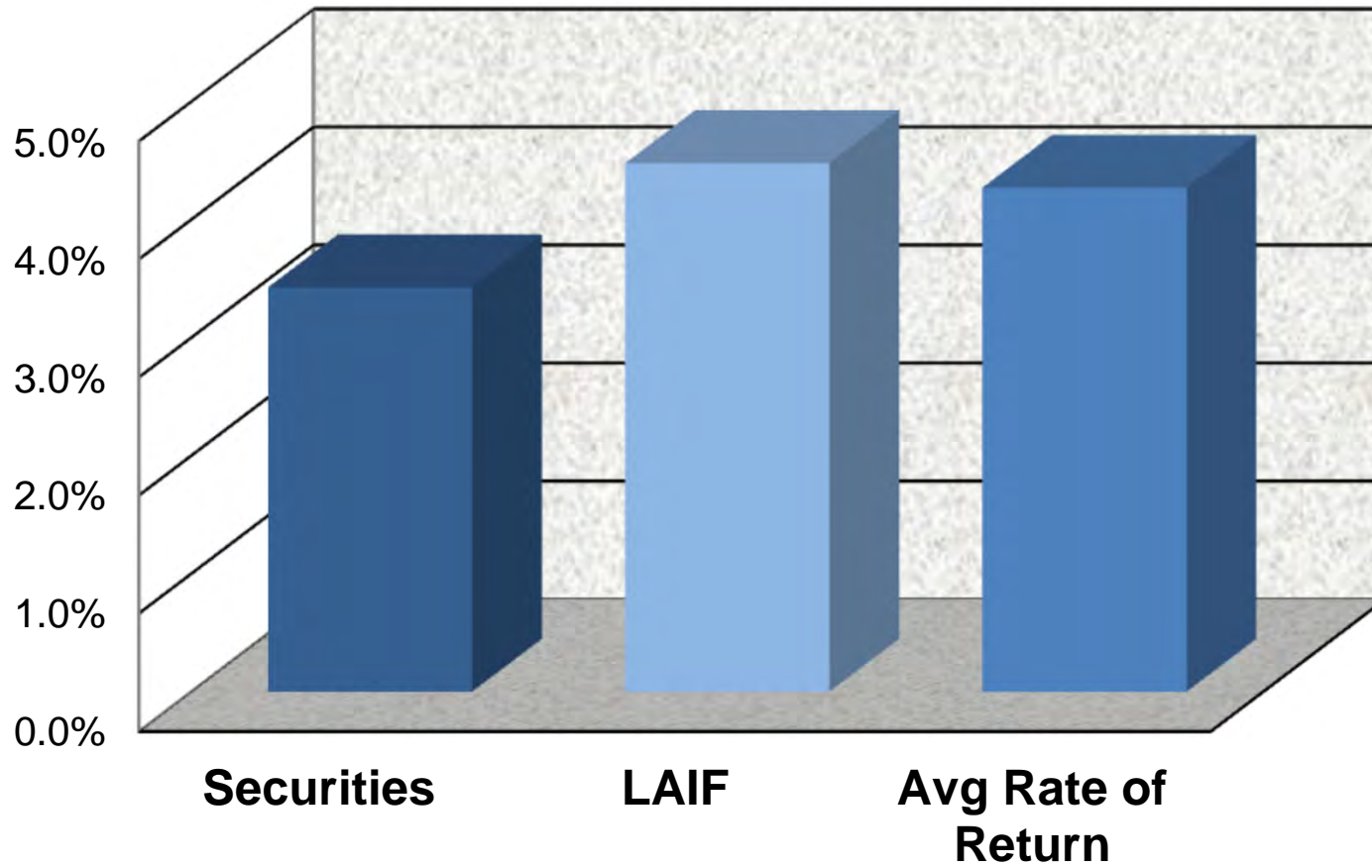
Key to Security Type:

FHLB	= Federal Home Loan Bank
FHLMC	= Federal Home Loan Mortgage Corporation
FNMA	= Federal National Mortgage Association
USTN	= US Treasury Note
CORP	= Corporate Note
CD	= Certificate of Deposit
GDB	= Goldman Sachs Bank
AEC	= American Express Centurion

Key to Dealers:

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

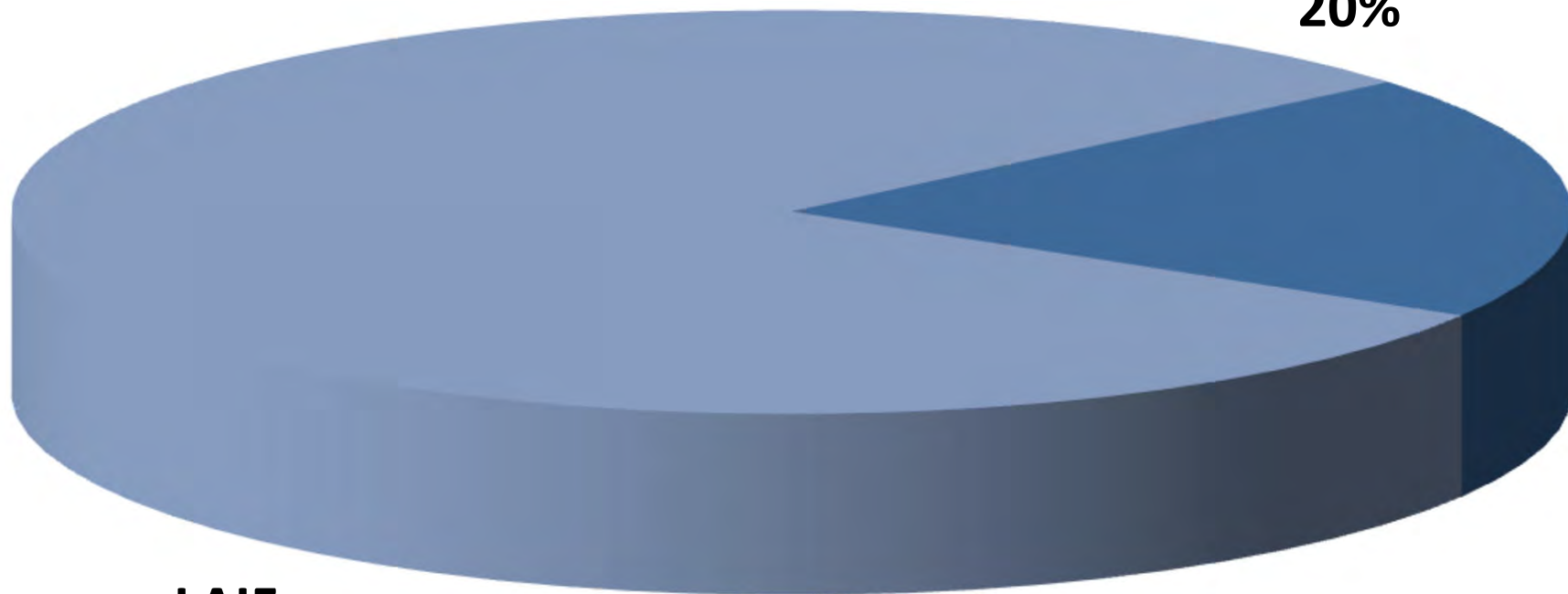
Interest Rate Analysis



Investments

\$70,609,697

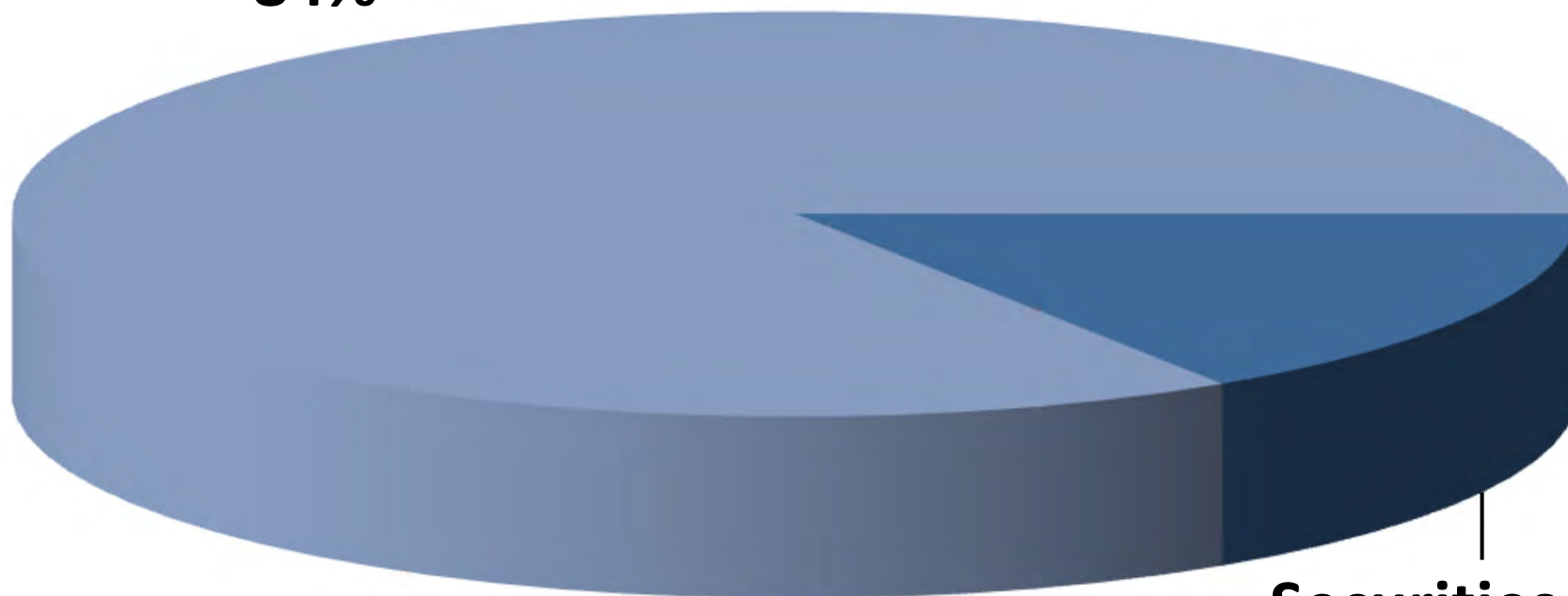
**Securities,
\$13,921,415,
20%**



**LAIF,
\$56,688,282,
80%**

Interest
\$247,795

LAIF,
\$208,597,
84%



Securities,
\$39,198,
16%

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COMMISSION MEMORANDUM NO. 2025.1

DATE: January 21, 2025
TO: SAWPA Commission
SUBJECT: Approval of FY 2025 Salary Schedule
PREPARED BY: Jeff Mosher, General Manager

RECOMMENDATION:

It is recommended that the Commission approve the salary schedule for FY 2025 as required by CalPERS.

DISCUSSION:

The Salary Schedule for FY2025 is presented for approval as required by CalPERS. This salary schedule was used in preparing the FYE 2025 Budget. The following changes were made to this salary schedule from the prior year:

- Increased the minimum and maximum salary amounts by the approved 4.3% CPI,
- Changed Communication Specialist to Communication Specialist I,
- Added Communication Specialist II,
- Added Senior Communication Specialist,
- Added Associate Project Manager,
- Added Communications Program Manager,
- Added Senior Information System Analyst,
- Removed Operations Manager,
- Removed Special Project Manager, and
- Removed Engineering Manager.

CRITICAL SUCCESS FACTORS

None.

RESOURCE IMPACTS

None.

Attachments:

1. Pay Schedule, effective July 1, 2024

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Santa Ana Watershed Project Authority
Salary Ranges
Effective July 1, 2024

Title	Classification	Annual Salary	
		Min	Max
	10	51,220.37	62,258.68
	11	52,500.87	63,815.14
	12	53,813.39	65,410.51
	13	55,158.74	67,045.79
	14	56,537.69	68,721.92
	15	57,951.15	70,439.98
	16	59,399.92	72,200.97
Accounting Technician I, Administrative Assistant I, Pretreatment Program Technician I	17	60,884.92	74,006.00
	18	62,407.05	75,856.16
	19	63,967.22	77,752.56
	20	65,566.40	79,696.37
	21	67,205.56	81,688.78
Brine Line Pipeline Operator I	22	68,885.69	83,730.99
Accounting Technician II, Administrative Assistant II	23	70,607.84	85,824.28
	24	72,373.04	87,969.88
Communications Specialist I	25	74,182.36	90,169.12
	26	76,036.91	92,423.35
Pretreatment Program Technician II	27	77,937.84	94,733.93
	28	79,886.29	97,102.28
	29	81,883.45	99,529.84
	30	83,930.53	102,018.09
Senior Administrative Assistant, Senior Accounting Technician, Communications Specialist II	31	86,028.80	104,568.54
	32	88,179.52	107,182.75
Business Analyst I, Information System Analyst I	33	90,384.00	109,862.32
	34	92,643.60	112,608.87
Accountant I, Executive Assistant I, Brine Line Pipeline Operator II, Project Specialist	35	94,959.70	115,424.11
	36	97,333.68	118,309.70
	37	99,767.03	121,267.45
Pretreatment Program Specialist	38	102,261.20	124,299.13
Accountant II, Business Analyst II, Executive Assistant II, Senior Communications Specialist	39	104,817.74	127,406.61
Senior Brine Line Pipeline Operator	40	107,438.18	130,591.78
Information System Analyst II, Associate Project Manager	41	110,124.13	133,990.79
Clerk of the Board	42	112,877.23	137,202.98
Sr Pretreatment Program Specialist, Sr Accountant, Brine Line Operations Superintendent	43	115,699.17	140,633.07
	44	118,591.64	144,148.88
Communications Program Manager	45	121,556.44	147,752.62
	46	124,595.35	151,446.43
Sr Information System Analyst	47	127,710.23	155,232.58
GIS Project Manager	48	130,902.98	159,113.39
Project Manager, Watershed Manager, QC Manager, Engineer	49	134,175.57	163,091.24
Manager of Permitting and Pretreatment	50	137,529.95	167,168.51
Controller	51	140,968.20	171,347.73
	52	144,492.40	175,631.42
	53	148,104.71	180,022.20
Senior GIS Project Manager	54	151,807.34	184,522.77
Mgr of Operations, Senior Project Manager, Senior Watershed Manager, Senior Engineer	55	155,602.52	189,135.84
	56	159,492.58	193,864.23
	57	163,479.90	198,710.84
	58	167,566.90	203,678.61
Program Manager, Principal Watershed Manager, Administrative Services Manager	59	171,756.06	208,770.57
	60	176,049.96	213,989.83
	61	180,451.22	219,339.59
Information Systems & Technology Manager	62	184,962.50	224,823.08
	63	189,586.55	230,443.64
Water Resources and Planning Manager	64	194,326.22	236,204.73
	65	199,184.38	242,109.86
	66	204,163.99	248,162.60
	67	209,268.08	254,366.66
	68	214,499.78	260,725.83
	69	219,862.29	267,243.98
Executive Manager of Engineering and Operations	70	225,358.83	273,925.07
	71	230,992.81	280,773.21

Santa Ana Watershed Project Authority
Salary Ranges
Effective July 1, 2024

Title	Classification	Annual Salary	
		Min	Max
Deputy General Manager/Chief Financial Officer	72	236,767.63	287,792.53
	73	242,686.82	294,987.35
	74	248,754.00	302,362.04
	75	254,972.84	309,921.09
	76	261,347.17	317,669.12
	77	267,880.85	325,610.84
	78	274,577.86	333,751.10
	79	281,442.31	342,094.88
	80	288,478.37	350,647.26
	81	295,690.32	359,413.43
General Manager	82	303,082.59	368,398.78
	83	310,659.65	377,608.75
	84	318,426.14	387,048.97
	85	326,386.79	396,725.18
	86	334,546.46	406,643.32
	87	342,910.12	416,809.40
	88	351,482.88	427,229.64
	89	360,269.95	437,910.38
	90	369,276.70	448,858.13
	91	378,508.61	460,079.58
	92	387,971.33	471,581.58
	93	397,670.62	483,371.12
	94	407,612.39	495,455.40
	95	417,802.70	507,841.79
	96	428,247.77	520,537.84
	97	438,953.95	533,551.27
	98	449,927.81	546,890.06
	99	461,176.00	560,562.31
		100	472,705.40

COMMISSION MEMORANDUM NO. 2025.2

DATE: January 21, 2025

TO: SAWPA Commission

SUBJECT: Amendment to the PA 24 Agreement – Appointment of Alternate Representatives

PREPARED BY: Jeff Mosher, General Manager

RECOMMENDATION

It is recommended that the SAWPA Commission recommend to the PA 24 Committee the amendment to the Project Agreement 24 (PA 24 Agreement) dated July 17, 2019, allowing for the appointment of two (2) alternate representatives.

DISCUSSION

Currently, the PA 24 Agreement document dated July 17, 2019, allows for one (1) alternate representative to the PA 24 Committee. To ensure consistent representation, facilitate continuity, and enhance decision-making capabilities during times when primary members may be unavailable, it is recommended that the PA 24 Agreement be amended to allow a PA 24 Committee Member to appoint at its sole discretion up to two of the following to act as alternates to the PA 24 Committee: any member of its governing board, its general manager, and/or a senior-level manager who holds a leadership position within the organization.

- **Designation of Alternates:** Each PA 24 Committee member may have two (2) alternates (senior staff representatives) who are familiar with committee topics and decision-making responsibilities.
- **Scope of Responsibilities:** Alternates will have the authority to participate fully in committee discussions and decisions when serving in the absence of the primary member.
- **Documentation Requirements:** Each appointment, including the designated alternates, should be documented in writing and submitted to the PA 24 Committee Secretary.

RESOURCE IMPACTS.

None.

Attachments:

1. Amendment No. 1
2. PA 24 Agreement

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**AMENDMENT NO. 1 TO THE
SANTA ANA WATERSHED PROJECT AUTHORITY
PROJECT AGREEMENT 24
INLAND EMPIRE BRINE LINE**

RECITALS

WHEREAS, the Santa Ana Watershed Project Authority (“SAWPA”), a joint powers agency and the following Member Agencies of SAWPA, referred to hereinafter as Project Agreement 24 (“PA 24”) Committee Members: Eastern Municipal Water District (“EASTERN”); Inland Empire Utilities Agency (“IEUA”); San Bernardino Valley Municipal Water District (“VALLEY”); and Western Municipal Water District (“WESTERN”).

WHEREAS, the Member Agencies of SAWPA desire to amend the PA 24 Agreement to provide for a more efficient governing structure.

NOW, THEREFORE, the PA 24 Committee and the governing boards of each of its Member Agencies hereby amend the PA 24 Agreement as follows:

- A. Section 1 entitled “Covenants” of the PA 24 Agreement is hereby amended to supersede the existing language with the following replacement language:
 - “ 1. The PA 24 Committee is hereby established for the purpose of establishing policy and providing oversight of the Brine Line operations, maintenance, planning, administration, implementation, and improvement of the Brine Line, including but not limited to rate-setting and revenue collection, permit issuance and enforcement, and usage of the Brine Line Enterprise Fund. In accordance with Section 18 of the SAWPA Joint Powers Agreement, a PA 24 Committee Member may appoint at its sole discretion any member of its governing board or its general manager as its primary representative. Additionally, a PA 24 Committee Member may appoint at its sole discretion up to two of the following to act as alternates to the PA 24 Committee: any member of its governing board, its general manager, and/or a senior-level manager who holds a leadership position within the organization. The PA 24 Committee will appoint SAWPA’s two Commissioners to the Joint Policy Committee with OCSD.”

- B. Effective Date. This Amendment No. 1 may be executed in counterparts and shall become effective when the governing boards of SAWPA’s Member Agencies have authorized the execution of, and subsequently executed, this Amendment. Except as otherwise provided for in this Amendment No. 1, the remaining terms and conditions of the PA 24 Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the signatories hereto have executed this Amendment No. 1 to the PA 24 Agreement to be effective on the day and year hereinafter indicated.

SANTA ANA WATERSHED PROJECT AUTHORITY

By _____ Date _____

Its _____

EASTERN MUNICIPAL WATER DISTRICT

By _____ Date _____

Its _____

INLAND EMPIRE UTILITIES AGENCY

By _____ Date _____

Its _____

SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT

By _____ Date _____

Its _____

WESTERN MUNICIPAL WATER DISTRICT

By _____ Date _____

Its _____

SANTA ANA WATERSHED PROJECT AUTHORITY

PROJECT AGREEMENT 24

INLAND EMPIRE BRINE LINE

THIS AGREEMENT is made on July 17, 2019, by and between the **SANTA ANA WATERSHED PROJECT AUTHORITY (“SAWPA”)**, a joint powers agency created pursuant to Government Code Section 6500 et seq., and the following Member Agencies of SAWPA, referred to hereinafter as Project Agreement 24 (“PA24”) Committee Members: **EASTERN MUNICIPAL WATER DISTRICT (“EASTERN”); INLAND EMPIRE UTILITIES AGENCY (“IEUA”); SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT (“VALLEY”);** and **WESTERN MUNICIPAL WATER DISTRICT (“WESTERN”).** The PA24 Committee members and SAWPA are jointly referred to herein as the “Parties.”

RECITALS

- A. The PA24 Committee Members are all special districts with broad authority over water resources, including powers to develop, protect, and enhance water supply and reliability within the region and to protect and preserve the quality of the surface and subsurface water supplies within their respective boundaries.
- B. The SAWPA Joint Powers Agreement, as amended, provides for SAWPA’s exercise of the shared powers of the Member Agencies, and recognizes SAWPA shall function through the identification and implementation of specific projects. The JPA establishes that such specific projects will be administered through individual project agreements and by project committees (“Project Committees”) when less than all of the SAWPA member agencies are participating.
- C. SAWPA owns and operates the Inland Empire Brine Line (“BRINE LINE”). The BRINE LINE is a wastewater pipeline conveyance system and was constructed for the transmission of non-reclaimable wastewater. The pipeline extends from its connection to the Orange County Sanitation District’s (“OCSD”) Santa Ana River Interceptor (“SARI”) at the Riverside County-Orange County boundary into the upper Santa Ana River watershed. As of the date of this Agreement SAWPA owns a 30-million gallons per day capacity right in the SARI that is subject to certain payment obligations and other terms and conditions including a Waste Water Interceptor Capacity Agreement with OCSD dated April 12, 1972 and subsequently amended.
- D. SAWPA member agencies formed a number of separate project agreements pursuant to Section 18 of the SAWPA Joint Powers Agreement for the study, design, or construction of parts of the BRINE LINE. Some of those project agreements also purported to address maintenance. In practice, SAWPA has operated the BRINE LINE as one infrastructure system as components were completed and added on, and currently none of the earlier project agreements or project committees related to BRINE LINE development remain active.

- E. As of the date of this Agreement SAWPA also owns a treatment and disposal capacity right of 17 million gallons per day, with a right to purchase additional capacity, in certain wastewater treatment and disposal facilities owned by OCSD. This treatment and disposal right is subject to certain payment obligations and other terms and conditions including a Treatment and Disposal Capacity Agreement with OCSD dated July 24, 1996.
- F. Since the early 1980s, SAWPA has entered into various written agreements with EASTERN, IEUA, VALLEY, WESTERN, and Orange County Water District (OCWD) regarding purchase and sale of pipeline capacity rights and treatment and disposal rights in the SARI and BRINE LINE.
- G. BRINE LINE policies are established by Ordinances and Resolutions that have been adopted by the SAWPA Commission, including Ordinance No. 8: "An Ordinance of the Santa Ana Watershed Project Authority Establishing Regulations for the Use of the Inland Empire Brine Line." Current Resolutions establish local limits on discharges, establish the purchase price for treatment and disposal capacity rights, and establish rates. SAWPA implements a comprehensive pretreatment program and issues or directly oversees issuance of permits to all dischargers. SAWPA complies with its agreements with OCSD through implementation of a 1991 MOU, which clarified roles and responsibilities in that relationship. In terms of water quality compliance, SAWPA's program documents clearly recognize OCSD as the Control Authority for discharges to the BRINE LINE, and SAWPA as the Delegated Control Authority. SAWPA and OCSD formed a Joint Policy Committee in 2013 to provide a regular forum to discuss and coordinate policy positions and avoid or manage conflicts. Two SAWPA Commissioners are appointed by SAWPA to serve on the Joint Policy Committee.
- H. SAWPA complies with the State Water Resources Control Board Order No. 2006-0003, a General Waste Discharge Requirement for all publicly owned sanitary sewer collection systems in California with more than one mile of sewer pipe. One component of Order No. 2006-0003 is the development and implementation of a Sewer System Management Plan ("SSMP") that defines provisions for management of the system to limit Sanitary Sewer Overflows. SAWPA adopted its SSMP in April 2009 and has been implementing its provisions since then.
- I. SAWPA maintains insurance policies covering BRINE LINE operations, including risks of wastewater spills and property damage.
- J. Operating the BRINE LINE is complex, requiring short- and long-term planning regarding future use and flows, capital improvements, financial modeling, recurring and nonrecurring operations and maintenance, regulatory compliance, relations with OCSD, marketing and community relations, and other evolving issues. Consistent with the requirements of the SAWPA Joint Powers Agreement, a Project Committee is required to oversee the administration and implementation of these and other project-related activities for the BRINE LINE.

- K. By this Agreement, the Parties wish to supersede and replace Project Agreement 21, originally executed on December 21, 2010, per Section 18 of the SAWPA Joint Powers Agreement. The Parties hereto desire to create Project Committee 24 to provide policy direction and oversight of the BRINE LINE.

COVENANTS

Based on the foregoing facts, and in consideration of the mutual covenants of the PA24 Committee Members and SAWPA, it is agreed that:

1. The PA24 Committee is hereby established for the purpose of establishing policy and providing oversight of the BRINE LINE operations, maintenance, planning, administration, implementation, and improvement of the BRINE LINE, including but not limited to rate-setting and revenue collection, permit issuance and enforcement, and usage of the Brine Line Enterprise Fund. In accordance with Section 18 of the SAWPA Joint Powers Agreement, a PA24 Committee Member may appoint at its sole discretion any member of its governing board or its general manager as its representative and/or alternate to the PA 24 Committee. The PA24 Committee will appoint SAWPA's two Commissioners to the Joint Policy Committee with OCSD.
2. Facilities constructed for the purposes of this Project Agreement will be owned by SAWPA for the benefit of the PA24 Committee. The PA24 Committee shall approve any necessary agreements that specify how existing BRINE LINE infrastructure and all future facility improvements will be financed, designed, constructed, operated, and maintained.
3. The PA24 Committee will be operated as a distinct account within SAWPA's accounting system for the administration by SAWPA of Brine Line Enterprise Funds and for any other funds that may be made available to the PA24 Committee for actions within the Committee's purpose.
4. The PA24 Committee will constitute the executive authority through which SAWPA shall act for purposes of this Project Agreement.
5. All budget and operating decisions of the PA24 Committee will be made by unanimous consent of the PA24 Committee Members. The Parties agree that "operating decisions" are those that involve significant, system-wide decisions about how the BRINE LINE will function, including decisions concerning: physical repairs or alterations that could result in an impairment of use of the BRINE LINE. "Operating decisions" are not intended to include those involving day-to-day functioning, implementing the provisions of the SSMP, , or matters mandated by law, regulation, or permits, or in response to emergencies. Authority is hereby delegated to the SAWPA General Manager, up to the expenditure authority provided by SAWPA's Procurement Policy, to take such actions.
6. The PA24 Committee will have, without further ratification by the PA24 Committee Members or SAWPA, such authority as may be necessary to implement the provisions of this Project Agreement so long as expenditures are within the PA24 budget. Consistent with Section 26 of the SAWPA Joint Powers Agreement, any expenditure or contractual commitment which exceeds the PA24 budget must be approved by unanimous consent of the PA 24 Committee Members. Any expenditures or contractual commitments within the designations and


limitations of the approved PA24 budget shall be made on the authorization of a majority of the PA24 Committee. This section does not limit the authority the SAWPA General Manager has to respond to emergencies.

7. SAWPA funds all aspects of BRINE LINE operations, maintenance, planning, administration, and improvements through rates set as described herein that are paid by the Parties and other contractual dischargers as a fee for service. SAWPA has used debt financing for some BRINE LINE improvements that is guaranteed by a pledge of rate revenue for repayment. Rates that are established by the PA24 Committee and approved by a majority of SAWPA commissioners representing PA24 members, take effect upon approval and are not dependent on the approval of the PA24 budget. OCWD is not a member of PA24 and will not vote on Brine Line rates at the Commission. With four members voting, a split vote of two members in favor and two members in opposition is insufficient for approval as it does not represent a majority. Under such circumstances the proposed rates will be returned to the PA24 Committee for additional study and development of a revised rate recommendation. Approval of the proposed rates shall not be unreasonably withheld by the SAWPA commissioners representing PA24 members. Should rates not be approved by a majority of SAWPA commissioners representing PA24 members, the most recently approved rates shall stay in effect.
8. In conjunction with each SAWPA budget, SAWPA shall prepare a budget for the PA24 BRINE LINE project (PA24 budget) that shall address the sources and uses of funds and the respective financial obligations and functions of the PA24 Committee Members, including the matching funds included in any grant agreements. The budget shall include costs for SAWPA support of the PA24 Committee. If any PA24 Committee Member fails or refuses to approve any PA24 budget, said budget shall be returned to the PA24 Committee for restudy and revision. In the event a budget acceptable to all of the PA24 Committee members is not obtained prior to the start of the fiscal year, SAWPA shall continue to operate the BRINE LINE at the level of total expenditure authorized by the last approved PA24 budget for administrative, operations and maintenance activities, and shall continue with the construction of contractually authorized capital improvement projects included in the last approved PA24 budget. The PA24 Committee Members shall be obligated to fund such administrative, operations and maintenance activities to the same extent as in the previously approved budget, and to fund capital improvement projects under contract at previously authorized expenditure and contracting limits. For administrative convenience, the PA24 budget shall be included with the SAWPA budget for approval by the PA 24 Committee Members' governing boards per the SAWPA Joint Powers Agreement. Approval of the proposed PA24 budget shall not be unreasonably withheld by the SAWPA PA 24 Committee Members. SAWPA shall provide a quarterly report to the PA24 Committee of actual expenses relative to the approved budget.
9. The PA24 Committee Members shall be solely financially responsible for all liabilities and expenses, including administrative, consultant and legal expenses incurred in connection with PA24 activities, and to the extent necessary shall reimburse SAWPA for any and all such costs and expenses that are incurred on behalf of the PA24 Committee to the extent not otherwise covered by PA24 revenues or funds, or SAWPA's liability insurance. Unless otherwise specified by unanimous Committee action, PA24 Committee Members shall have an equal share in such financial obligation.

10. The PA24 Committee Members will indemnify and hold harmless SAWPA and any SAWPA member agency not then participating as a member of the PA24 Committee from any and all financial liability, including claims or disputes, arising from or in connection with the operation, maintenance, or repair of the BRINE LINE and other PA24 facilities, and any project-related contracts or actions, to the extent such liability is not fully covered by budgeted PA24 revenues or funds, or SAWPA's insurance.
11. PA24 Committee Members may withdraw from this Project Agreement at any time upon not less than 60 days written notice to the other members. Obligations of the withdrawing agency, including any liabilities related to any grant agreement or other financing commitment associated with PA24, will be determined according to the PA24 budget then in effect or by the PA24 Committee. Pursuant to Section 8 of the SAWPA Joint Powers Agreement, no withdrawal shall relieve the withdrawing agency from financial obligations theretofore incurred by it under this Agreement.
12. No right, duty, or obligation of whatever kind or nature created herein will be assigned by any party to this Project Agreement without the prior written consent of SAWPA.
13. This Project Agreement shall inure to the benefit of and bind the successors and assigns of the parties hereto.
14. Each signatory hereto warrants that the execution of this Project Agreement represents the approval of that Agency's board of directors of this Agreement.
15. This Project Agreement may be executed in counterparts.
16. The Recitals are incorporated herein and made an operative part of this Agreement.
17. Except as otherwise specifically provided for in this Agreement, the provisions of the SAWPA Joint Powers Agreement, as amended, shall be controlling in regard to the performance of this Agreement.

IN WITNESS WHEREOF, the signatories hereto have executed this Project Agreement to be effective as of the day and year first written above.

SANTA ANA WATERSHED PROJECT AUTHORITY

By 
Richard E. Haller, P.E.
Its General Manager

EASTERN MUNICIPAL WATER DISTRICT

By _____

Its _____

- 10. The PA24 Committee Members will indemnify and hold harmless SAWPA and any SAWPA member agency not then participating as a member of the PA24 Committee from any and all financial liability, including claims or disputes, arising from or in connection with the operation, maintenance, or repair of the BRINE LINE and other PA24 facilities, and any project-related contracts or actions, to the extent such liability is not fully covered by budgeted PA24 revenues or funds, or SAWPA's insurance.
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SANTA ANA WATERSHED PROJECT AUTHORITY

By _____

Its _____

EASTERN MUNICIPAL WATER DISTRICT

By 

Its General Manager

INLAND EMPIRE UTILITIES AGENCY

By Shivaji Deshmukh

Its Shivaji Deshmukh, General Manager

SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT

By _____

Its _____

WESTERN MUNICIPAL WATER DISTRICT

By _____

Its _____

INLAND EMPIRE UTILITIES AGENCY

By _____

Its _____

SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT

By  _____

Its Board President _____

WESTERN MUNICIPAL WATER DISTRICT

By _____

Its _____

INLAND EMPIRE UTILITIES AGENCY

By _____

Its _____

SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT

By _____

Its _____

WESTERN MUNICIPAL WATER DISTRICT

By *Eric Miller*

Its *General Manager*

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COMMISSION MEMORANDUM NO. 2025.3

DATE: January 21, 2025

TO: SAWPA Commission

SUBJECT: FYE 2026 and 2027 Budget Goals and Objectives

PREPARED BY: Jeff Mosher, General Manager
Karen Williams, Deputy GM/Chief Financial Officer
David Ruhl, Executive Director of Engineering and Operations
Rachel Gray, Water Resources and Planning Manager

RECOMMENDATION

It is recommended that the Commission review and discuss the goals and objectives that will be used in preparing the FYE 2026 and 2027 Budget and receive and file.

DISCUSSION

The goals and objectives have been developed based on the strategic planning process adopted by the Commission in 2011 and reviewed in 2016 and will be presented for review and discussion at the meeting.

The goals and objectives represent current and future SAWPA activities. The attached presentation summarized the FYE 2026 and FY 2027 goals and objectives.

As in the past, the FYE 2026 and 2027 will be a two-year budget and will be prepared in accordance with the Government Finance Officers Association's (GFOA) recommended guidelines and practices. Our last seven two-year budgets have received the GFOA Distinguished Budget Presentation Award. Staff will submit the FYE 2026 and 2027 Budget for this award program after final adoption.

RESOURCE IMPACTS

None.

Attachments:

1. PowerPoint Presentation

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SANTA ANA WATERSHED
PROJECT AUTHORITY

FYE 2026 and 2027 Budget Goals and Objectives

Jeff Mosher, General Manager

Outline

- Agency Vision
- Budget Approach
- Goals and Objectives
 - OWOW
 - Roundtables
 - Brine Line
- Agency Operations



2

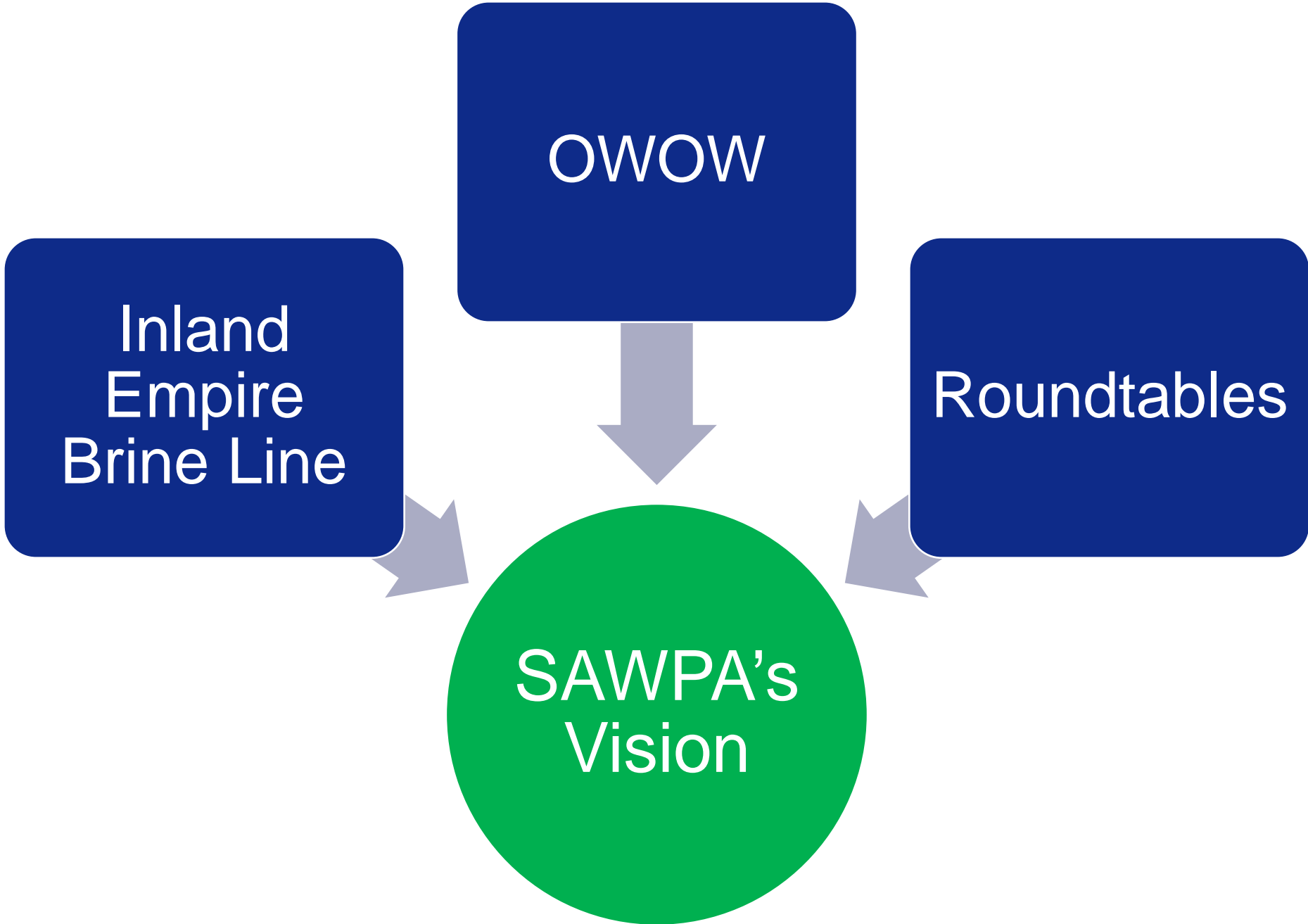
SAWPA's Vision (2011, Reviewed in 2016)

- SAWPA's vision is a sustainable Santa Ana River Watershed that provides clean and reliable water resources for a vibrant economy and high quality of life for all, while maintaining healthy ecosystems and open space opportunities.
- A successful SAWPA provides value to its member agencies and to the watershed as a whole by facilitating collaboration across boundaries to address common goals and tackle problems that are larger than any individual entity.

SAWPA's Mission (2011)

- Maintaining peace in the watershed
- Facilitating conflict resolution through collaborative processes
- Preparing an integrated watershed-wide water management plan that provides a unified vision for the watershed
- Operating the Inland Empire Brine Line to convey salt out of the watershed and support economic development
- Developing water-related initiatives, particularly those that require the participation of several entities
- Identifying, pursuing, securing and administering supplemental funds for watershed
- Influencing legislation for the benefit of the watershed

Achieving SAWPA's Vision and Mission



SAWPA Programs

Inland Empire
Brine Line

OWOW

Roundtables

SAWPA Operations

Brine Line

- Support salinity management and the achievement of a long-term watershed-wide salinity balance through:
 - Water quality maintenance, enhancement, and protection in the Santa Ana River and groundwater basins
 - Water resource management by augmenting groundwater resources and expanding recycled water
 - Disposal of high-salinity wastewater from groundwater desalination, power plants, industrial/commercial uses, and wastewater desalination
 - Disposal of emergency discharges from local wastewater treatment plants
 - Providing existing and future public agencies and private industry with a cost-effective salinity management option
 - Develop potential options for treating brine flows for beneficial uses

OWOW

- Fulfill SAWPA's role as the IRWM agency for the watershed
- Maintain OWOW 2.0 (IRWM Plan):
 - Updated regularly
 - Meets regional needs and DWR IRWM plan requirements
 - Supports water resources and water supply for the SAR Watershed
 - Expanded to include watershed resiliency
 - Amend with the Climate Adaptation and Resiliency Plan
- Facilitate the study and development of watershed-based solutions and regional projects
- Maximize funding opportunities through watershed-wide efforts

Roundtables

- Create value by building relationships among regulators, SAWPA members, other water agencies, and regulated parties in addressing water-related issues
- Provide regional capacity for supporting multi-agency forums to address water resources challenges
- Assist in the facilitation of stakeholder processes to address watershed-specific issues



SANTA ANA WATERSHED
PROJECT AUTHORITY

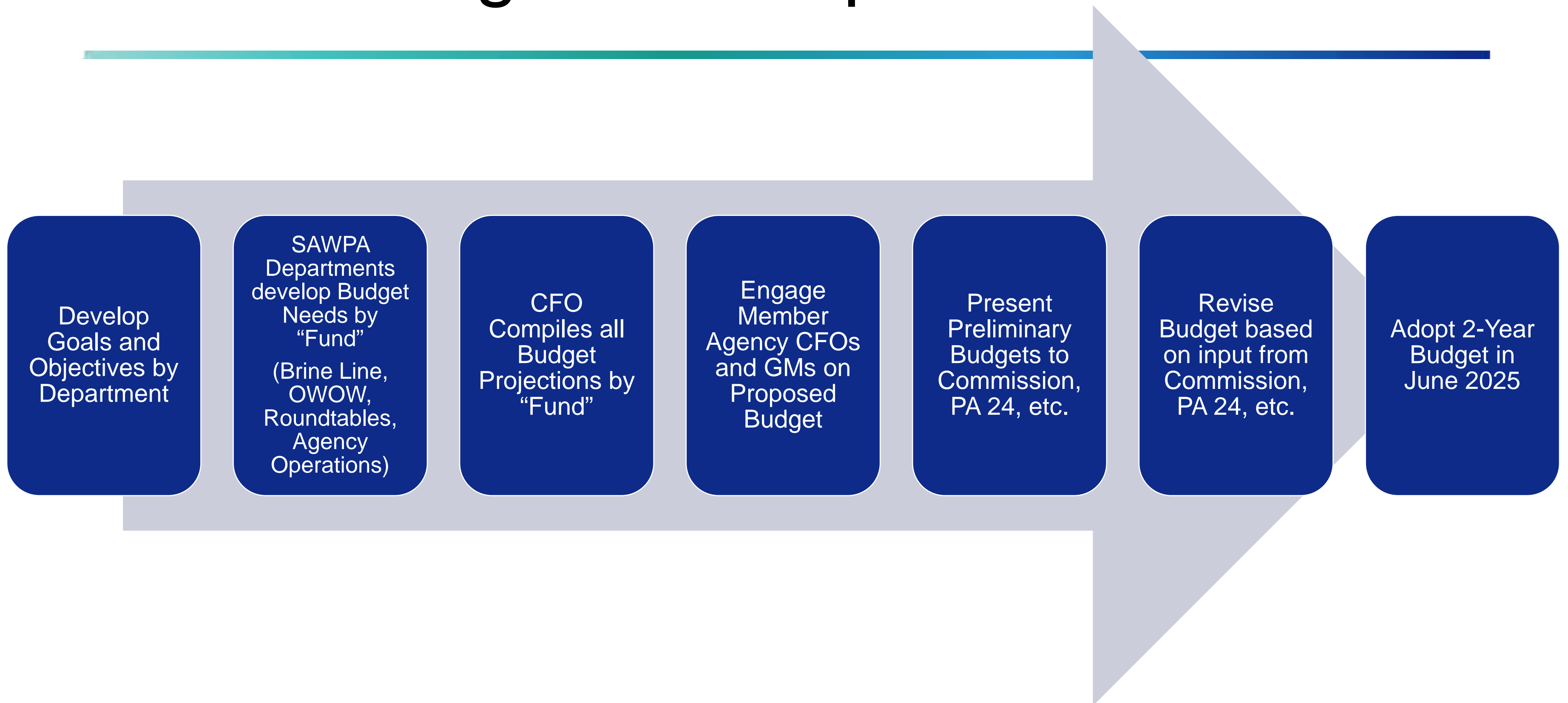
FYE 2026 and 2027 Budget Approach

Karen Williams, Deputy General Manager and CFO

Budget Approach (2-year Budget)

- SAWPA's Budget Process:
 - Collaborative effort with SAWPA departments to implement SAWPA's mission, vision, and goals
 - Effort is based on strategic plan adopted by the Commission in 2011 and reviewed in 2016
- Preparation/Planning
- Integration
- Adoption by Commission

2-Year Budget Development Process



Budget Development

- **Preparation/Planning**
 - December through February
- **Integration**
 - February through May
- **Adoption**
 - June (by Commission)
- **Execution/Feedback**
 - Starts from the first day of the budget year (July 1, 2025) and runs through entire budget year



Budget Schedule

- **January 21, 2025** – Present Goals and Objectives
- **February 6, 2025** – Budget Workshop with Member Agency CFOs
- **Commission Presentations**
 - March 4, 2025 – First draft OWOW and Roundtable Funds Budget
 - March 18, 2025 – First draft General Fund Budget
 - April 1, 2025 – Budget Review – All Funds
 - May 6, 2025 – Approve Budget
 - June 30, 2025 – Member Agency Budget Ratification
- **PA24 Presentations**
 - March 4, 2025 – First draft of Brine Line Operating and Capital Budget
 - April 1, 2025 – Budget Approval
- **PA22 and PA23 – Presentations**
 - TBD - Budget Review/Approval

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FYE 2026 and 2027 Budget Approach

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Questions?



SANTA ANA WATERSHED
PROJECT AUTHORITY

FYE 2026 and 2027 Brine Line Goals and Objectives

David Ruhl, Executive Manager of Engineering and Operations

Brine Line – Goals and Objectives

Organization (Engineering and Operations Department):

1. Operations (Fund 240)
 - Engineering Activities
 - Operations Activities
 - Permitting and Pre-treatment Activities
2. Capital Projects (Fund 320)
 - Engineering and Construction
3. Grant Administration and QA / QC (Fund 145, 150, and 155)
4. Cloud Seeding Pilot Project – Operations

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Operations – Fund 240 (1 of 3)

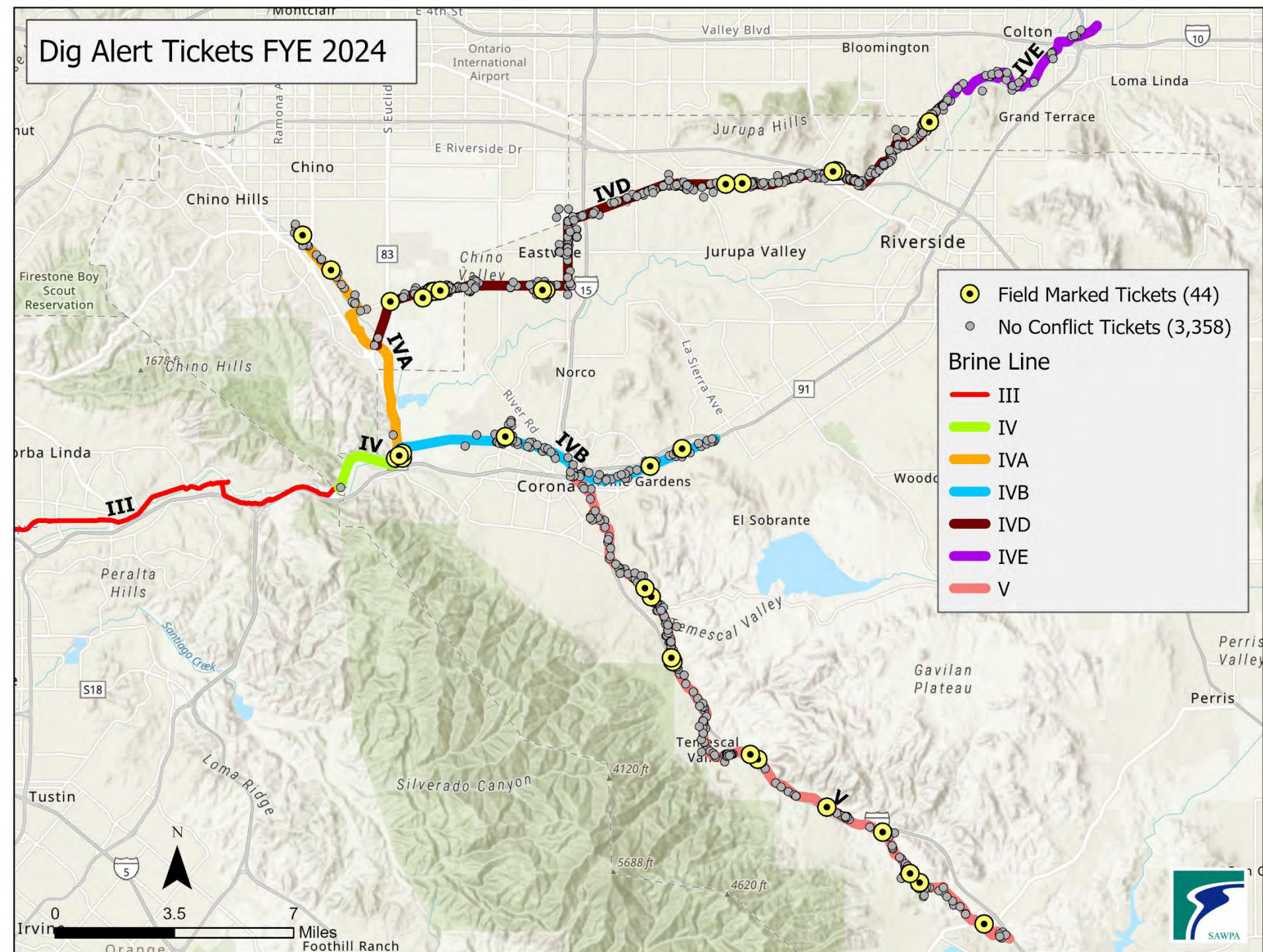
- Operations and Maintenance
 - Inspections
 - Line Cleaning
 - CCTV Inspection
 - Maintenance Access Structure (MAS) Inspections
 - Maintenance
 - Air Vacuum Valves Maintenance
 - Right-of-way Maintenance
 - Update Sewer System Management Plan
 - Update Sewer Emergency Response Plan
 - CARB Clean Fleet Regulatory Compliance
 - Coordination with outside contractors working near the Brine Line
 - Reduce the risk of Brine Line spills



Air Vacuum Valve Maintenance



Underground Service Alert (USA) Markings (Contractor Coordination)



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Operations – Fund 240 (2 of 3)

- Engineering
 - Implementation of Brine Line Master Plan follow-up studies
 - Enhanced monitoring (real-time data collection)
 - Off-line storage feasibility
 - Brine management technologies
 - PFAS monitoring
 - Green hydrogen feasibility
 - Discharger Lease Agreements / Capacity Agreements
 - Evaluate impacts of sedimentation and erosion on the Brine Line within the Prado inundation area
 - Coordination with Agencies and developers on review of infrastructure plans with potential to impact the Brine Line
 - Maintain / Grow Partnership with OC San
 - Joint Operations Committee
 - Joint Policy Committee
 - Other studies as needed

Operations – Fund 240 (3 of 3)

- Permitting and Pre-treatment Program
 - Continue to administer program
 - Inspections, monitoring, issue permits, enforcement
 - Update Brine Line Ordinance
 - Update policies and procedures
 - Audit of SAWPA's Pre-treatment Program
 - Implement any corrective actions
 - Brine Line solids imbalance study
 - Monitoring at OC San SARI Metering Station (SMS)
 - Support billing between SAWPA and OC San



Capital Projects (Fund 320)

- Reach IV – B Lower
 - Pipeline Inspection and Condition Assessment
 - Add up to two MAS to provide access for cleaning and inspection
 - Raise two MAS within the Prado inundation area
- Reach IV – E
 - Pipeline Inspection and Condition Assessment
 - Install mainline valve
- SCADA System (real-time flow and quality data collection)
- Protection / Relocation
 - Euclid Bridge Project (Reach IV – A Upper and IV – D)
 - City of Chino Hwy 71 / Pine Ave off – ramp (Reach IV-A Upper)
 - Relocation of Pine Avenue Siphon



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FYE 2026 and 2027 Budget Brine Line Goals and Objectives

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Questions?

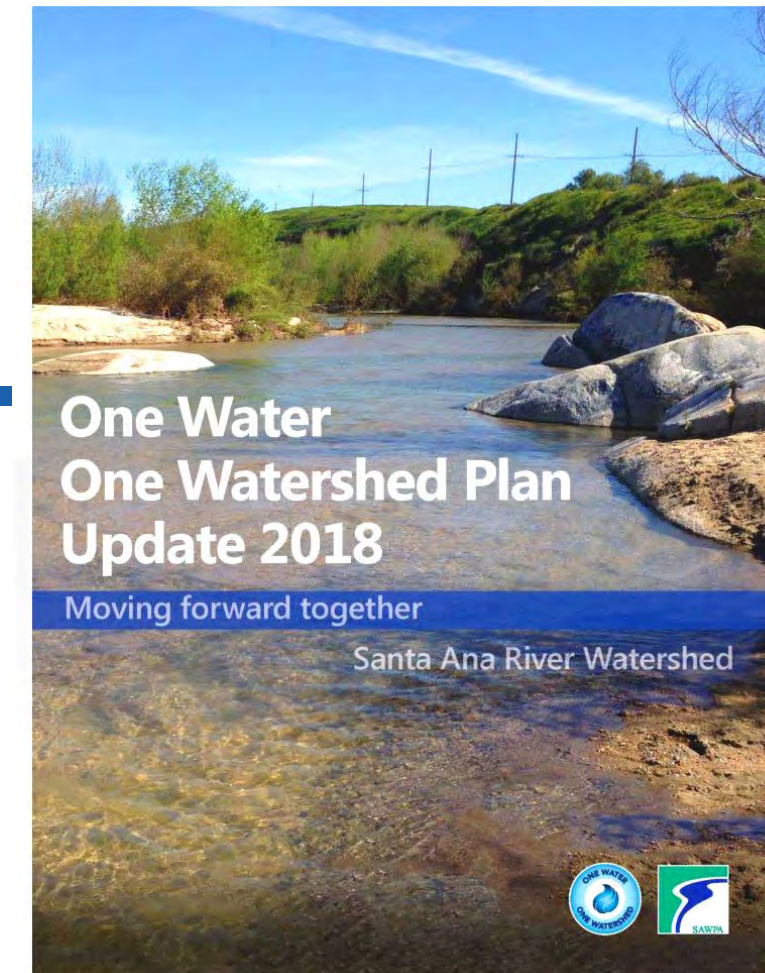


SANTA ANA WATERSHED
PROJECT AUTHORITY

FYE 2026 and 2027 Planning Goals and Objectives

Rachel Gray, Water Resources and Planning Manager

Outline



- OWOW Program
 - Climate Adaptation and Resilience Plan (CARP)
 - Implementation projects
 - Administration
 - Grant Funding (e.g., Proposition 4 – Resources Bond)
- Roundtables / Task Forces



OWOW Planning

Project	Overview	Created	Members	Fund
OWOW Plan	<ul style="list-style-type: none"> • SAWPA as State-approved regional water management group in IRWM Program • Watershed coordination • Implement and update OWOW Plan • Climate Adaptation and Resilience Plan 	1.0 (2010) 2.0 (2014) Update (2018) CARP (2025/26)	<ul style="list-style-type: none"> • Steering Committee (11 members) • Pillars (10 workgroups) • CARP Technical Advisory Committee and Community Advisory Panel 	373 (funded by member agency contributions) 376 (grant funded)
General Basin Planning	<ul style="list-style-type: none"> • Conduct planning activities with stakeholders • Pursue/apply for future grant funding opportunities • Respond to information requests 	Ongoing	<ul style="list-style-type: none"> • SAWPA 	370-01 (funded by member agency contributions)
Partnership Studies	<ul style="list-style-type: none"> • Coordinate and prepare grant funding partnerships including Federal Agencies (EPA, etc.) • WaterSMART Program: create water budgets at parcel level 	2019	<ul style="list-style-type: none"> • SAWPA • USBR • Other partners 	370-02 (funded by member agency contributions, Federal Grant funding)

Climate Adaptation and Resilience Plan

Initial Deliverables:

- Project Work Plan (Milestones, Deliverables, Schedule)
- Public Agency Engagement Plan (SAWPA/Consultant)
- Community and Tribal Engagement Plan (Soboba/ISC3)

CARP Elements:

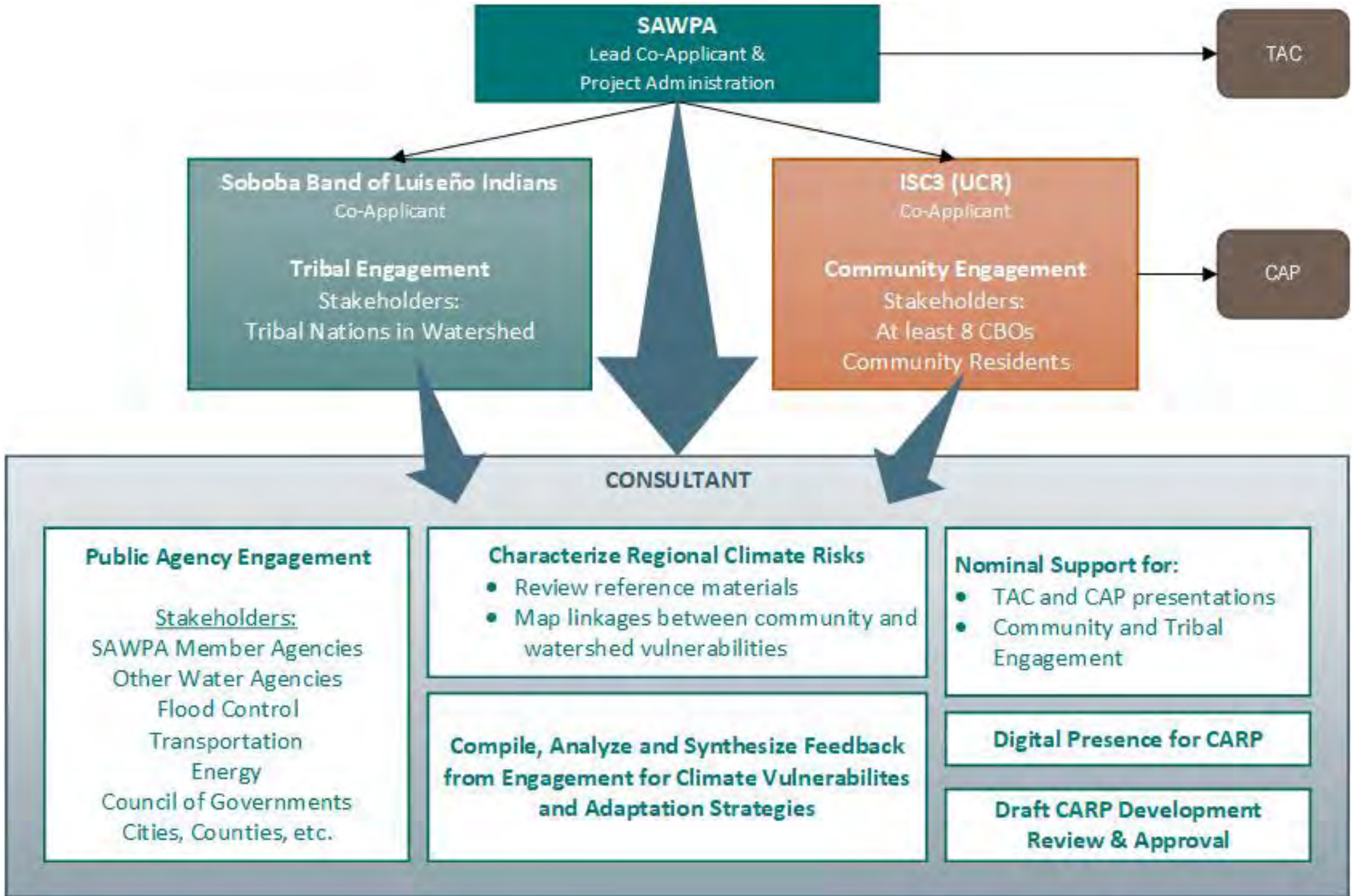
- Climate Risks Characterization
- Vulnerability Assessment
- Adaptation Strategies (local/regional)
- Resilience Portfolios

Supplemental Deliverables

- Watershed Resilience Vision and Goals
- Funding Strategy Matrix
- Implementation Plan

CARP

- Draft and Final Plan
- Online Platform



OWOW – Future Areas

- SAWPA Funding Areas:
 - OWOW Plan (Amend with CARP)
 - General Basin Planning
 - Partnership Studies (e.g., USBR, EPA, etc.)
- State Priorities:
 - Climate Resiliency/Watershed Resiliency
 - Nature-Based Solutions (invasive species, habitat restoration)
 - Water Use Efficiency
 - Disadvantaged Communities
 - Data Improvement and Open Data



CA Governor's Office of
Land Use and
Climate Innovation



CALIFORNIA
STRATEGIC
GROWTH
COUNCIL



OWOW Implementation Projects

Project	Overview	Created	Partners	Fund
PFAS Regional Analysis Study	<ul style="list-style-type: none"> Assess PFAS in the watershed 	2022	<ul style="list-style-type: none"> SAWPA Member Agencies OC SAN 	377 (funded by member agency contributions)
Cloud Seeding Pilot Study	<ul style="list-style-type: none"> Operations and validation (4-years) Surface water modeling 	2020	<ul style="list-style-type: none"> SAWPA Member Agencies Other local agencies 	378 (funded by member Agency Contributions, Participant Fees, Proposition 1 Grant Funding)
WECAN (Riverside)	<ul style="list-style-type: none"> Support water and energy efficiency for disadvantaged communities Implement landscape improvements by replacing turf with drought tolerant landscaping 	2014	<ul style="list-style-type: none"> City of Riverside Public Utilities SAWPA 	397 (funded by California Strategic Growth Council grant)
Disadvantaged Community Involvement (DCI) Program	<ul style="list-style-type: none"> Administer \$5M DACI set-aside grant for drought relief implementation projects serving disadvantaged communities within the SAR Watershed. 	2016	<ul style="list-style-type: none"> SAWPA California Rural Water Association 	398 (funded by DWR Urban and Multi-benefit Drought Relief Grant through \$5M DACI set-aside grant)

OWOW Administration

Project	Overview	Created	Fund
ICARP	<ul style="list-style-type: none"> • Grant Administration (Planning) 	2024	376
Proposition 84 Grant Administration	<ul style="list-style-type: none"> • Grant Administration (O&E) 	2015	145
Proposition 84 (2015 Round SARCCUP)	<ul style="list-style-type: none"> • Administer PA23 Committee • Implement SARCCUP • Implement SARCCUP Water Use Efficiency Budget Assistance Project 	2015	504-401
Proposition 1 Grant Administration	<ul style="list-style-type: none"> • Grant Administration (O&E) 	2014	150
Proposition 1 Grant Projects	<ul style="list-style-type: none"> • Round 1 - Enhancements to Watershed-Wide Water Budget Decision Support Tool 	2014	505
Proposition 1 Grant Projects	<ul style="list-style-type: none"> • Round 2 	2022	505

Roundtables (1/3)

Project	Overview	Created		Fund
Basin Monitoring Program Task Force	<ul style="list-style-type: none"> •Regional collaboration to execute compliance obligations for TDS and Nitrogen under the RWQCB Basin Plan •Prepare and submit Annual SAR Water Quality Reports, Ambient Water Quality Plans, and Basin Plan Amendments to RWQCB 	2004	<ul style="list-style-type: none"> • Beaumont-Cherry Valley Water District (WD) • 6 Cities and 7 Water Districts • Chino Basin Watermaster • Colton/San Bernardino Regional Tertiary Treatment and Wastewater Reclamation • EMWD, IEUA • Elsinore Valley MWD • Santa Ana Regional Water Quality Control Board • West Riverside County Regional Wastewater Authority 	374
Santa Ana River Fish Conservation Task Force	<ul style="list-style-type: none"> •Coordinate Santa Ana Sucker Habitat Restoration Projects •Pursue grants or partnerships to construct additional habitat •Gather habitat data based on Santa Ana Riverwalk monitoring 	1998	<ul style="list-style-type: none"> • Orange County Water District • City of Riverside • U.S. Fish and Wildlife Service • Santa Ana Watershed Project Authority • San Bernardino Valley Municipal Water District • California State Water Resources Control Board • Local Agencies 	381
Middle Santa Ana River (MSAR) Task Force	<ul style="list-style-type: none"> •Implement TMDLs adopted by the RWQCB to address exceedances of fecal coliform bacterial indicators •Perform annual watershed-wide compliance monitoring •Study quantify sources of bacteria 	2006	<ul style="list-style-type: none"> • Riverside County Flood Control & Water Conservation District • San Bernardino County Flood Control District • County of Riverside • 17 Cities • Chino Basin Watermaster Agricultural Pool • Santa Ana Regional Water Quality Control Board 	384-01

Roundtables (2/3)

Project	Overview	Created	Participants	Fund
Regional Water Quality (RWQ) Task Force	<ul style="list-style-type: none"> • Implement Santa Ana River regional bacteria water quality monitoring program • Support regional water quality monitoring programs • Assist Regional Board with triennial reviews and amendments of the Basin Plan 	2016	<ul style="list-style-type: none"> • Orange County Public Works • Riverside County Flood Control and Water Conservation District • San Bernardino County Flood Control District • Santa Ana Regional Water Quality Control Board 	386
Arundo Management and Habitat Restoration	<ul style="list-style-type: none"> • Implementation of current and future Arundo donax removal efforts in SAR watershed headwaters • Administer SAR Mitigation Bank with Riverside County Parks 	2006	<ul style="list-style-type: none"> • Inland Empire Resource Conservation District • SAWPA • Santa Ana Watershed Association • Riverside County Regional Park and Open-Space District 	387
Emerging Constituents Task Force	<ul style="list-style-type: none"> • Oversee and investigate Emergent Constituents • Data collection, data management, and reporting • Communication outreach on the safety of tap water. 	2008	<ul style="list-style-type: none"> • Chino Basin Watermaster • 5 Cities and 8 Water Districts • Colton/San Bernardino Regional Tertiary Treatment and Wastewater Reclamation • EMWD, WMWD, OCWD • Santa Ana Regional Water Quality Control Board • Santa Ana Watershed Project Authority • West Riverside County Regional Wastewater Authority 	392

Roundtables (3/3)

Project	Overview	Created	Participants	Fund Number
Lake Elsinore and Canyon Lake Nutrient TMDL Task Force	<ul style="list-style-type: none"> Administered by LESJWA. Implement the Lake Elsinore and Canyon Lake nutrient total daily maximum loads to address the requirements of the Basin Plan Amendment. 	2004	<ul style="list-style-type: none"> Riverside County 11 Cities Caltrans CA Department of Fish & Wildlife Elsinore Valley Municipal Water District March Joint Powers Authority March U.S. Air Force Base Eastern Municipal Water District San Jacinto Agricultural Operators S J Dairy & CAFO Operators 	477
Lake Elsinore/San Jacinto Watersheds Authority (LESJWA)	<ul style="list-style-type: none"> Joint Powers Authority to improve water quality and wildlife habitats in Lake Elsinore and Canyon Lake, as well as in the surrounding watersheds. 	2000	<ul style="list-style-type: none"> City of Canyon Lake City of Lake Elsinore County of Riverside Elsinore Valley Municipal Water District SAWPA 	477-02

FYE 2026 and 2027 Budget Planning Goals and Objectives

35

Questions?



SANTA ANA WATERSHED
PROJECT AUTHORITY

FYE 2026 and 2027 Agency Operations Goals and Objectives

Agency Operations – Strategic

- Strategic
 - Strategic Plan Update
 - State advocacy efforts for watershed
- External Affairs and Communications
 - Communications Plan addressing SAWPA activities
 - Website and Social Media
 - Conference attendance and presentations
 - Communications support for SAWPA projects
 - Community outreach

Agency Operations – Financial

- GASB 68 and 75 (OPEB & Pension) and 87 (Leases) Compliance
- Submit Budget and Annual Comprehensive Financial Report (ACFR) for GFOA Award Program
- Audit
- Grant Management
- RFP for Investment Management and Advisory Services

Agency Operations – Administrative

- Administrative
 - Improve efficiencies for administrative services
 - Review/revise policies and procedures
 - Enhance current Enterprise Content Management software
 - Employee training
- Human Resources
 - Recruit and hire Deputy General Manager / Director of Finance
- Facilities
 - Complete lobby security improvement project

Agency Operations – IT

- Provide administrative and technology support
- Upgrade IT infrastructure
- Operate software and network applications
- Improve network security and mitigate IT risks
- Develop GIS Web Apps for Brine Line and Planning
- Artificial Intelligence (AI) for automation, predictive analytics, and service enhancements
- Advanced threat detection – Identify and mitigate cyber threats
- Employee security awareness training

FYE 2026 and 2027 Budget Agency Operations Goals and Objectives

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Questions?

Thank You

Karen Williams
Santa Ana Watershed Project Authority
Office (951) 354-4231 | Cell (951) 476-5022
kwilliams@sawpa.gov
sawpa.gov



COMMISSION MEMORANDUM NO. 2025.4

DATE: January 21, 2025
TO: SAWPA Commission
SUBJECT: RFP for Investment Management Services
PREPARED BY: Karen Williams, Deputy General Manager, CFO

RECOMMENDATION:

Receive and file.

DISCUSSION:

The Statement of Investment Policy, which is reviewed and approved annually by the Commission, grants the Chief Financial Officer the authority to invest or reinvest the Authority's funds in alignment with the policy. The current Chief Financial Officer/Deputy General Manager is set to retire at the end of 2025. To ensure a smooth transition, the General Manager intends to hire a new Director of Finance in the Fall of 2025 to succeed the CFO.

In preparation for this change, it would be prudent to engage an external firm to manage the Authority's investments, as opposed to continuing in-house management. Some of the key benefits of utilizing an investment management firm include:

- Expert guidance on investment policy,
- Strategic asset allocation modeling and implementation,
- Investment selection and ongoing monitoring,
- Portfolio management and periodic rebalancing,
- Comprehensive performance measurement and reporting,
- Risk management and analysis, and
- Organizational education and support.

The staff is currently working on a Request for Proposal (RFP) and will seek feedback from the financial staff of the member agencies before submitting the final proposal to the Commission for approval and release in the coming months.

RESOURCE IMPACTS

None.

Attachments:

1. SOIP 2024
2. Presentation "RFP Investment Management Services"

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RESOLUTION NO. 2023-8

**A RESOLUTION OF THE COMMISSION OF THE
SANTA ANA WATERSHED PROJECT AUTHORITY
ANNUALLY APPROVING A STATEMENT OF INVESTMENT POLICY AND DELEGATING
AUTHORITY TO THE CHIEF FINANCIAL OFFICER TO INVEST OR REINVEST FUNDS
CONSISTENT WITH THE STATEMENT OF INVESTMENT POLICY**

WHEREAS, the Legislature of the State of California has declared that the deposit and investment of public funds by local officials and local agencies is an issue of statewide concern (Government Code, Section 53600.6 and 53630.1);

WHEREAS, the Commission of the Santa Ana Watershed Project Authority ("SAWPA") may invest surplus monies not required for the immediate necessities of SAWPA in accordance with the provisions of Government Code, Sections 53600 et seq.;

WHEREAS, the Chief Fiscal Officer, hereby identified as the Chief Financial Officer, is required to annually prepare and submit a Statement of Investment Policy, and any changes thereto, which shall be reviewed and approved by the Commission (Government Code, Section 53646(a));

WHEREAS, Section 6505.6 of the Government Code permits a joint powers authority to delegate the duties and responsibilities of a treasurer to another SAWPA position;

WHEREAS, the Chief Financial Officer is the employee that has been designated by SAWPA to comply with the duties and responsibilities of the treasurer's office as set forth in Sections 6505 and 6505.5 of the Government Code;

WHEREAS, Section 53607 of the Government Code permits the Commission to delegate its authority to invest or reinvest SAWPA's funds to the Chief Financial Officer; and

WHEREAS, all such investments, whether authorized by the Commission or delegated to the Chief Financial Officer, must comply with the requirements of SAWPA's Statement of Investment Policy.

NOW, THEREFORE, the SAWPA Commission hereby resolves as follows:

1. The attached Statement of Investment Policy is hereby approved and shall govern the investment of SAWPA's funds.
2. The Chief Financial Officer shall comply with the duties and responsibilities of the office of the treasurer as set forth in Sections 6505 and 6505.5 of the Government Code.
3. As permitted under Section 53607 of the Government Code, the authority of the Commission to invest or reinvest SAWPA's funds, or to sell or exchange securities so purchased, is hereby delegated for a period of one year by the Commission to SAWPA's Chief Financial Officer who shall assume full responsibility for those transactions until the delegation of authority, and shall make a monthly report of those transactions to the Commission. Subject to review, the Commission may renew the delegation of authority each year pursuant to Section 53607 of the Government Code.

4. All such investments made by the Chief Financial Officer shall strictly comply with SAWPA's Statement of Investment Policy adopted annually pursuant to Section 53646 of the Government Code.

ADOPTED this 20th day of June, 2024.

SANTA ANA WATERSHED PROJECT AUTHORITY

By:

DocuSigned by:
Bruce Whitaker
351DD07D533C4DC...

Bruce Whitaker, Chair

Attest:

DocuSigned by:
Sara Villa
722360135AC422...

Sara Villa, Clerk of the Board

Attachment: Statement of Investment Policy

SANTA ANA WATERSHED PROJECT AUTHORITY STATEMENT OF INVESTMENT POLICY

1.0 POLICY

The purpose of this Investment Policy (“Policy”) is to provide guidelines for the prudent investment of the Santa Ana Watershed Project Authority (“Authority”) funds in conformance with California Government Code (CGC) requirements governing the investment of public funds. Funds will be managed to provide for daily cash flow requirements and to meet the objectives of this Policy.

2.0 SCOPE

This Policy applies to all operating funds of the Authority, which are under the control of the General Manager and/or the Chief Financial Officer. These funds are accounted for in the Authority’s Annual Comprehensive Financial Report (ACFR).

This Policy, however, specifically excludes the employees’ retirement and deferred compensation funds and the retiree health benefit trust. Additionally, funds held by a trustee or fiscal agent pledged to the payment or security of bonds or other indebtedness, shall comply with CGC Section 53601 (L).

Except for cash in certain restricted and special funds, the Authority will consolidate cash and reserve balances from all funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

3.0 PRUDENCE

The standard of prudence to be used by designated representative shall be the “prudent investor” standard (CGC Section 53600.3) and shall be applied in the context of managing an overall portfolio. Persons authorized to make investment decisions on behalf of local agencies investing public funds are trustees and therefore fiduciaries subject to the prudent investor standard which states, “When investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency.”

4.0 OBJECTIVES

As specified in CGC Section 53600.5, when investing, reinvesting, purchasing, acquiring, exchanging, selling, and managing public funds; the primary objectives, in priority order, of the investment activities shall be:

- A. *Safety*: Safety of principal is the Authority’s foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, the Authority will diversify its investments by investing funds among independent financial institutions

offering a variety of securities with independent returns. Investments shall be made with the aim of avoiding capital losses due to issuer default, broker-dealer default, or market value erosion.

- B. *Liquidity*: The investment portfolio will remain sufficiently liquid to enable the Authority to meet all operating requirements which might be reasonably anticipated.
- C. *Return on Investment (Yield)*: The Authority's investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, as long as it does not diminish the objectives of Safety and Liquidity.

5.0 DELEGATION OF AUTHORITY

The authority of the Santa Ana Watershed Project Authority's Board of Commissioners (Commission) to invest or reinvest funds of the Authority is delegated by Resolution in conjunction with the annual investment policy review. Management responsibility for the investment program is hereby delegated to the Chief Financial Officer who shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials, and their procedures in the absence of the Chief Financial Officer. The Chief Financial Officer shall establish procedures for the management of investment activities, including the activities of staff consistent with this Policy.

The Chief Financial Officer may retain the services of an outside investment advisor or manager as approved by the Commission to assist with the Authority's investment program. Qualified outside managers will be either Securities and Exchange Commission (SEC) Registered Investment Advisors or Bank Money Managers. The investment advisor shall make all investment decisions and transactions in strict accordance with State and Federal law, this Policy and such other written instruction as are provided. The performance and service levels of investment advisors and managers shall be reviewed annually.

6.0 ETHICS AND CONFLICTS OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose to the Authority's General Manager any material financial interest in the financial institutions that conduct business with the Authority, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the Authority.

7.0 AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS

The Authority will maintain a list of authorized broker/dealers and financial institutions that are approved for investment purposes. Broker/dealers will be selected for credit worthiness and must be authorized to provide investment services in the State of California. These may include "primary" dealers or regional dealers that qualify under the SEC Rule 15(C)3-1 (uniform net capital rule). No public deposit will be made by the broker/dealer except in a qualified public depository as established by the established state laws. Before a financial institution or broker/dealer is used, they are subject to investigation and approval by the Chief Financial Officer or his/her designated representative, and must submit the following:

- A. Certification of having read and understood this investment policy and agreeing to comply with the Authority's investment policy;
- B. Proof of Financial Industry Regulatory Authority (FINRA) certification;
- C. Proof of State of California registration;
- D. Audited financial statements for the institution's three most recent fiscal years;
- E. Completed broker/dealer questionnaire; and
- F. Evidence of adequate insurance coverage.

If the Authority has contracted with an investment advisor to provide investment services, the investment advisor may use their own list of approved issuers, broker/dealers, and financial institutions to conduct transactions on the Authority's behalf.

8.0 AUTHORIZED AND SUITABLE INVESTMENTS

The Authority's investments are governed by the California Government Code (CGC). Within the investments permitted by the CGC, the Authority seeks to further restrict eligible investments to the investments listed below. In the event an apparent discrepancy is found between this Policy and the CGC, the more restrictive parameters will take precedence. Percentage holding limits listed in this section apply at the date an investment is purchased. Credit ratings, as shown, specify the minimum credit rating category required at purchase without regard to +/- or 1, 2, 3 modifiers, if any. In the event a security held by the Authority is subject to a credit rating change that brings it below the minimum credit ratings specified in the Policy, the Chief Financial Officer should notify the Commission of the change. The course of action to be followed will then be decided on a case-by-case basis, considering such factors as the reason for the change, prognosis for recovery or further rate drops, and the market price of the security.

- A. **United States Treasury Issues.** United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the full faith and credit of the United States are pledged for the payment of principal and interest. There is no limitation on the percentage of the portfolio that may be invested in this category.
- B. **United States Agency Obligations.** Federal agency or United States government-sponsored enterprise senior debt obligations, participations, mortgaged-backed securities, or other instruments, including those issued by or fully guaranteed as to principal and interest by Federal agencies or United States government-sponsored enterprises. Examples of these securities include the Government National Mortgage Association, the Federal National Mortgage Association, the Federal Farm Credit Bank, the Federal Home Loan Mortgage Corporation, and the Federal Home Loan Bank. There is no limitation on the percentage of the portfolio that may be invested in this category.
- C. **Municipal Debt.** Registered treasury notes or bonds of this state or any of the other 49 United States, including bonds payable solely out of revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of this state or any of the other 49 United States.

Bonds, notes, warrants, or other evidence of indebtedness of any local agency, including the Authority's own bonds, within this state, including bonds payable solely out of revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency.

Purchases are limited to securities that have a long-term debt rating of at least "A", or its equivalent, by a Nationally Recognized Statistical Rating Organization (NRSRO); and/or have a short-term debt rating of at least "A-1", or its equivalent by a NRSRO. A maximum of 30 percent of the portfolio may be invested in this category.

- D. **Medium-Term Notes.** Medium-term notes are defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Purchases are limited to securities that have a long-term debt rating of at least "A", or its equivalent, by a NRSRO. A maximum of 30 percent of the portfolio may be invested in this category.
- E. **Negotiable Certificates of Deposit.** Negotiable certificates of deposits (NCDs) issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by Section 5102 of the Financial Code), a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank. Purchases are limited to institutions that have a long-term debt rating of at least "A", or its equivalent, by a NRSRO; and/or have a short-term debt rating of at least "A-1", or its equivalent, by a NRSRO. NCDs for which the full amount of the principal and interest that may be accrued during the maximum term of each certificate is insured by federal deposit insurance are exempt from the rating requirements. All purchases shall not exceed the Federal Deposit Insurance Corporation (FDIC) insured limit. The current FDIC Negotiable CD insured limit is \$250,000 (principal and interest). In combination with placement service CDs, a maximum of 30 percent of the portfolio may be invested in this category.
- F. **Placement Service Certificates of Deposit.** Certificates of deposits placed through a deposit placement service shall meet the requirements under CGC Section 53601.8. The full amount of the principal and the interest that may be accrued during the maximum term of each certificate of deposit shall, at all times, be insured by federal deposit insurance. In combination with negotiable certificates of deposit, a maximum of 30 percent of the portfolio may be invested in this category.
- G. **Bank Deposits.** FDIC insured or fully collateralized bank deposits, including, but not limited to, demand deposit accounts, savings accounts, market rate accounts, time deposits, and certificates of deposits in financial institutions located in California. Bank deposits are required to be collateralized as specified under CGC Section 53630 et. seq. Agreements allowing for the waiver of the collateral requirement for that amount of deposit covered by the FDIC may be implemented provided the remainder of the deposit is secured by collateral as required by the CGC. The Authority shall have a signed agreement with any depository accepting Authority funds per CGC Section 53649. The maturity of time deposits (TCDs) may not exceed one year. There is no limit on the

percentage of the portfolio that may be invested in bank deposits. However, a maximum of 20 percent of the portfolio may be invested in TCDs.

- H. **Commercial Paper.** Commercial paper of “prime” quality of the highest ranking or the highest letter and number rating as provided for by a NRSRO. The entity that issues the commercial paper shall meet all of the following conditions: (i) is organized and operating in the United States as a general corporation, (ii) has total assets in excess of five hundred million dollars (\$500,000,000), and (iii) has debt other than commercial paper, if any, that is rated at least “A”, or its equivalent, by a NRSRO.

Eligible commercial paper shall have a maximum maturity of 270 days or less and not represent more than 10 percent of the outstanding paper of an issuing corporation. A maximum of 15 percent of the portfolio may be invested in this category.

- I. **Bankers’ Acceptances.** Bankers’ acceptances, otherwise known as bills of exchange or time drafts, that are drawn on and accepted by a commercial bank. Purchases are limited to bankers’ acceptances issued by domestic banks, which are eligible for purchase by the Federal Reserve System. Purchases of bankers’ acceptances may not exceed 180 days maturity. Eligible bankers’ acceptances are restricted to issuing financial institutions with a short-term debt rating of at least “A-1”, or its equivalent, by a NRSRO. A maximum of 30 percent of the portfolio may be invested in this category.
- J. **State of California Local Agency Investment Fund (LAIF).** The LAIF is a special fund in the California State Treasury and an investment alternative for California’s local governments and special districts created and governed pursuant to CGC 16429.1 et seq. and managed by the State Treasurer’s Office. There is no limitation on the percentage of the portfolio that may be invested in this category. However, the amount invested may not exceed the current maximum allowed by LAIF.
- K. **Local Government Investment Pools (LGIP).** Shares of beneficial interest issued by a joint powers authority organized pursuant to CGC Section 6509.37. To be eligible for purchase, the pool shall meet all of the following conditions: (i) must meet the requirements of CGC Section 53601(p), (ii) the pool must seek to maintain a stable Net Asset Value (“NAV”), and (iii) the pool must be rated at least “AAm”, or its equivalent, by a NRSRO. A maximum of 30 percent of the portfolio may be invested in this category.

Whenever the Authority has any funds invested in a Local Government Investment Pool, the Chief Financial Officer shall maintain on file a copy of the pool’s current information statement. In addition, the Chief Financial Officer should review the pool’s summary portfolio holdings on a quarterly basis.

- L. **Money Market Funds.** Shares of beneficial interest issued by diversified management companies that are money market funds registered with the SEC.

The company shall have met either of the following criteria: (i) attained the highest ranking or the highest letter and numerical rating provided by not less than two NRSROs and (ii) retained an investment adviser registered or exempt from registration with the SEC with not less than five years of experience managing money market mutual funds

with assets under management in excess of five hundred million (\$500,000,000). A maximum of 15 percent of the portfolio may be invested in this category.

If the Authority has funds invested in a money market fund, a copy of the fund's information statement shall be maintained on file. In addition, the Chief Financial Officer should review the fund's summary holdings on a quarterly basis.

- M. Repurchase Agreements.** Repurchase agreements are to be used as short-term investments not to exceed 90 days. Repurchase agreements shall only be made with counterparties that are primary dealers of the Federal Reserve Bank of New York or a nationally or state-chartered bank that has had a significant banking relationship with the Authority. Furthermore, the counterparty shall have the following qualifications: (i) a long-term debt rating of at least "A", or its equivalent, by a NRSRO; (ii) a short-term credit rating of at least "A-1", or its equivalent, by a NRSRO; (iii) minimum assets and capital size of \$25 billion in assets and \$350 million in capital; (iv) five years acceptable audited financial results; and (v) a strong reputation among market participants.

The Authority shall have a properly executed master repurchase agreement with each counterparty. Collateral of at least 102 percent of market value of principal and accrued interest is required. For any repurchase agreement with a term of more than one day, the value of the underlying securities must be reviewed on an on-going basis according to market conditions. Market value must be calculated each time there is a substitution of collateral. Collateral is limited to obligations of the United States government and its agencies. Collateral must be delivered to the Authority's custodian bank or handled under a properly executed master repurchase agreement. The Authority, or its trustee, shall have a perfected first security interest in all collateral. A maximum of 10 percent of the portfolio may be invested in this category.

- N. Prohibited Investments.** Section 53601.6 of the CGC lists the investments that are prohibited. Prohibited investments shall include, but are not limited to, equity securities, inverse floaters, range notes, interest-only strips that are derived from a pool of mortgages, or any investment that could result in zero interest earned if held to maturity.

9.0 REVIEW OF INVESTMENT PORTFOLIO

This Policy is intended to conform to all applicable statutes at the time of adoption. The Policy shall be reviewed and approved annually by the Commission at a public meeting to ensure consistency with the overall objectives of the preservation of capital, liquidity, and return of the portfolio. The Policy also shall be reviewed to ensure its compliance and relevance to the current law, financial and economic trends, and to meet the cash flow requirements of the Authority. Investment operations are reviewed monthly during the reconciliation process of investment transactions to the third-party statements, and by the Finance Department in the proof of cash process.

10.0 INVESTMENT POOLS/ MUTUAL FUNDS

A thorough investigation of any investment pool or mutual fund is required prior to investing, and on a continual basis. The investigation will, at a minimum, obtain the following information:

- A. A description of eligible investment securities, and a written statement of investment policy and objectives;
- B. A description of interest calculations and how it is distributed, as well as how gains and losses are treated;
- C. A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited;
- D. A description of who may invest in the program, how often, and what size deposit and withdrawals are allowed;
- E. A schedule for receiving statements and portfolio listings;
- F. Whether reserves, retained earnings, etc. are utilized by the pool/fund;
- G. A fee schedule along with when and how they are assessed; and
- H. Whether the pool/fund is eligible for bond proceeds and/or whether it accept such proceeds.

11.0 COLLATERALIZATION

Collateralization is required for investments of public deposits in Certificates of Deposits (in excess of the FDIC insured amount) and all Repurchase Agreements. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 110 percent of market value for Certificates of Deposit and 102 percent for repurchase agreements of principal and accrued interest.

In order to conform with provisions of the Federal Bankruptcy Code, which provides for the liquidation of securities held as collateral for Repurchase Agreements, the only securities acceptable as collateral shall be eligible Negotiable Certificates of Deposit, eligible Banker's Acceptances, or securities that are fully guaranteed as to principal and interest by the United States or by any agency of the United States government. All securities held as collateral shall have a maximum maturity of five years.

12.0 SAFEKEEPING AND CUSTODY

To protect against potential losses by collapse of individual securities dealers, all trades will be executed on a delivered versus payment basis with the securities to be held in safekeeping by a third-party custodian, acting as agent for the Authority under terms of a custody agreement or a Master Repurchase Agreement. The only exception to the foregoing shall be depository accounts and securities purchases made with: (i) LAIF and local government investment pools (LGIPs); (ii) placement certificates of deposit, and, (iii) money market mutual funds, since the purchased securities are not deliverable. Evidence of each of these investments will be held by the Chief Financial Officer.

No outside broker/dealer or advisor may have access to the Authority's funds, accounts, or investments. Any transfer of funds handled through a broker/dealer must be approved by persons identified in the "Delegation of Authority" section of this Policy.

13.0 DIVERSIFICATION AND MAXIMUM MATURITIES

The Authority will diversify its investments by security type and institution. With the exception of U.S. Treasuries, U.S. Agency Securities, FDIC Insured Certificates of Deposit, and authorized pools, no more than 30% of the Authority's total investment portfolio will be invested in a single security type or with a single financial institution.

To the extent possible, the Authority will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow and approved in advance by the Board of Commissioners, the Authority will not directly invest in securities maturing more than five years from the date of purchase.

14.0 INTERNAL CONTROLS

The Chief Financial Officer shall establish a system of internal controls designed to prevent losses due to fraud, employee error, misrepresentation by third parties, unanticipated market changes, and/or imprudent actions by employees of the Authority. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (i) the cost of a control should not exceed the benefits likely to be derived, and (ii) the valuation of costs and benefits require estimates and judgements by management. Compliance with this Policy and internal controls shall be reviewed annually by the Authority's independent, external auditor.

15.0 PERFORMANCE STANDARDS

The investment portfolio will be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints, and the cash flow needs.

The Authority's investment strategy is passive. The performance of the Authority's investment portfolio will be evaluated and compared to an appropriate benchmark in order to assess the success of the investment portfolio relative to the Authority's Safety, Liquidity, and Return on Investments objectives. The review will be conducted annually by the Chief Financial Officer.

16.0 REPORTING

Under provision of Section 53646 of the CGC, the Chief Financial Officer shall render a monthly report to the Commission, providing the type of investment, financial institution from which the investment was purchased, the date of maturity, the date upon which the investment becomes subject to redemption provisions, amount (to include both par and book value) of the investment, and the current market value of all investments. The report also shall include the source of the market value. Additionally, the report shall include the rate of interest, accrued interest earned, the amortized portion of the investment purchased at a premium or discount, and other data so required by the Commission or by amendment to the above section of CGC and its successors. The report shall include a statement denoting the Authority's ability to meet its expenditure requirements for the following six-month period, or an explanation as to why sufficient funding will not be available. Additionally, the Chief Financial Officer shall state whether the agency is in compliance with its investment policy by signature required on the Treasurers' Report.

17.0 INVESTMENT POLICY ADOPTION

The Authority's Investment Policy shall be adopted by Resolution of the Board of Commissioners. The Policy shall be reviewed on an annual basis and modifications, if any, must be approved by the Commission.



Karen L Williams
Chief Financial Officer
Santa Ana Watershed Project Authority

June 20, 2024

Date

GLOSSARY OF INVESTMENT TERMS

AGENCY SECURITIES: Securities issued by any of several U. S. government-sponsored entity (GSE) and federally related institutions. Agencies including, but not limited to the Federal Home Loan Bank (FHLB), the Federal Farm Credit Bank (FFCB), and the Federal National Mortgage Association (FNMA or “Fannie Mae”).

ASKED PRICE: The price at which securities are offered for sale; also known as offering price.

BANKERS' ACCEPTANCE (BA): A draft or bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

BENCHMARK: A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio’s investments.

BASIS POINT: One-hundredth of one percent (i.e., 0.01%).

BID PRICE: The price offered for securities.

BOND PROCEEDS: The money paid to the issuer by the purchaser or underwriter of a new issue of municipal securities. These funds are used to finance the project or purpose for which the securities were issued and to pay certain costs of issuance as may be provided in the bond contract.

BOOK VALUE: The value at which a debt security is shown on the holder’s balance sheet. Book value is often acquisition cost plus/minus amortization and accretion, which may differ significantly from the security’s current value in the market.

BROKER: A broker brings buyers and sellers together for a commission paid by the initiator of the transaction or by both sides.

CALLABLE BOND: A bond issue in which all or part of its outstanding principal amount may be redeemed before maturity by the issuer under specific conditions.

CERTIFICATE OF DEPOSIT (CD): A time deposit with a specific maturity evidenced by a certificate. Certificate of Deposit may be issued in either negotiable or nonnegotiable form. Nonnegotiable certificates cannot be resold on the secondary market and may face penalties for early redemption whereas a negotiable CD may be resold.

COLLATERAL: Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public funds.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR): The official annual report of the Santa Ana Watershed Project Authority. It includes financial statements for each individual fund prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provision, extensive introductory material, and a detailed Statistical Section.

COMMERCIAL PAPER: Short-term, unsecured, negotiable promissory note with a fixed maturity of no more than 270 days. By statute, these issues are exempt from registration with the U.S. Securities and Exchange Commission.

COUPON: (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

CREDIT RISK: The risk to an investor that an issuer will default in the payment of interest and/or principal on a security and a loss will result.

CUSTODIAN: A bank or other financial institution that keeps custody of stock certificates and other assets.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

DEBENTURE: A bond secured only by the general credit of the issuer.

DELIVERY OF SECURITIES: There are two methods of delivery of securities; *Delivery versus Payment* and *Delivery versus Receipt*. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of signed receipt for the securities.

DERIVATIVES: (1) Financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying index or security, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose values is derived from an underlying index or security (interest rates, foreign exchange rates, equities or commodities).

DISCOUNT: The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

DISCOUNT SECURITIES: Non-interest-bearing money market instruments that are issued at a discount and redeemed at maturity for full face value, e.g., U.S. Treasury bills.

DIVERSIFICATION: Dividing investment funds among a variety of securities offering independent returns with the goal of spreading risk throughout the portfolio holdings.

DURATION: A measure of the sensitivity of the price (the value of principal) of a fixed-income investment to a change in interest rates. Duration is expressed as a number of years. Rising interest rates mean falling bond prices, while declining interest rates mean rising bond prices.

FACE VALUE: The principal amount owed on a debt instrument. It is the amount on which interest is computed and represents the amount that the issuer promises to pay at maturity.

FAIR VALUE: The amount at which a security could be exchanged between willing parties, other than in a forced liquidation sale. If a market price is available, the fair value is equal to the market value.

FEDERAL CREDIT AGENCIES: Agencies of the Federal government set up to supply credit to various classes of institutions and individuals, e.g., S & L's, small business firms, students, farmers, farm cooperatives, and exporters.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that insures bank deposits.

FEDERAL FARM CREDIT BANK (FFCB): Government-sponsored institution that consolidates the financing activities of the Federal Land Banks, the Federal Intermediate Credit Banks, and the Banks for Cooperatives. Its securities do not carry direct U.S. Government guarantees.

FEDERAL FUNDS RATE: The rate of interest at which Federal funds are traded. This rate is considered to be the most sensitive indicator of the direction of interest rates, as it is currently pegged by the Federal Reserve through open-market operations.

FEDERAL HOME LOAN BANKS (FHLB): The institutions that regulate and lend to savings and loan associations. The Federal Home Loan Banks play a role analogous to that played by the Federal Reserve Banks vis-à-vis member commercial banks. Although the banks operate under federal charter with government supervision, the securities are not guaranteed by the U.S. Government.

FEDERAL HOME LOAN MORTGAGE CORPORATION (FHLMC or Freddie Mac): Established in 1970 to help maintain the availability of mortgage credit for residential housing. FHLMC finances these operations by marketing guaranteed mortgage certificates and mortgage participation certificates. Its discount notes and bonds do not carry direct U.S. Government guarantees.

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA or Fannie Mae): FNMA was chartered under the Federal National Mortgage Association Act of 1938. FNMA is a Federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. FNMA is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities also are highly liquid and are widely accepted. FNMA securities do not carry direct U.S. Government guarantees.

FEDERAL OPEN MARKET COMMITTEE (FOMC): Consists of seven members of the Federal Reserve Board and five of the 12 Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

FEDERAL RESERVE SYSTEM: The central bank of the United States created by Congress and consisting of a seven-member Board of Governors in Washington, D.C., 12 regional Banks and about 5,700 commercial banks that are members of the system.

FINANCIAL INDUSTRY REGULATORY AUTHORITY (FINRA): The Financial Industry Regulatory Authority (FINRA) is the largest independent regulator for all securities firms doing business in the United States. All told, FINRA oversees nearly 4,750 brokerage firms,

about 167,000 branch offices, and approximately 634,000 registered securities representatives.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA or Ginnie Mae): Securities guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by FHA, VA, or FMHM mortgages.

INTEREST ONLY STRIPS: The interest portion of a Treasury note or bond that has been stripped of its principal component through the commercial book-entry system.

INTEREST RATE RISK: The risk of gain or loss in market values of securities due to changes in interest-rate levels. For example, rising interest rates will cause the market value of a portfolio's securities to decline.

INVERSE FLOATER: Fixed income instrument whose coupon or interest rate is periodically reset according to a short-term rate index such as LIBOR, or prime rate. Unlike the traditional floating rate instrument, however, the inverse floater's rate is set equal to a fixed rate minus the short-term rate index.

INVESTMENT POLICY: A clear and concise statement of the objectives and parameters formulated by an investor or investment manager for a portfolio of investment securities.

INVESTMENT PORTFOLIO: A collection of securities held by a bank, individual, institution, or government agency for investment purposes.

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value.

LOCAL AGENCY INVESTMENT FUND (LAIF): A voluntary program created by state statute as an investment alternative for California's local governments and Special Districts under the administration of the California State Treasurer's Office. All securities are purchased under the authority of the Government Code Section 16430 and 16480.4.

LOCAL GOVERNMENT INVESTMENT POOL (LGIP): A state or local government pool offered to public entities for the investment of public funds.

MARKET RISK: Systematic risk of a security that is common to all securities of the same general class (stocks, bonds, notes, money market instruments) and cannot be eliminated by diversification (which may be used to eliminate non-systematic risk).

MARKET VALUE: The price at which a security is trading and could presumably be purchased or sold.

MASTER REPURCHASE AGREEMENT: A written contract covering all future transactions between the parties that establishes each party's rights in the transaction. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller borrower.

MATURITY: The date upon which the principal or stated value of an investment becomes due and payable.

MONEY MARKET: The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

MEDIUM-TERM NOTES (MTNs): Corporate notes, having any or all of the features of corporate bonds and ranging in maturity from nine months out to 30 years. The difference between corporate bonds and MTNs is that corporate bonds are underwritten.

MUNICIPAL BONDS: Offered by state and local governments, these bonds are primarily issued to finance infrastructure improvements, such as highways or sewers.

NATIONAL RECOGNIZED STATISTICAL RATING ORGANIZATION (NRSRO): A credit rating agency that provides credit ratings that are used by the U.S. Government and investors as benchmarks. Examples include Moody's, Standard & Poor's, and Fitch Ratings.

NEGOTIABLE CERTIFICATE OF DEPOSIT: Large denomination certificates of deposit with a fixed maturity date, which can be sold in the money market. They are not collateralized.

OFFER: The price asked by a seller of securities.

OPEN MARKET OPERATIONS: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are Federal Reserve's most important and most flexible monetary policy tool.

PAR VALUE: The amount of principal that must be paid at maturity. Also referred to as the face amount of a bond, normally quoted in increments of \$1,000 per bond.

PORTFOLIO: The collection of securities held by an individual or institution.

PRIMARY DEALER: A group of government securities dealers that submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC) registered securities broker-dealers, banks, and a few regulated firms.

PRINCIPAL: The face or par value of a debt instrument or the amount of capital invested in a given security.

PRUDENT PERSON RULE: An investment standard. The way a prudent person of discretion and intelligence would be expected to manage the investment program in seeking a reasonable income and preservation of capital.

QUALIFIED PUBLIC DEPOSITORIES: A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

REPURCHASE AGREEMENT (REPO): A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security “buyer” in effect lends the “seller” money for the period of the agreement, and the terms of the agreement are structured to compensate the buyer for this.

REVERSE REPURCHASE AGREEMENT (REVERSE REPO): A reverse-repurchase agreement (reverse repo) involves an investor borrowing cash from a financial institution in exchange for securities. The investor agrees to repurchase the securities at a specified date for the same cash value plus an agreed upon interest rate. Although the transaction is similar to a repo, the purpose of entering into a reverse repo is quite different. While a repo is a straightforward investment of public funds, the reverse repo is a borrowing.

SAFEKEEPING: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SECURITIES: Investment instruments such as notes, bonds, stocks, money market instruments, and other instruments of indebtedness of equity.

SECURITIES & EXCHANGE COMMISSION (SEC): Agency created by Congress to protect investors in securities transactions by administering securities legislation.

SEC RULE 15(C)3-1: See Uniform Net Capital Rule.

SPREAD: The difference between two figures or percentages. It may be the difference between the bid (price at which a prospective buyer offers to pay) and asked (price at which an owner offers to sell) prices of a quote, or between the amount paid when bought and the amount received when sold.

SWAP: An agreement between two parties (known as counterparties) where one stream of future interest payments is exchanged for another based on a specified principal amount.

TREASURY BILLS: A non-interest-bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

TREASURY BONDS: Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than ten years.

TREASURY NOTES: Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to ten years.

UNDERWRITER: A dealer that purchased a new issue of municipal securities for resale.

UNIFORM NET CAPITAL RULE: Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to

purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

U. S. TREASURY OBLIGATIONS: Debt obligations of the U.S. Government sold by the Treasury Department in the form of bills, notes, and bonds. Bills are short-term obligations that mature in one year or less and are sold at a discount. Notes are obligation that mature between two and ten years. Bonds are long-term debt that generally mature in ten years or more.

YIELD: The annual rate of return on an investment expressed as a percentage of the investment. Income yield is obtained by dividing the current dollar income by the current market price for the security.

YIELD CURVE: Yield calculations of various maturities of instruments of the same quality at a given time to observe spread differences.

ZERO-INTEREST BOND: A bond on which interest is not payable until maturity (or early redemption), but compounds periodically to accumulate to a stated maturity amount. Zero-interest bonds are typically issued at a discount and repaid at par upon maturity.

CERTIFICATION OF UNDERSTANDING

I hereby certify that I have personally read the Santa Ana Watershed Project Authority’s (the Authority) Investment Policy and the California Government Code pertaining to the investments of the Authority.

I will disclose to the Authority any potential risks or conflicts with the Investment Policy that might arise out of business transactions between my firm and the Authority.

I will undertake reasonable efforts to prevent imprudent transactions involving funds of the Authority and will endeavor to keep familiar with the Authority’s investment objectives and constraints, as they exist from time to time.

I will only offer investments for the Authority’s consideration that are in conformity to the Authority’s Investment Policy.

I attest to the accuracy of the responses to the Authority’s questionnaire.

NOTE: Completion of the attached questionnaire is only part of the Santa Ana Watershed Project Authority’s certification process and DOES NOT guarantee that your financial institution will be guaranteed any portion of the investment business with the Santa Ana Watershed Project Authority.

FIRM NAME _____

SIGNED _____

DATE _____

SANTA ANA WATERSHED PROJECT AUTHORITY
BROKERS/DEALERS QUESTIONNAIRE AND CERTIFICATION

Please fill out form and return to the Santa Ana Watershed Project Authority

1. Name of Firm _____

2. Address _____

(Local)

(National Headquarters)

3. Telephone No. _____

4. Primary Representatives: _____ Manager/Partner-In-Charge:

Name _____

Name _____

Telephone _____

Telephone _____

Years in institutional sales _____

Years in institutional sales _____

Years with firm _____

Years with firm _____

5. Are you a Primary Dealer in U.S. Government Securities? Yes No

6. Are you a Regional Dealer in U.S. Government Securities? Yes No

7. Are you a Broker instead of a Dealer,
i.e., You DO NOT own positions of Securities? Yes No

8. What is the net capitalization of your firm? _____

9. What is the date of your fiscal year-end? _____

10. Is your firm owned by a holding company? If so, what is its name and net capitalization?

11. Please provide your wiring and delivery instructions. _____

12. Which of the following instruments are offered regularly by your local desk?

T- Bills Treasury Notes/Bonds Discount Notes NCD's

Agencies (specify) _____

13. Which of the above does your firm specialize in marketing? _____

14. Please identify your most directly comparable Local Agency Clients in our geographical area:

Entity	Contact Person	Telephone	Client Since
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

15. What reports, transactions, confirmations, and paper trail would we receive?

16. Please include samples of research reports or market information that your firm regularly provides to local agency clients.

17. What precautions are taken by your Firm to protect the interest of the public when dealing with government agencies as investors? _____

18. Have you or your Firm been censored or punished by a regulatory State or Federal agency for improper or fraudulent activities, related to the sale of securities? Yes No

19. If yes, explain. _____

20. Attach certified documentation of your capital adequacy and financial solvency. In addition, an audited financial statement must be provided within 120 days of your fiscal year-end. (Copy of a Published Financial Statement)
21. Attach proof of Financial Industry Regulatory Authority (FINRA) certification.
22. Attach proof of California Department of Securities Registration.
23. Attach proof of Securities and Exchange Commission registration.
24. Attach proof of adequate insurance coverage.
25. Are you listed under GFOA Yield Advantage? Yes No



SANTA ANA WATERSHED
PROJECT AUTHORITY

RFP for Investment Management Services

Karen Williams, Deputy GM/CFO

Recommendation

Receive and File.

Staff is informing the Commission of the need to develop a Request for Proposals (RFP) for Investment Management Services.

Staff will distribute the RFP for review to Member Agency financial staff before bringing it to the Commission for approval.

Discussion

- Succession Planning for Finance Department:
 - Current Chief Financial Officer is set to retire in December 2025
 - Recruit Director of Finance (hire in Fall 2025 for 3 months overlap)
- Role of new Director of Finance:
 - Oversee SAWPA financial needs and requirements
 - Oversee an external firm to manage SAWPA investments (i.e., Funds and Reserves)
 - Currently investments are managed by the CFO

SAWPA Statement of Investment Policy (SOIP)*

Policy:

The purpose of the Investment Policy is to provide guidelines for the prudent investment of the Santa Ana Watershed Project Authority funds in conformance with California Government Code (CGC) requirements governing the investment of public funds. Funds will be managed to provide for daily cash flow requirements and to meet the objectives of this Policy.*

*A copy of the 2023-2024 SOIP is attached.

Policy Objectives



Safety

Liquidity

Yield

Safety

Safety of principal is the Authority's foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, the Authority will diversify its investments by investing funds among independent financial institutions offering a variety of securities with independent returns. Investments shall be made with the aim of avoiding capital losses due to issuer default, broker-dealer default, or market value erosion.

Liquidity

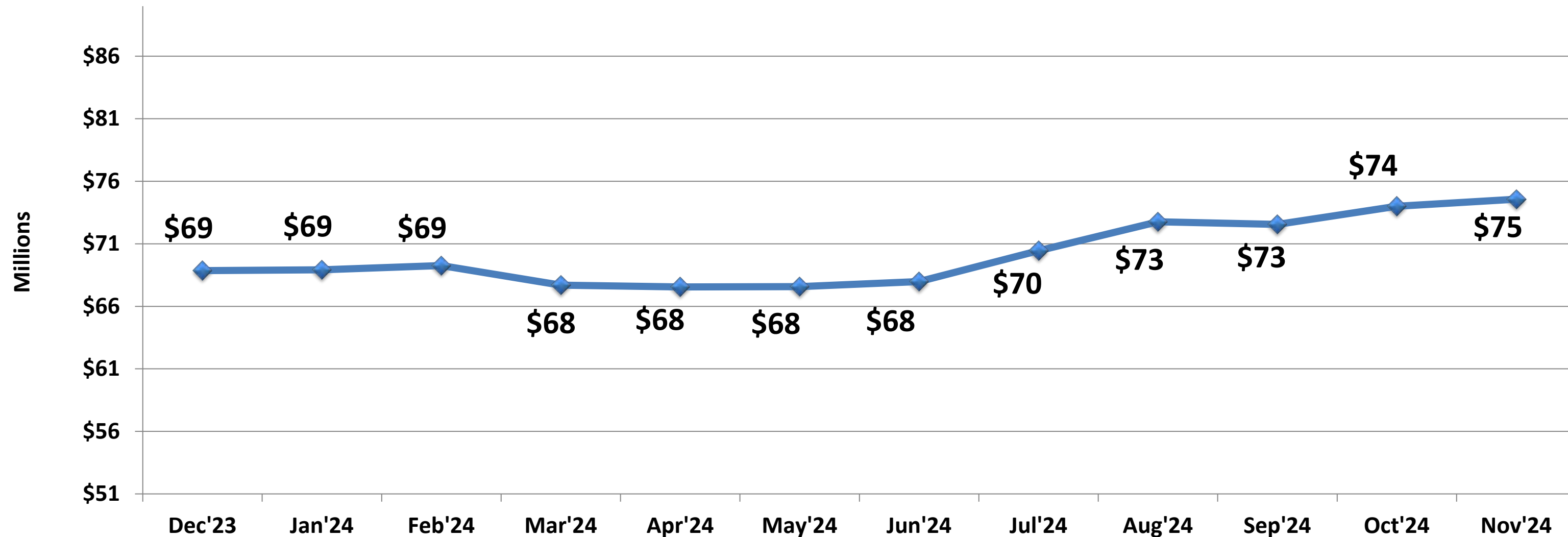
The investment portfolio will remain sufficiently liquid to enable the Authority to meet all operating requirements which might be reasonably anticipated.

Yield

The Authority's investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, as long as it does not diminish the objectives of Safety and Liquidity.

Current Cash and Investments (Financial Report)

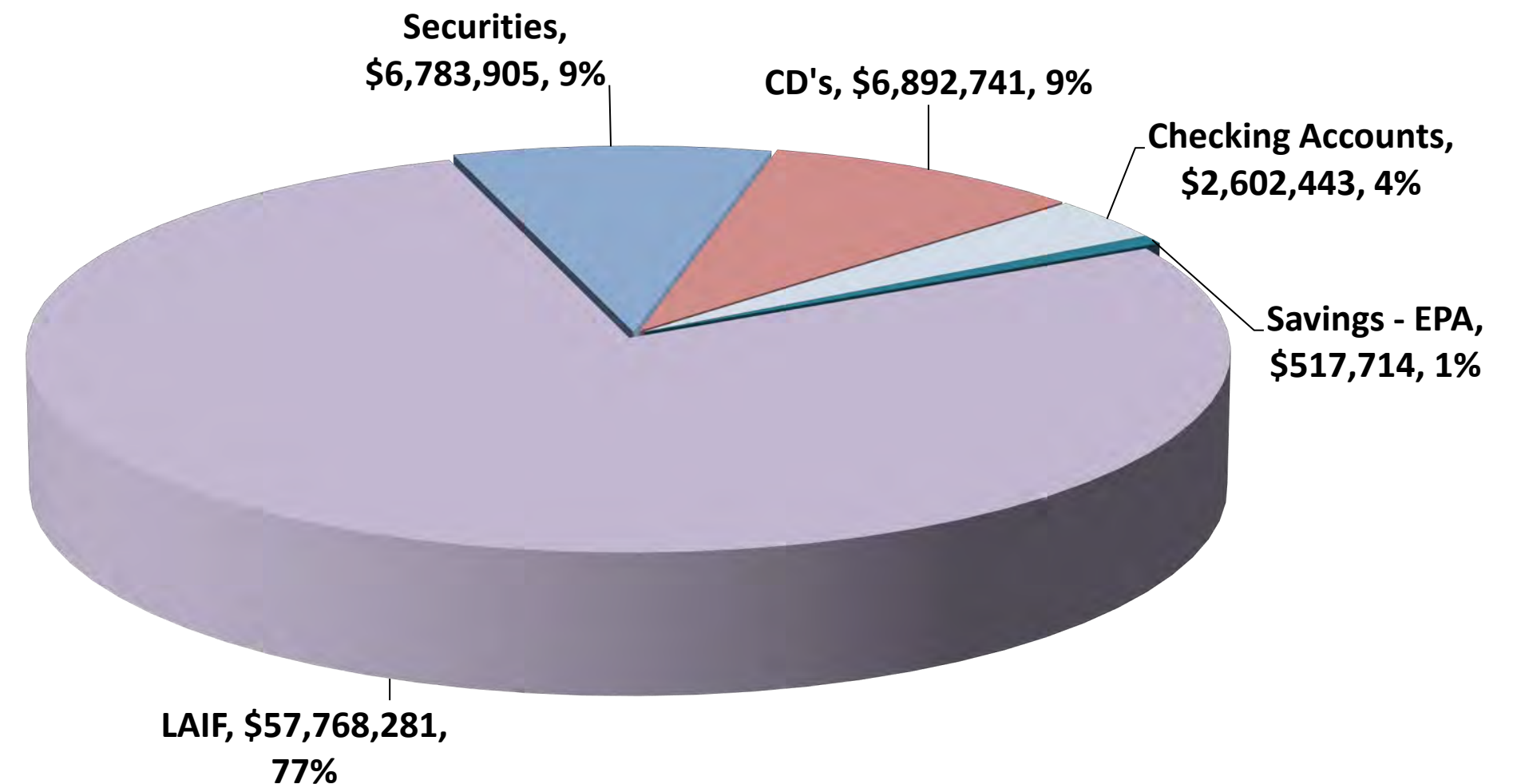
Total Cash & Investments



Summary of Current Investment Approach

- Current approach involves:
 - LAIF (77%)
 - Securities (9%)
 - CDs (9%)

Cash & Investments - November 2024
\$74,565,086



Benefits of Utilizing Investment Management Firm

1. Expert Guidance on Investment Policy: The investment firm will work with the Authority to update and implement the existing investment policy to align with the Authority's mission and values. The firm will provide guidance on best practices for investment policy management, including procedures for policy updates and implementation.
2. Strategic Asset Allocation Modeling and Implementation: The investment management firm will develop an asset allocation strategy that meets the Authority's investment objectives, risk tolerance, and liquidity needs. The firm will implement the asset allocation strategy in the Authority's investment portfolio.

Benefits of Utilizing Investment Management Firm

3. Investment Selection and Ongoing Monitoring: The investment management firm will conduct due diligence on investment broker/dealers, custodian bank, and financial institutions utilized by the Authority, select appropriate investments, and monitor the investments performance. The firm will also evaluate and recommend both active and passive investment strategies in accordance with the investment policy.
4. Portfolio Management and Periodic Rebalancing: The investment management firm will actively manage the Authority's investment portfolio, rebalance the portfolio periodically, and adjust the asset allocation strategy as necessary.

Benefits of Utilizing Investment Management Firm

5. Comprehensive Performance Measurement and Reporting: The investment management firm will provide regular performance reports to the Authority, including investment returns, portfolio composition, and benchmark comparisons, etc.
6. Risk Management and Analysis: The investment management firm will conduct stress testing and scenario analysis to evaluate the potential impact of market events on the Authority's investments portfolio. The firm will also provide ongoing risk management advice.
7. Organizational Support: The investment management firm will provide support and education to the Authority's CFO/Director of Finance and Board of Commissioners. The firm will also attend Committee and/or Commission meetings as requested.

Costs

There are several ways the fees for an investment management firm can be structured:

- Fixed fees: Predetermined amount paid regardless of the fund's performance.
- Variable fees: Based on the fund's performance.
- Performance-based fees: Calculated as a percentage of assets under management or generated revenue.

The fee structure will be negotiated with the firm that is chosen through the RFP process and those fees will be included in the budget.

Recommendation

Receive and File.

Staff is informing the Commission of the need to develop a Request for Proposals (RFP) for Investment Management Services.

Staff will distribute the RFP for review to Member Agency financial staff before bringing it to the Commission for approval.

Questions?

Karen Williams
Santa Ana Watershed Project Authority
Office (951) 354-4231
kwilliams@sawpa.gov
sawpa.gov



COMMISSION MEMORANDUM NO. 2025.5

DATE: January 21, 2025
TO: SAWPA Commission
SUBJECT: Classification and Compensation Study Update
PREPARED BY: Jeff Mosher, General Manager

RECOMMENDATION

It is recommended that the Commission approve the removal of four (4) labor market survey agencies and the addition of six (6) labor market survey agencies from the Classification and Compensation Study being conducted by Ralph Andersen & Associates.

DISCUSSION

On February 6, 2024, the SAWPA Commission authorized Ralph Andersen & Associates to perform a Classification and Compensation Study.

Ralph Andersen & Associates has analyzed labor market agencies based on their established compensation methods and the typical policy objectives of special districts and public agencies to achieve recruitment and retention objectives (Reference attachment 1- Memo of Recommended Survey Agencies). A total of twelve (12) agencies were identified as survey agencies. This list was shared with SAWPA member agencies' General Managers, and their Finance and Human Resources departments. Comments were received and addressed.

On April 2, 2024, Doug Johnson, Vice President of Ralph Andersen & Associates, presented a PowerPoint presentation detailing the labor market selection parameters and application of factors.

Since that time, staff have been working with the member agency General Managers on the Study. The General Managers recommended that the study would be more representative if certain large agencies were removed and replaced with Joint Power Authorities (JPAs) and agencies of similar scope to SAWPA.

The following five agencies are proposed for removal from the survey agencies:

- City of Riverside (total expenditures of \$1.1B)
- Riverside County (total expenditures of \$67.2B)
- Irvine Ranch Water District (total expenditures of \$272M)
- Eastern Municipal Water District (total expenditures of \$423M)
- Inland Empire Utilities Agency (total expenditures of \$247M)

The following six agencies are proposed to be added to the list of survey Agencies:

Agency Name	Location	Number of Employees
Big Bear Area Regional Wastewater Agency (JPA)	San Bernardino County	~20
Water Facilities Authority (JPA)	San Bernardino County	~12
Encina Wastewater Authority (JPA)	San Diego County	~70
South Orange Coast Wastewater Authority (JPA)	Orange County	~60
San Elijo Joint Powers Authority (JPA)	San Diego County	~20
Sweetwater Authority (JPA)	San Diego County	~130

To add the additional 6 agencies and gather the labor market data for those agencies, there will be an additional cost of \$6,000 or \$1,000 per agency.

CRITICAL SUCCESS FACTORS

- Compensation and benefits will be compared to the market to create a competitive compensation structure to empower SAWPA to successfully recruit new talent and retain existing talent.

RESOURCE IMPACTS

Funding is available in the FY 2023/24 budget.

Attachments:

1. Classification and Compensation Study Update Presentation



SANTA ANA WATERSHED
PROJECT AUTHORITY

Classification and Compensation Update

Jeff Mosher, General Manager

Recommendation

It is recommended that the Commission approve the removal of 4 labor market survey agencies and the additional of 6 labor market survey agencies from the Classification and Compensation Study being conducted by Ralph Andersen & Associates.

Background

- On April 2, 2024, Doug Johnson presented a power point presentation detailing the labor market selection parameters and application of factors.
- Staff presented the Classification and Compensation Study to the General Managers.
- The General Managers recommended that the study would be more representative if some of the larger agencies were removed and replaced with Joint Powers Authorities that have similar scope to SAWPA.

Proposed Agencies to Remove

Agency	Total Expenditures
City of Riverside	\$1.1 Billion
Riverside County	\$67.2 Billion
Irvine Ranch Water District	\$272 million
Eastern Municipal Water District	\$423 million
Inland Empire Utilities Agency	\$247 million

Proposed Agencies to Add

Agency	Location	Number of Employees
Big Bear Regional Wastewater Authority (JPA)	San Bernardino County	~20
Water Facilities Authority (JPA)	San Bernardino County	~12
Encina Wastewater Authority (JPA)	San Diego County	~70
South Orange Coast Wastewater Authority (JPA)	Orange County	~60
San Elijo Joint Powers Authority (JPA)	San Diego County	~20
Sweetwater Authority (JPA)	San Diego County	~130

Resources Impacts

To add the additional 6 agencies will cost \$6,000 or \$1,000 per agency added. Funding is available in the budget.

Recommendation

It is recommended that the Commission approve the removal of 4 labor market survey agencies and the additional of 6 labor market survey agencies from the Classification and Compensation Study being conducted by Ralph Andersen & Associates.

Questions?

Karen Williams
Santa Ana Watershed Project Authority
Office (951) 354-4231
kwilliams@sawpa.gov
sawpa.gov



Santa Ana Watershed Project Authority
Cash Transaction Report
Month of November 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	\$	1,409,718.55
Net Investment Transfers		(142,975.75)
Cash Disbursements		<u>(900,634.48)</u>
Net Change for Month	\$	366,108.32
Balance at Beginning of Month		<u>2,235,835.02</u>
Balance at End of Month per General Ledger	\$	<u>2,601,943.34</u>
Collected Balance per Bank Statement	\$	<u>2,705,837.29</u>

ACCOUNTS PAYABLE RECONCILIATION

Accounts Payable Balance @ 10/31/2024	\$	5,427,275.09
Invoices Received for November 2024		1,357,018.22
Invoices Paid by check/wire during November 2024 (see attached register)		<u>(450,973.37)</u>
Accounts Payable Balance @ 11/30/2024	\$	<u>6,333,319.94</u>

CASH RECEIPTS

Brine Line Operating Revenues	\$ 1,128,804.90
Other Agency Contributions	271,654.00
Other Grant Proceeds - WECAN	5,890.23
Other	<u>3,369.42</u>
Total Receipts and Deposits	\$ 1,409,718.55

INVESTMENT TRANSFERS

Transfer of Funds:	
From (to) US Bank	\$ -
From (to) LAIF	(1,200,000.00)
From (to) Legal Defense Fund	-
From (to) LESJWA	-
From (to) Investments	<u>1,057,024.25</u>
Total Investment Transfers	\$ (142,975.75)

CASH DISBURSEMENTS

By Check or ACH:	
Payroll	\$ -
Operations	<u>450,973.37</u>
Total Checks Drawn	\$ 450,973.37
By Cash Transfer:	
Payroll	\$ 305,143.41
Payroll Taxes	<u>144,517.70</u>
Total Cash Transfers	\$ 449,661.11
Total Cash Disbursements	<u><u>\$ 900,634.48</u></u>

-

Santa Ana Watershed Project Authority
Check Detail
Nov-24

Category	Check #	Check Date	Type	Vendor	Check Amount
Asset	5924	11/7/2024	CHK	Big Tex Trailer World Inc.	\$ 11,725.27
Asset	EFT06416	11/21/2024	CHK	AV Planners	\$ 1,001.98
Asset	EFT06431	11/27/2024	CHK	Gillis & Panichapan Architects	\$ 1,795.00
Asset	EFT06432	11/27/2024	CHK	BGB Design Group	\$ 675.00
Asset Total					\$ 15,197.25
Audit Fees	EFT06396	11/14/2024	CHK	C.J. Brown & Company CPAs	\$ 38.00
Audit Fees Total					\$ 38.00
Auto Expense	5922	11/7/2024	CHK	County of Riverside	\$ 1,029.59
Auto Expense	EFT06423	11/27/2024	CHK	County of Riverside/Transportation	\$ 197.87
Auto Expense Total					\$ 1,227.46
Benefits	5931	11/27/2024	CHK	Mutual Of Omaha	\$ 3,590.35
Benefits	EFT06417	11/27/2024	CHK	ACWA JPIA	\$ 56,193.02
Benefits	EFT06419	11/27/2024	CHK	Aflac	\$ 482.71
Benefits	EFT06422	11/27/2024	CHK	HealthEquity, Inc.	\$ 134.00
Benefits	P047608	11/14/2024	WDL	CalPERS Supplemental Income	\$ 5,627.11
Benefits	P047609	11/14/2024	WDL	MissionSquare	\$ 4,681.03
Benefits	P047610	11/14/2024	WDL	MissionSquare	\$ 466.50
Benefits	P047611	11/14/2024	WDL	Public Employees' Retirement	\$ 24,158.76
Benefits	P047686	11/27/2024	WDL	MissionSquare	\$ 466.50
Benefits	P047687	11/27/2024	WDL	MissionSquare	\$ 4,681.03
Benefits	P047688	11/27/2024	WDL	CalPERS Supplemental Income	\$ 5,627.12
Benefits	P047689	11/27/2024	WDL	Public Employees' Retirement	\$ 23,257.61
Benefits	P047690	11/27/2024	WDL	Public Employees' Retirement	\$ 890.01
Benefits	WDL000006917	11/6/2024	WDL	WageWorks	\$ 17.88
Benefits	WDL000006928	11/13/2024	WDL	WageWorks	\$ 242.00
Benefits	WDL000006938	11/20/2024	WDL	WageWorks	\$ 484.61
Benefits	WDL000006941	11/21/2024	WDL	WageWorks	\$ 508.91
Benefits	WDL000006942	11/22/2024	WDL	WageWorks	\$ 195.00
Benefits	WDL000006944	11/25/2024	WDL	WageWorks	\$ 1,009.96
Benefits	WDL000006952	11/26/2024	WDL	WageWorks	\$ 39.11
Benefits	WDL000006953	11/27/2024	WDL	WageWorks	\$ 1,628.00
Benefits Total					\$ 134,381.22
Building Lease	5932	11/27/2024	CHK	Wilson Property Services, Inc	\$ 2,328.70
Building Lease	5933	11/27/2024	CHK	Wilson Property Services, Inc	\$ 2,618.88
Building Lease	5934	11/27/2024	CHK	Wilson Property Services, Inc	\$ 2,556.00
Building Lease Total					\$ 7,503.58
Cloud Storage	EFT06382	11/7/2024	CHK	VC3, Inc.	\$ 3,024.75
Cloud Storage Total					\$ 3,024.75
Consulting	EFT06382	11/7/2024	CHK	VC3, Inc.	\$ 3,350.46
Consulting	EFT06383	11/7/2024	CHK	Woodard & Curran Inc.	\$ 865.00
Consulting	EFT06385	11/7/2024	CHK	GEI Consultants	\$ 2,250.00
Consulting	EFT06386	11/7/2024	CHK	Water Systems Consulting	\$ 11,046.83
Consulting	EFT06388	11/7/2024	CHK	Nevada System of Higher Education	\$ 10,761.00
Consulting	EFT06395	11/14/2024	CHK	Integrated Systems Solutions	\$ 148.00
Consulting	EFT06397	11/14/2024	CHK	Dudek	\$ 19,982.50
Consulting	EFT06398	11/14/2024	CHK	Woodard & Curran Inc.	\$ 4,410.00
Consulting	EFT06402	11/14/2024	CHK	GEI Consultants	\$ 90,740.75
Consulting	EFT06404	11/14/2024	CHK	Kahn Soares & Conway	\$ 4,080.00
Consulting	EFT06407	11/21/2024	CHK	West Coast Advisors	\$ 9,750.00
Consulting	EFT06409	11/21/2024	CHK	CDM Smith, Inc.	\$ 27,031.42
Consulting	EFT06410	11/21/2024	CHK	Woodard & Curran Inc.	\$ 6,045.00
Consulting	EFT06412	11/21/2024	CHK	Sol Media	\$ 3,720.00
Consulting	EFT06430	11/27/2024	CHK	JPW Communications	\$ 5,931.66
Consulting Total					\$ 200,112.62
Credit Cards	P047726	11/8/2024	WDL	US Bank	\$ 11,218.38
Credit Cards Total					\$ 11,218.38
Director Costs	EFT06390	11/14/2024	CHK	Eastern Municipal Water District	\$ 545.46
Director Costs	EFT06393	11/14/2024	CHK	Western Municipal Water District	\$ 545.59
Director Costs	EFT06399	11/14/2024	CHK	Jasmin Hall	\$ 69.68
Director Costs	EFT06401	11/14/2024	CHK	T. Milford Harrison	\$ 58.96
Director Costs	EFT06426	11/27/2024	CHK	Bruce Whitaker	\$ 80.40
Director Costs Total					\$ 1,300.09
Employee Reimbursement	EFT06378	11/7/2024	CHK	Richard Whetsel	\$ 53.54

Santa Ana Watershed Project Authority
Check Detail
Nov-24

Category	Check #	Check Date	Type	Vendor	Check Amount
Employee Reimbursement	EFT06411	11/21/2024	CHK	Alison L Lewis	\$ 1,382.04
Employee Reimbursement	EFT06414	11/21/2024	CHK	Bonnie Gallagher	\$ 295.00
Employee Reimbursement	EFT06415	11/21/2024	CHK	Natalia Gonzalez	\$ 45.52
Employee Reimbursement	EFT06424	11/27/2024	CHK	Alison L Lewis	\$ 650.00
Employee Reimbursement Total					\$ 2,426.10
Equipment Expensed	5926	11/14/2024	CHK	Big Tex Trailer World Inc.	\$ 8,613.02
Equipment Expensed	EFT06413	11/21/2024	CHK	Total Plan Business Interior	\$ 7,709.28
Equipment Expensed Total					\$ 16,322.30
Equipment Rented	EFT06392	11/14/2024	CHK	Konica Minolta - Rental	\$ 1,335.33
Equipment Rented Total					\$ 1,335.33
Facility Repair & Maintenance	EFT06381	11/7/2024	CHK	TNT Elevator Inc	\$ 300.00
Facility Repair & Maintenance	EFT06384	11/7/2024	CHK	Riverside Cleaning Systems	\$ 1,700.00
Facility Repair & Maintenance	EFT06435	11/27/2024	CHK	Pacific Shore Pest Control	\$ 135.00
Facility Repair & Maintenance Total					\$ 2,135.00
HVAC	EFT06389	11/7/2024	CHK	Magnolia Heating and Cooling	\$ 2,929.00
HVAC Total					\$ 2,929.00
Insurance Expense	EFT06400	11/14/2024	CHK	Zenith Insurance Company	\$ 4,440.00
Insurance Expense Total					\$ 4,440.00
Lab Costs	EFT06380	11/7/2024	CHK	E. S. Babcock & Sons, Inc.	\$ 2,002.45
Lab Costs	EFT06394	11/14/2024	CHK	E. S. Babcock & Sons, Inc.	\$ 1,217.00
Lab Costs	EFT06408	11/21/2024	CHK	E. S. Babcock & Sons, Inc.	\$ 2,029.00
Lab Costs	EFT06421	11/27/2024	CHK	E. S. Babcock & Sons, Inc.	\$ 1,999.00
Lab Costs Total					\$ 7,247.45
Landscaping Maintenance	EFT06425	11/27/2024	CHK	Sims Tree Health Specialists	\$ 935.00
Landscaping Maintenance Total					\$ 935.00
Legal Expense	EFT06403	11/14/2024	CHK	Lagerlof, LLP	\$ 11,108.50
Legal Expense Total					\$ 11,108.50
Office Expense	EFT06418	11/27/2024	CHK	Aramark Refreshment Services	\$ 56.43
Office Expense	EFT06420	11/27/2024	CHK	Staples Business Credit	\$ 754.38
Office Expense Total					\$ 810.81
Other Training & Education	EFT06434	11/27/2024	CHK	Nate Sassaman Enterprises	\$ 7,841.00
Other Training & Education Total					\$ 7,841.00
Payroll	WDL000006893	11/1/2024	WDL	Direct Deposit 11/1/2024	\$ 99,280.61
Payroll	WDL000006898	11/1/2024	WDL	PR Tax - Federal	\$ 37,485.11
Payroll	WDL000006899	11/1/2024	WDL	PR Tax - State	\$ 9,885.05
Payroll	WDL000006900	11/1/2024	WDL	PR Tax - State AZ	\$ 109.57
Payroll	WDL000006918	11/15/2024	WDL	Direct Deposit 11/15/2024	\$ 104,630.47
Payroll	WDL000006925	11/15/2024	WDL	PR Tax - Federal	\$ 39,328.62
Payroll	WDL000006926	11/15/2024	WDL	PR Tax - State	\$ 10,313.04
Payroll	WDL000006927	11/15/2024	WDL	PR Tax - State AZ	\$ 109.57
Payroll	WDL000006939	11/29/2024	WDL	Direct Deposit 11/29/2024	\$ 101,232.33
Payroll	WDL000006947	11/29/2024	WDL	PR Tax - Federal	\$ 37,176.28
Payroll	WDL000006948	11/29/2024	WDL	PR Tax - State	\$ 10,000.89
Payroll	WDL000006949	11/29/2024	WDL	PR Tax - State AZ	\$ 109.57
Payroll Total					\$ 449,661.11
Safety	5921	11/7/2024	CHK	Cintas	\$ 11.36
Safety	EFT06379	11/7/2024	CHK	Underground Service Alert	\$ 283.10
Safety Total					\$ 294.46
Security	5923	11/7/2024	CHK	City of Riverside	\$ 16.00
Security	EFT06405	11/14/2024	CHK	Lady Mehan Security	\$ 576.00
Security Total					\$ 592.00
Shipping/Postage	EFT06391	11/14/2024	CHK	General Logistics Systems US	\$ 14.08
Shipping/Postage	EFT06406	11/21/2024	CHK	General Logistics Systems US	\$ 34.12
Shipping/Postage Total					\$ 48.20
Software	EFT06382	11/7/2024	CHK	VC3, Inc.	\$ 1,197.85
Software	EFT06433	11/27/2024	CHK	PlanetBids, LLC	\$ 8,221.98
Software Total					\$ 9,419.83

Santa Ana Watershed Project Authority
Check Detail
Nov-24

Category	Check #	Check Date	Type	Vendor	Check Amount
Subscriptions	EFT06387	11/7/2024	CHK	Verizon Connect	\$ 104.70
Subscriptions Total					\$ 104.70
Utilities	5919	11/7/2024	CHK	Riverside Public Utilities	\$ 191.71
Utilities	5920	11/7/2024	CHK	Burrtec Waste Industries, Inc	\$ 217.35
Utilities	5925	11/14/2024	CHK	Riverside Public Utilities	\$ 2,883.30
Utilities	5927	11/21/2024	CHK	AT&T	\$ 973.76
Utilities	5928	11/27/2024	CHK	AT&T	\$ 1,326.01
Utilities	5929	11/27/2024	CHK	AT&T	\$ 1,013.46
Utilities	5930	11/27/2024	CHK	AT&T	\$ 925.64
Utilities	EFT06427	11/27/2024	CHK	Verizon Wireless Services LLC	\$ 1,012.31
Utilities	EFT06428	11/27/2024	CHK	Verizon Wireless Services LLC	\$ 316.44
Utilities	EFT06429	11/27/2024	CHK	Verizon Wireless Services LLC	\$ 120.36
Utilities Total					\$ 8,980.34
Grand Total					\$ 900,634.48
		Accounts Payable			
	Checks	\$ 365,773.85			
	Wire Transfers	\$ 85,199.52			
		\$ 450,973.37			
	Other	\$ -			
	Payroll	\$ 449,661.11			
Total Disbursements for November 2024		\$ 900,634.48			

Santa Ana Watershed Project Authority
Consulting
Nov-24

Check #	Check Date	Task #	Task Description	Vendor Name	Total Contract	Check Amount	Remaining Contract Amount	Notes/Comments
EFT06409	11/21/2024	CDM377-02	PFAS Regional Analysis for Upper Santa Ana River Watershed - Phase 2	CDM Smith, Inc.	\$ 465,917.00	\$ 27,031.42	\$ 150,184.23	
EFT06397	11/14/2024	DUDK240-10	Brine Line Sewer System Management Plan Audit	Dudek	\$ 28,220.00	\$ 10,041.25	\$ 2,588.75	
EFT06397	11/14/2024	DUDK240-07	Inland Empire Brine Line Master Plan	Dudek	\$ 399,980.00	\$ 9,941.25	\$ 6,207.23	
EFT06385	11/7/2024	GEI384-02	MSAR TMDL - Limited Basin Plan Amendment Revisions	GEI Consultants	\$ 153,530.00	\$ 2,250.00	\$ 86,658.75	
EFT06402	11/14/2024	GEI386-02	Santa Ana River Regional Bacteria Monitoring Program	GEI Consultants	\$ 1,191,054.00	\$ 90,740.75	\$ 954,872.77	
EFT06395	11/14/2024	INSOL100-25	GP Support Extension Handover to Endeavour	Integrated Systems Solutions	\$ 2,000.00	\$ 148.00	\$ 1,852.00	
EFT06430	11/27/2024	JPW392-02	Emerging Constituents Program Public Relations Consultant Support	JPW Communications	\$ 114,954.00	\$ 5,931.66	\$ 28,931.55	
EFT06404	11/14/2024	EFT06404	MSAR Pathogen TMDL TF Regulatory Support	Kahn, Soares, & Conway	\$ 148,500.00	\$ 2,400.00	\$ 129,180.00	
EFT06404	11/14/2024	EFT06404	Basin Monitoring Program TF Regulatory Support	Kahn, Soares, & Conway	\$ 133,000.00	\$ 1,680.00	\$ 67,289.59	
EFT06388	11/7/2024	DRI378-01	Weather Modification Pilot Validation	Board of Regents of the Nevada System of Higher Education	\$ 155,000.00	\$ 10,761.00	\$ 108,954.39	
EFT06412	11/21/2024	SOL100-18	Web Related Change Requests	Sol Media	\$ 20,400.00	\$ 3,720.00	\$ 12,870.00	
EFT06382	11/7/2024	ACS100-26	IT Services	VC3, Inc.	\$ 288,000.00	\$ 3,350.46	\$ 119,598.60	
EFT06386	11/7/2024	WSC373-03	FYE 2025 Roundtable of Regions Network Coordinator	Water Systems Consulting	\$ 72,900.00	\$ 11,046.83	\$ 57,155.97	
EFT06383	EFT06407	WCA100-03-06	State Legislative Consulting Services	West Coast Advisors	\$ 117,000.00	\$ 9,750.00	\$ -	
EFT06383	11/7/2024	W&C320-01	Reach IV and IV-B DIP Condition Assessment	Woodard & Curran	\$ 457,469.00	\$ 865.00	\$ 102,679.90	
EFT06398	11/14/2024	RMC504-401-11	SARCCUP Program Mgmt Services	Woodard & Curran	\$ 136,098.00	\$ 4,410.00	\$ 94,671.00	
EFT06410	11/21/2024	W&C327-03	IEBL Reach IV-D Rehabilitation Work Plan Mid-Term Recommendations	Woodard & Curran	\$ 247,174.00	\$ 6,045.00	\$ 34,396.77	
					\$ 200,112.62			

COMMISSION MEMORANDUM NO. 2025.6

DATE: January 21, 2025
TO: SAWPA Commission
SUBJECT: Inter-Fund Borrowing – November 2024
PREPARED BY: Karen Williams, DGM/CFO

RECOMMENDATION

Receive and file.

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 November 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	10/31/ 2024 Balance	Loan Receipts	New Charges	11/30/ 2024 Balance
135	Proposition 84 Admin R2	\$57,088.11	(\$0.00)	\$0.00	\$57,088.11
145	Proposition 84 Admin R4	695,613.06	(0.00)	51,421.20	747,034.26
150	Proposition 1 R1 – Admin	178,440.93	(0.00)	15,858.12	194,299.05
155	Proposition 1 R2 - Admin	112,479.32	(0.00)	9,042.24	121,521.56
376	ICARP	7,440.45	(0.00)	2,541.63	9,982.08
398	DCI 2021 Drought Relief	21,466.04	(0.00)	641.16	22,107.20
477	LESJWA Administration	19,501.45	(0.00)	15,132.82	34,634.27
	Total Funds Borrowed	\$1,092,029.36	(\$0.00)	\$94,637.17	\$1,186,666.53
	General Fund Reserves Balance		\$3,066,522.60		
	Less Amount Borrowed		<u>1,186,666.53</u>		
	Balance of General Fund Reserves		\$1,879,856.07		

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

Fund No.	Source of Funding	Billing Frequency	Projected Payment Time
135, 145,150, 155 – Proposition 1 & 84 Admin	DWR – Proposition 1 & 84 Grant	Monthly/Quarterly	Up to 4 months
376 – ICARP	Governor’s Office of Land Use and Climate Innovation Grant	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 – Proposition 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 376

This fund is for the administration of the Integrated Climate Adaptation and Resilience Program. These funds will be billed on a quarterly basis.

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.

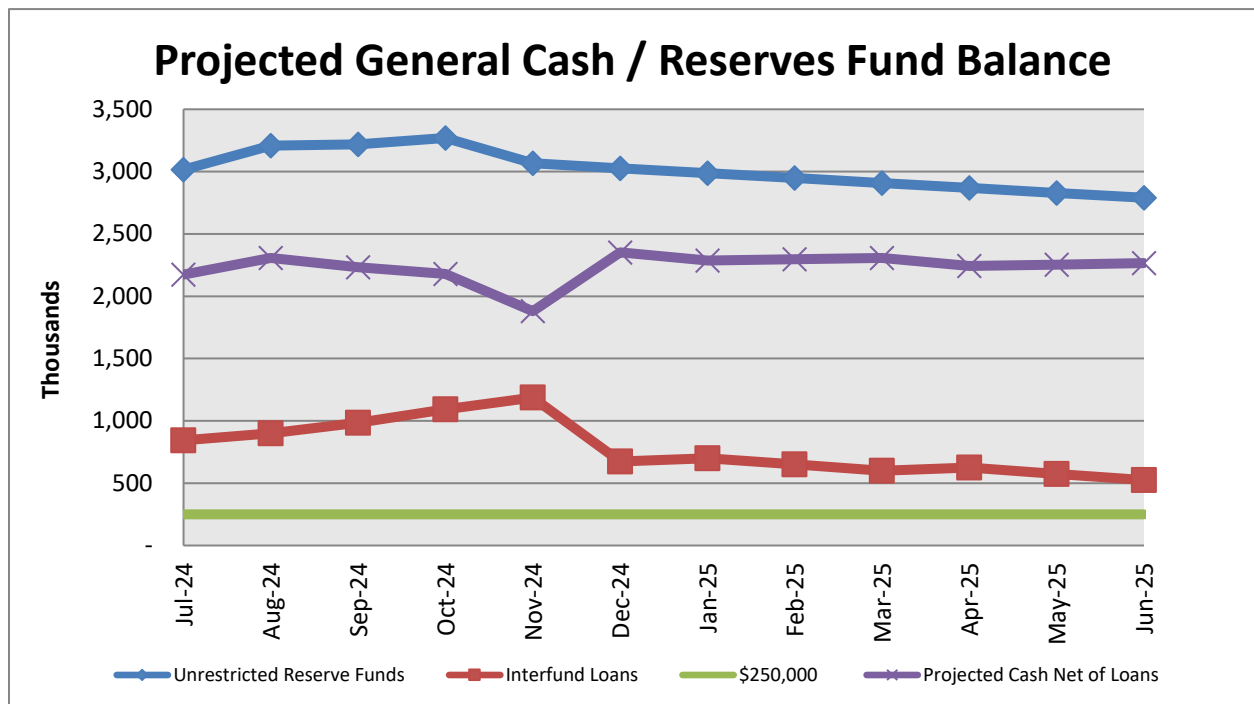
Fund 504

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 11/30/2024	Remaining Grant Budget
145	Proposition 84 Admin R4	\$3,213,384	(\$2,590,366)	\$623,018
150	Proposition 1 R1 Admin	1,157,000	(793,431)	363,569
155	Proposition 1 R2 Admin	1,352,928	(112,478)	1,240,450
376	ICARP Grant	644,190	(7,440)	636,750
378	Prop 1 – R2 Cloud Seeding	861,400	(79,463)	781,937
397	WECAN – City of Riverside	592,417	(195,977)	396,440
398	DCI 2021 Drought Grant	5,000,000	(135,766)	4,864,234
504	Prop 84 – 2015 Round (SARCCUP)	1,543,810	(978,591)	565,219
505	Prop 1 – Round 1 Capital Projects	500,000	(427,390)	72,610
Totals		\$14,865,129	(\$5,320,902)	\$9,544,227

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 2025. The projected loan balance is expected to remain over the \$250,000 aggregate limit through June 2025 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

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 30th 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. 2025.7

DATE: January 21, 2025
TO: SAWPA Commission
SUBJECT: Performance Indicators and Financial Reporting – November 2024
PREPARED BY: Karen Williams, DGM/CFO

RECOMMENDATION

Receive and file.

DISCUSSION

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

Financial Reporting

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

Cash and Investments

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

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

Performance Indicators

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

RESOURCE IMPACTS

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

Attachments:

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

Santa Ana Watershed Project Authority
Balance Sheet by Fund Type
For the Four Months Ending Thursday, October 31, 2024

	General Fund	Brine Line Enterprise	Capital Projects	OWOW Projects	Roundtable Projects	Fund Totals
Assets						
Current Assets						
Cash and Investments	\$4,055,715.66	\$65,431,542.58	(\$40,442.19)	\$1,402,843.51	\$3,139,850.06	\$73,989,509.62
Accounts Receivable	288.15	2,486,871.84	0.00	5,317,237.56	530,254.45	8,334,652.00
Prepays and Deposits	37,646.87	118,105.61	0.00	0.00	0.00	155,752.48
Total Current Assets	4,093,650.68	68,036,520.03	(40,442.19)	6,720,081.07	3,670,104.51	82,479,914.10
Fixed Assets						
Property, Plant & Equipment						
less accum depreciation	1,399,079.61	67,033,154.27	0.00	0.00	0.00	68,432,233.88
Work In Process	0.00	2,663,257.17	701,366.90	0.00	0.00	3,364,624.07
Total fixed assets	1,399,079.61	69,696,411.44	701,366.90	0.00	0.00	71,796,857.95
Other Assets						
Wastewater treatment/disposal rights, net of amortization	0.00	19,297,227.86	0.00	0.00	0.00	19,297,227.86
Inventory - Mitigation Credits	0.00	0.00	0.00	0.00	1,910,560.00	1,910,560.00
Leased Assets, net of amortization	20,763.25	151,883.84	0.00	0.00	0.00	172,647.09
Total Other Assets	20,763.25	19,449,111.70	0.00	0.00	1,910,560.00	21,380,434.95
Total Assets	\$5,513,493.54	\$157,182,043.17	\$660,924.71	\$6,720,081.07	\$5,580,664.51	\$175,657,207.00
Liabilities and Fund Equity						
Current Liabilities						
Accounts Payable/Accrued Expenses	\$3,755,453.97	\$1,014,196.19	\$6,910.00	\$4,498,372.91	\$167,671.90	\$9,442,604.97
Accrued Interest Payable	0.00	169,527.34	0.00	0.00	0.00	169,527.34
Customer Deposits	0.00	666.53	0.00	0.00	0.00	666.53
Noncurrent Liabilities						
Long-term Debt	0.00	21,009,918.90	0.00	0.00	0.00	21,009,918.90
Lease Liability	20,881.27	154,009.80	0.00	0.00	0.00	174,891.07
Deferred Revenue	0.00	55,159,506.26	0.00	0.00	0.00	55,159,506.26
Total Liabilities	3,776,335.24	77,507,825.02	6,910.00	4,498,372.91	167,671.90	85,957,115.07
Fund Equity						
Contributed Capital	0.00	20,920,507.03	0.00	0.00	0.00	20,920,507.03
Retained Earnings	3,039,412.76	54,729,095.20	3,193,915.75	1,697,281.90	4,521,033.11	67,180,738.72
Revenue Over/Under Expenditures	(1,302,254.46)	4,024,615.92	(2,539,901.04)	524,426.26	891,959.50	1,598,846.18
Total Fund Equity	1,737,158.30	79,674,218.15	654,014.71	2,221,708.16	5,412,992.61	89,700,091.93
Total Liabilities & Fund Equity	\$5,513,493.54	\$157,182,043.17	\$660,924.71	\$6,720,081.07	\$5,580,664.51	\$175,657,207.00

Santa Ana Watershed Project Authority
Revenue & Expenses by Fund Type
For the Four Months Ending Thursday, October 31, 2024

	General Fund	Brine Line Enterprise	Capital Projects	OWOW Projects	Roundtable Projects	Fund Totals
Operating Revenue						
Discharge Fees	\$0.00	\$4,522,959.17	\$0.00	\$0.00	\$0.00	\$4,522,959.17
Grant Proceeds	1,040.00	0.00	0.00	(3,879,750.19)	0.00	(3,878,710.19)
Financing Proceeds	0.00	0.00	0.00	0.00	75,055.37	75,055.37
Total Operating Revenue	<u>1,040.00</u>	<u>4,522,959.17</u>	<u>0.00</u>	<u>(3,879,750.19)</u>	<u>75,055.37</u>	<u>719,304.35</u>
Operating Expenses						
Labor	748,789.49	503,256.81	323.40	218,105.74	61,694.86	1,532,170.30
Benefits	191,552.19	183,185.47	117.72	79,390.50	22,456.97	476,702.85
Indirect Costs	0.00	823,328.15	529.08	356,820.98	100,932.76	1,281,610.97
Education & Training	29,479.00	0.00	0.00	0.00	0.00	29,479.00
Consulting & Professional Services	107,408.21	98,051.69	865.00	252,091.87	238,759.91	697,176.68
Operating Costs	4,259.80	990,684.72	0.00	0.00	156.44	995,100.96
Repair & Maintenance	26,635.12	2,070.17	0.00	0.00	576.00	29,281.29
Phone & Utilities	31,493.97	2,958.89	0.00	0.00	0.00	34,452.86
Equipment & Computers	118,508.67	33,890.76	0.00	0.00	0.00	152,399.43
Meeting & Travel	21,749.47	1,125.94	0.00	1,176.65	151.02	24,203.08
Other Administrative Costs	90,097.53	45,478.47	0.00	19,200.00	10,349.79	165,125.79
Indirect Costs Applied	(1,278,559.16)	0.00	0.00	0.00	0.00	(1,278,559.16)
Other Expenses	24,943.96	82,351.76	0.00	0.00	0.00	107,295.72
Construction	0.00	0.00	0.00	(3,708,184.39)	0.00	(3,708,184.39)
Total Operating Expenses	<u>116,358.25</u>	<u>2,766,382.83</u>	<u>1,835.20</u>	<u>(2,781,398.65)</u>	<u>435,077.75</u>	<u>538,255.38</u>
Operating Income (Loss)	(115,318.25)	1,756,576.34	(1,835.20)	(1,098,351.54)	(360,022.38)	181,048.97
Nonoperating Income (Expense)						
Member Contributions	712,910.00	0.00	0.00	1,528,500.00	20,000.00	2,261,410.00
Other Agency Contributions	0.00	0.00	0.00	78,900.00	1,200,363.99	1,279,263.99
Interest Income	39,886.76	897,906.91	0.00	15,377.80	25,166.20	978,337.67
Other Income	309.22	199.90	0.00	0.00	0.00	509.12
Retiree Medical Benefits	(24,787.45)	0.00	0.00	0.00	0.00	(24,787.45)
Total Nonoperating Income (Expense)	<u>728,318.53</u>	<u>898,106.81</u>	<u>0.00</u>	<u>1,622,777.80</u>	<u>1,245,530.19</u>	<u>4,494,733.33</u>
Excess Rev over (under) Exp	<u>\$613,000.28</u>	<u>\$2,654,683.15</u>	<u>(\$1,835.20)</u>	<u>\$524,426.26</u>	<u>\$885,507.81</u>	<u>\$4,675,782.30</u>

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

Customer Name	Project	Total	0-30 Days	31-60 Days	61 and Over
Beaumont, City of	Brine Line	4,799.76	2,399.88	2,399.88	
Chino Basin Desalter Authority	Brine Line	196,686.17		196,686.17	
Corona, City of	Basin Monitoring	28,484.21			28,484.21
Department of Water Resources	Prop 84, Prop 1	5,304,679.03			5,304,679.03
Eastern Municipal Water District	Brine Line	499,767.38	17,793.75	243,735.84	238,237.79
Inland Empire Utilities Agency	Brine Line	118,918.80		118,918.80	
Lake Elsinore & San Jacinto Watersheds Authority	LESJWA Admin	21,025.03		21,025.03	
County of Orange	RWQ Monitoring	27,672.00			27,672.00
Rialto, City of	Basin Monitoring	28,484.21			28,484.21
Riverside, City of	WECAN	4,068.30			4,068.30
Riverside, City of Wastewater Treatment	MSAR TMDL	12,605.00			12,605.00
Riverside County Flood Control	MSAR TMDL, RWQ Monitoring	127,725.00			127,725.00
SB Industrial Vacuum Services	Brine Line	250.00			250.00
San Bernardino Valley Municipal Water District	Brine Line	146,332.05		146,332.05	
San Diego, City of	Roundtable of Regions	2,600.00			2,600.00
Triumvirate Environmental	Brine Line	250.00			250.00
University of California, Riverside	MSAR TMDL	12,605.00			12,605.00
Western Municipal Water District	Brine Line	440,346.92		440,346.92	
Total Accounts Receivable		6,977,298.86	17,793.75	1,167,044.81	5,787,660.54

Santa Ana Watershed Project Authority
Open Task Orders
Nov-24
(Reflects Invoices Received as of 12/16/2024)

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	\$ 168,401.40	\$ 119,598.60	Dean Unger
ENSO100-01	100-00	Endeavour Solutions, Inc.	GP Study and Support FY 2024-2025	07/01/2024	06/30/2025	\$ 18,385.00	\$ -	\$ 18,385.00	\$ 7,332.50	\$ 11,052.50	Dean Unger
FEBR100-01	100-00	C.J. Brown & Company	Professional Audit Services	04/19/2022	06/30/2025	\$ 78,980.00	\$ -	\$ 78,980.00	\$ 59,292.00	\$ 19,688.00	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	\$ 55,760.00	\$ 18,840.00	David Ruhl
KON100-12	100-00	Konica Minolta - Rental	New Copiers 2024-2028	09/01/2024	09/01/2028	\$ 66,228.96	\$ -	\$ 66,228.96	\$ 5,173.99	\$ 61,054.97	Dean Unger
LSGK100-13	100-00	Lagerlof, LLP	Legal Services	07/01/2024	06/30/2025	\$ 94,720.00	\$ -	\$ 94,720.00	\$ 30,112.50	\$ 64,607.50	Jeff Mosher
NSL100-04	100-00	Nate Sassaman Leadership	SAWPA Executive Coaching	07/01/2024	12/31/2024	\$ 2,000.00	\$ -	\$ 2,000.00	\$ 1,312.00	\$ 688.00	Shavonne Turner
SOL100-18	100-00	Sol Media	Website Related Changes	07/01/2024	06/30/2025	\$ 20,400.00	\$ -	\$ 20,400.00	\$ 7,530.00	\$ 12,870.00	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
WCA100-03-06	100-03	West Coast Advisors	State Legislative Consulting Services	01/01/2024	12/31/2024	\$ 117,000.00	\$ -	\$ 117,000.00	\$ 117,000.00	\$ -	Jeff Mosher
WO2025-20	240	E S Babcock	Wastewater Sample Collection and Analysis	07/01/2024	06/30/2025	\$ 88,295.50	\$ -	\$ 88,295.50	\$ 33,685.13	\$ 54,610.37	David Ruhl
WO2025-21	240	E S Babcock	Special Events Sample Collection and Analysis	07/01/2024	06/30/2025	\$ 20,000.00	\$ -	\$ 20,000.00	\$ -	\$ 20,000.00	David Ruhl
DUDK240-07	240	Dudek	Inland Empire Brine Line Master Plan	11/01/2022	01/31/2025	\$ 399,980.00	\$ -	\$ 399,980.00	\$ 393,772.77	\$ 6,207.23	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	\$ 25,631.25	\$ 2,588.75	Daniel Vasquez
DUDK240-11	240	Dudek	Hydraulic Modeling Assistance FY 2024-2025	07/01/2024	06/30/2025	\$ 25,000.00	\$ -	\$ 25,000.00	\$ 1,207.50	\$ 23,792.50	David Ruhl
DUDK240-12	240	Dudek	Inland Empire Brine Line Engineering Services FY 2024-25	07/01/2024	06/30/2025	\$ 15,000.00	\$ -	\$ 15,000.00	\$ 5,270.00	\$ 9,730.00	David Ruhl
GIS240-01	240	GIS Surveying	On-Call Surveying Services	07/01/2023	06/30/2025	\$ 22,402.50	\$ -	\$ 22,402.50	\$ -	\$ 22,402.50	Daniel Vasquez
INN240-06	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	\$ 8,972.66	\$ 93,557.34	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	\$ 1,250.00	\$ 18,700.00	Daniel Vasquez
TRU240-27	240	Trussell Technologies, Inc	Brine Line Billing Formula Update Study	10/15/2024	08/31/2025	\$ 154,390.00	\$ -	\$ 154,390.00	\$ 8,135.00	\$ 146,255.00	Lucas Gilbert
W&C320-01	320-03	Woodard & Curran	Reach IV and IV-B DIP Condition Assessment	02/09/2023	06/30/2025	\$ 392,356.00	\$ 65,113.00	\$ 457,469.00	\$ 354,789.10	\$ 102,679.90	Daniel Vasquez
W&C327-03	327	Woodard & Curran	IEBL Reach IV-D Rehabilitation Work Plan Mid-Term Recommendations	09/05/2023	01/31/2025	\$ 247,174.00	\$ -	\$ 247,174.00	\$ 212,777.23	\$ 34,396.77	Daniel Vasquez
WSC373-03	373	Water Systems Consulting	FYE 2025 Roundtable of Regions Network Coordinator	08/22/2024	06/30/2025	\$ 72,900.00	\$ -	\$ 72,900.00	\$ 15,744.03	\$ 57,155.97	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	\$ 34,256.89	\$ 59,454.11	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	\$ 65,710.41	\$ 67,289.59	Rachel Gray

Santa Ana Watershed Project Authority
Open Task Orders
Nov-24
(Reflects Invoices Received as of 12/16/2024)

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
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	\$ 274,482.70	\$ 65,477.30	Rachel Gray
CDM377-02	377	CDM Smith, Inc.	PFAS Regional Analysis for Upper Santa Ana River Watershed - Phase 2	11/21/2023	06/30/2025	\$ 465,917.00	\$ -	\$ 465,917.00	\$ 315,732.77	\$ 150,184.23	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	\$ 46,045.61	\$ 108,954.39	Rachel Gray
NAWC370-03	378	North American Weather Consultants	SAR Weather Modification Pilot Operations	07/01/2022	04/15/2027	\$ 1,061,912.00	\$ 35,160.00	\$ 1,097,072.00	\$ 356,678.90	\$ 740,393.10	David Ruhl
GEI384-02	384-01	GEI Consultants	MSAR TMDL - Limited Basin Plan Amendment Revisions	07/01/2022	06/30/2025	\$ 67,000.00	\$ 86,530.00	\$ 153,530.00	\$ 66,871.25	\$ 86,658.75	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	\$ 19,320.00	\$ 129,180.00	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	\$ 236,181.23	\$ 954,872.77	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	\$ 91,186.38	\$ 56,590.69	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	\$ 86,022.45	\$ 28,931.55	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	\$ 6,160.00	\$ 41,840.00	Rachel Gray
ECOT397-04	397	EcoTech Services	WECAN Riverside Eastside Climate Collaborative Landscaping	07/19/2022	12/31/2025	\$ 567,150.00	\$ -	\$ 567,150.00	\$ 122,862.28	\$ 444,287.72	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	\$ 623,997.82	\$ 9,988.18	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	\$ 41,427.00	\$ 94,671.00	Ian Achimore

\$ 4,263,865.18

LIST OF SAWPA FUNDS

Fund No.	Fund Description	Fund Group
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
376	Integrated Climate Adaptation & Resilience Program	OWOW
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

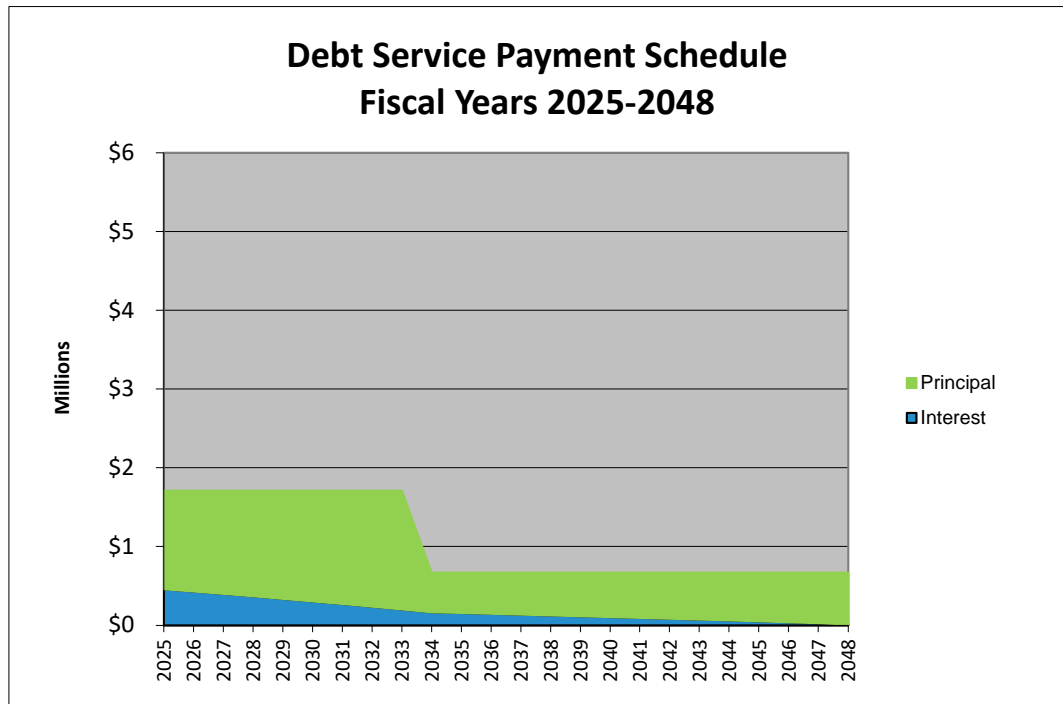
Santa Ana Watershed Project Authority
 Brine Line Debt Service Funding Analysis
 November 30, 2024

FYE	Rates	Loan Pymts	Interest Earned *	Excess Cash	Ending Cash Balance
Beginning Balance					3,011,686
2025	1,709,476	(1,709,476)	90,351	90,351	3,102,037
2026	1,709,476	(1,709,476)	93,061	93,061	3,195,098
2027	1,709,476	(1,709,476)	95,853	95,853	3,290,951
2028	1,709,476	(1,709,476)	98,729	98,729	3,389,679
2029	1,709,476	(1,709,476)	101,690	101,690	3,491,369
2030	1,709,476	(1,709,476)	104,741	104,741	3,596,111
2031	1,709,476	(1,709,476)	107,883	107,883	3,703,994
2032	1,709,476	(1,709,476)	111,120	111,120	3,815,114
2033	1,709,476	(1,709,476)	114,453	114,453	3,929,567
2034	665,203	(665,203)	117,887	117,887	4,047,454
2035	665,203	(665,203)	121,424	121,424	4,168,879
2036	665,203	(665,203)	125,066	125,066	4,293,944
2037	665,203	(665,203)	128,818	128,818	4,422,763
2038	665,203	(665,203)	132,683	132,683	4,555,445
2039	665,203	(665,203)	136,663	136,663	4,692,109
2040	665,203	(665,203)	140,763	140,763	4,832,872
2041	665,203	(665,203)	144,986	144,986	4,977,858
2042	665,203	(665,203)	149,336	149,336	5,127,194
2043	665,203	(665,203)	153,816	153,816	5,281,010
2044	665,203	(665,203)	158,430	158,430	5,439,440
2045	665,203	(665,203)	163,183	163,183	5,602,623
2046	665,203	(665,203)	168,079	168,079	5,770,702
2047	665,203	(665,203)	173,121	173,121	5,943,823
2048	665,203	(665,203)	178,315	178,315	6,122,138
	25,363,319	(25,363,319)	3,110,452	3,110,452	-

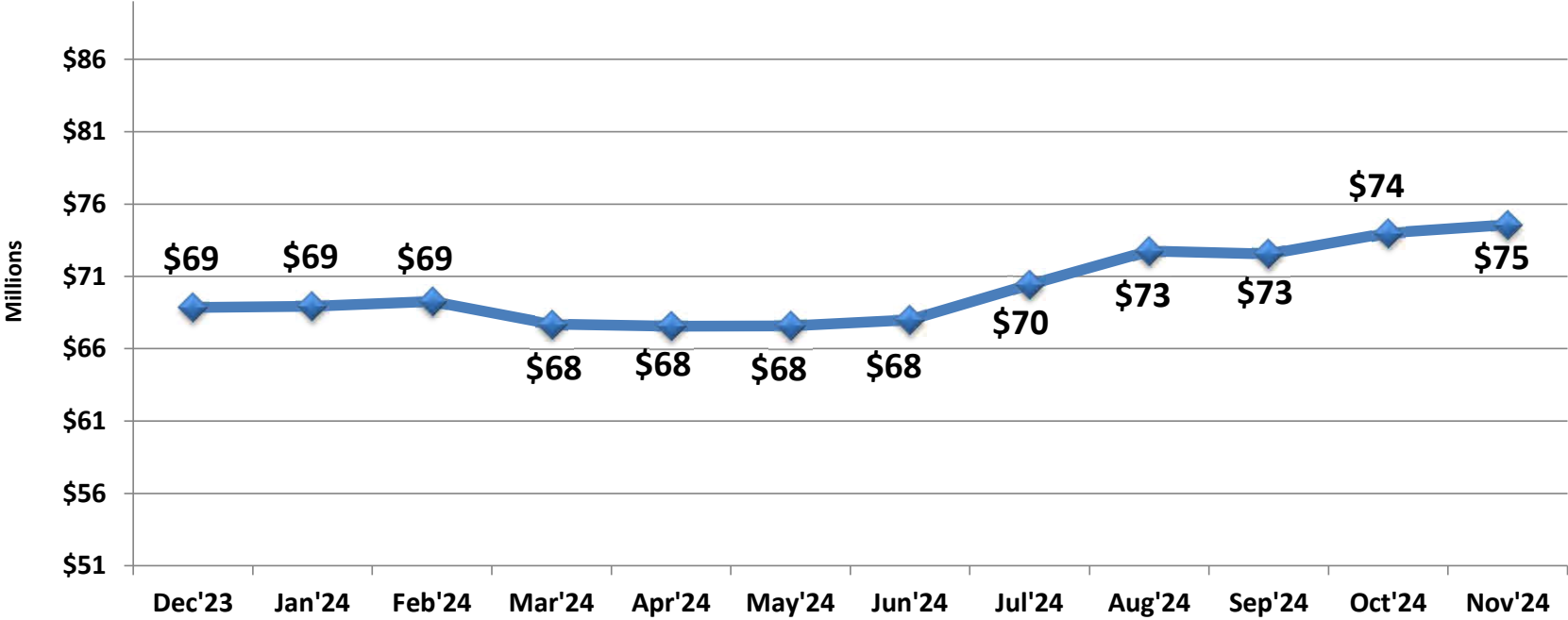
*Interest earned is based on a conservative 3.00% average return over the period

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

FYE	Interest	Principal	Total Payment	Remaining Principal
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





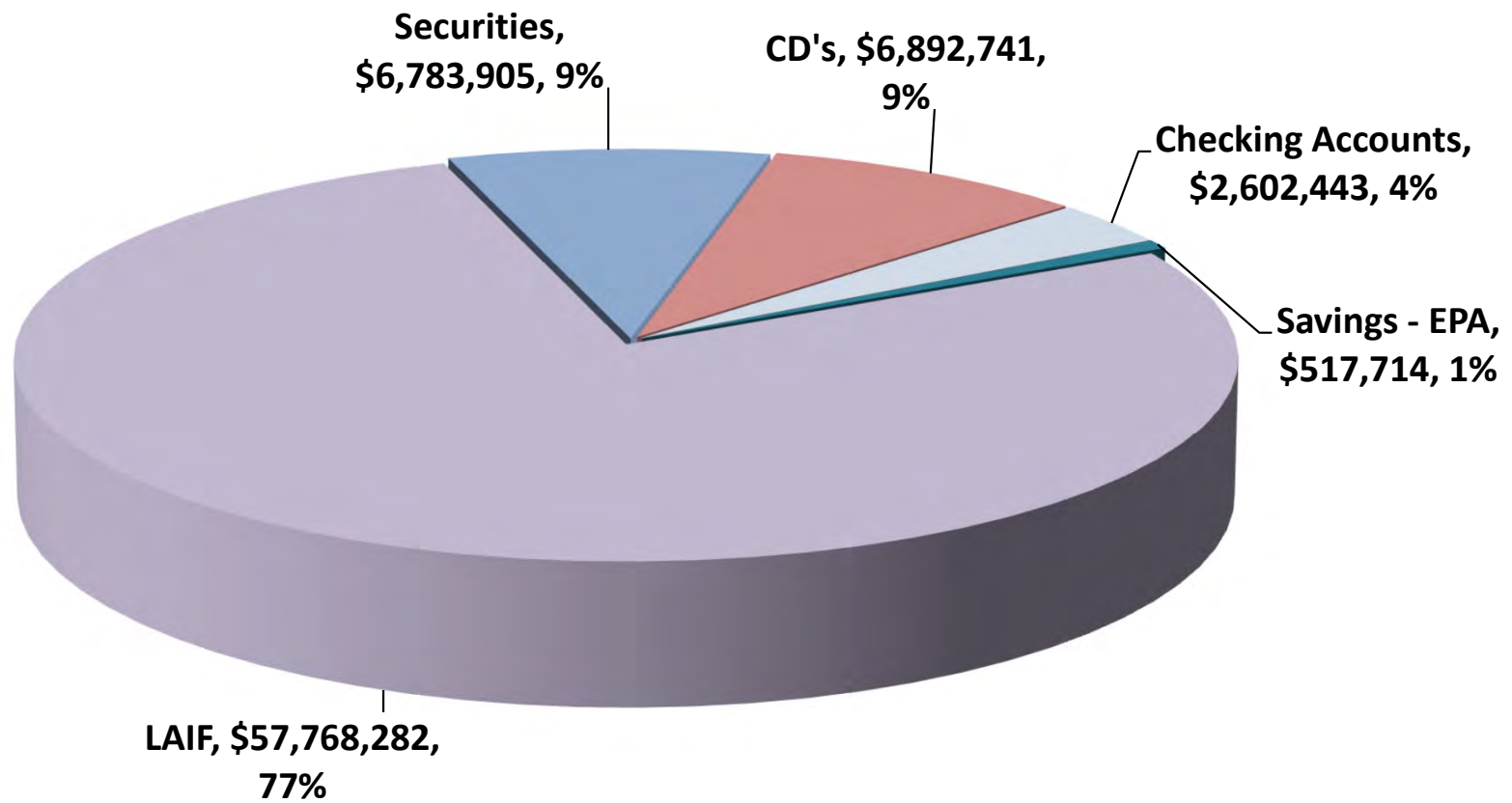
CASH BALANCE & SOURCE OF FUNDS

November 30, 2024

Fund Accounts		Cash and Investments						
		Total	Checking (Cash)	LAIF Account	Savings EPA	Investment Securities	Certificates of Deposit	Total
100	General Fund	\$ 1,879,856	1,879,856	-	-	-	-	\$ 1,879,856
100	Building Reserve	\$ 786,011	-	786,011	-	-	-	\$ 786,011
370	Basin Planning General	\$ 250,222	-	250,222	-	-	-	\$ 250,222
370	USBR Partnership Studies	\$ 68,187	-	68,187	-	-	-	\$ 68,187
373	Watershed Management Plan	\$ 441,419	-	441,419	-	-	-	\$ 441,419
240	Brine Line Debt Retirement	\$ 3,043,856	-	3,043,856	-	-	-	\$ 3,043,856
240	Brine Line - Pipeline Replacement & Capital Improvement	\$ 37,229,698	-	23,553,052	-	6,783,905	6,892,741	\$ 37,229,698
240	Brine Line - OC San Pipeline Rehabilitation	\$ 3,068,481	-	3,068,481	-	-	-	\$ 3,068,481
240	Brine Line - Pipeline Capacity Management	\$ 12,944,921	-	12,944,921	-	-	-	\$ 12,944,921
240	Brine Line - OC San Future Treatment & Disposal Capacity	\$ 1,981,909	-	1,981,909	-	-	-	\$ 1,981,909
240	Brine Line - Operating Reserve	\$ 2,312,437	-	2,312,437	-	-	-	\$ 2,312,437
240	Brine Line - Operating Cash	\$ 5,631,833	722,587	4,909,246	-	-	-	\$ 5,631,833
401	Legal Defense Fund	\$ 517,714	-	-	517,714	-	-	\$ 517,714
374	Basin Monitoring Program TF	\$ 1,100,177	-	1,100,177	-	-	-	\$ 1,100,177
377	PFAS Study	\$ 800,235	-	800,235	-	-	-	\$ 800,235
378	Cloud Seeding	\$ 79,031	-	79,031	-	-	-	\$ 79,031
381	SAR Fish Conservation	\$ 102,999	-	102,999	-	-	-	\$ 102,999
384	Middle SAR TMDL TF	\$ 423,252	-	423,252	-	-	-	\$ 423,252
386	RWQ Monitoring TF	\$ 184,230	-	184,230	-	-	-	\$ 184,230
387	Mitigation Bank Credits	\$ 748,372	-	748,372	-	-	-	\$ 748,372
392	Emerging Constituents TF	\$ 247,283	-	247,283	-	-	-	\$ 247,283
397	WECAN - City of Riverside	\$ 11,054	-	11,054	-	-	-	\$ 11,054
504	Prop 84 - SARCCUP Projects	\$ 656,040	-	656,040	-	-	-	\$ 656,040
505	Prop 1 - Capital Projects	\$ 55,868	-	55,868	-	-	-	\$ 55,868
		\$ 74,565,086	\$ 2,602,443	\$ 57,768,281	\$ 517,714	\$ 6,783,905	\$ 6,892,741	\$ 74,565,086

Cash & Investments - November 2024

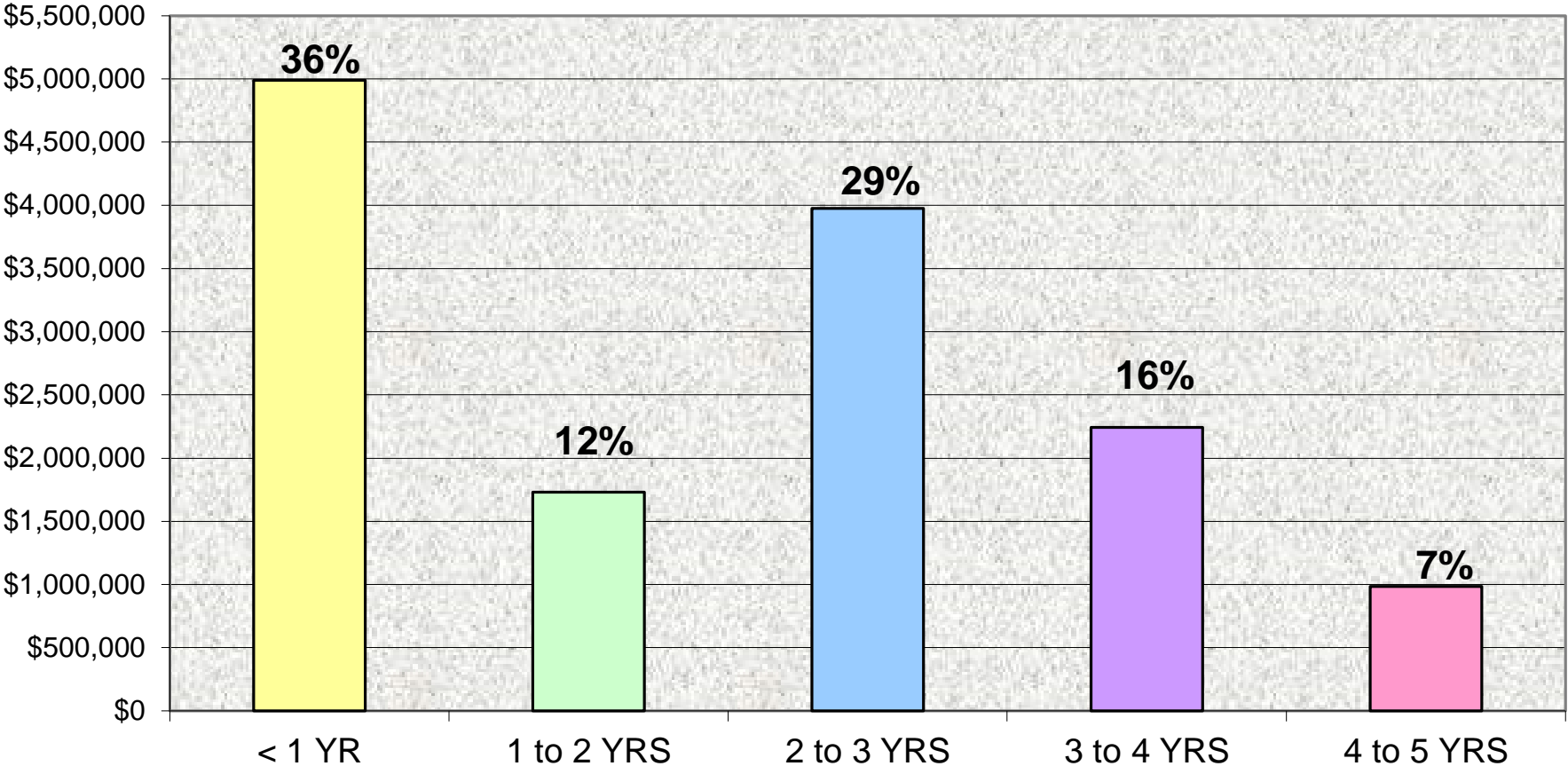
\$74,565,086



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

Reserve Account	Balance @ 6/30/2024	Interest Earned	Fund Receipts/ Contributions	Inter-Fund Loans	Fund Expenses	Balance @ 11/30/2024	Estimated Fund Changes	Balance @ 6/30/2025
Brine Line Operating Cash	4,429,327	64,027	6,226,032		(5,087,553)	5,631,833		5,631,833
Brine Line Operating Reserve	2,240,462	71,975				2,312,437		2,312,437
OC San Future Treatment & Disposal Capacity	1,940,030	41,879				1,981,909		1,981,909
Pipeline Capacity Management	12,671,389	273,532				12,944,921		12,944,921
Pipeline Replacement & Capital Investment	34,149,034	581,562	2,672,162		(173,061)	37,229,698	(1,696,952)	35,532,746
OC San Pipeline Rehabilitation	2,849,924	62,771	155,786			3,068,481		3,068,481
Debt Retirement	2,979,538	64,318				3,043,856		3,043,856
General Fund	1,949,870	32,259	730,175	(1,186,667)	354,219	1,879,856		1,879,856
Building Reserve	620,007	14,460	100,000		51,544	786,011		786,011
	63,829,581	1,206,783	9,884,155	(1,186,667)	(4,854,851)	68,879,002	(1,696,952)	67,182,050

Twelve Month Maturity Schedule Securities

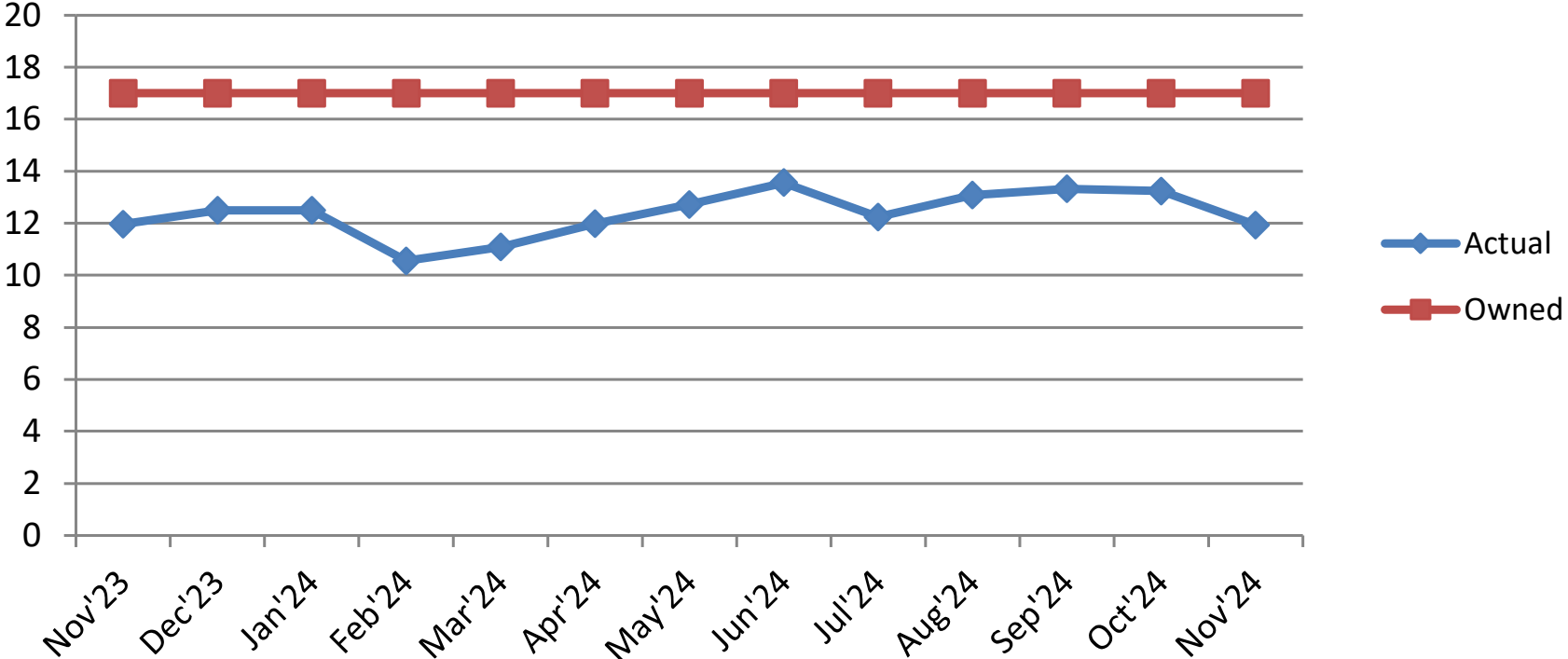


SAWPA
TREASURER'S REPORT
As of November 30, 2024

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	499,613.22	2.750%
Agency	FHLB	11/4/2022	9/10/2027	99.20	\$ 991,965.00	\$ 1,000,000.00	\$ 1,000,000.00	997,988.21	4.125%
Agency	FHLB	6/6/2023	12/13/2024	99.99	\$ 499,966.50	\$ 500,000.00	\$ 500,000.00	499,985.67	4.625%
Agency	FHLB	6/6/2023	6/9/2028	100.50	\$ 502,505.00	\$ 500,000.00	\$ 500,000.00	496,527.46	4.000%
Agency	FHLB	1/25/2024	6/30/2028	99.73	\$ 999,170.00	\$ 1,000,000.00	\$ 1,000,000.00	997,256.14	4.000%
Agency	FNMA	2/4/2020	1/7/2025	101.08	\$ 505,380.00	\$ 500,000.00	\$ 500,000.00	498,390.55	1.625%
Agency	FNMA	10/30/2020	8/25/2025	99.53	\$ 995,952.00	\$ 1,000,000.00	\$ 1,000,000.00	970,852.95	0.375%
Agency	USTN	4/19/2021	11/30/2025	98.25	\$ 982,500.00	\$ 1,000,000.00	\$ 1,000,000.00	960,781.25	0.375%
Agency	USTN	9/15/2021	5/31/2025	99.58	\$ 989,726.56	\$ 1,000,000.00	\$ 1,000,000.00	979,375.00	0.250%
CD	Beal Bank USA	8/17/2022	8/12/2026	100.00	\$ 245,000.00	\$ 245,000.00	\$ 245,000.00	240,936.30	3.200%
CD	Synchrony Bank	8/12/2022	8/12/2025	100.00	\$ 245,000.00	\$ 245,000.00	\$ 245,000.00	243,097.93	3.350%
CD	Capital One Bank USA	5/25/2022	5/25/2027	100.00	\$ 246,000.00	\$ 246,000.00	\$ 246,000.00	240,627.80	3.200%
CD	Morgan Stanley Private Bank	11/15/2022	11/15/2027	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	248,987.46	5.000%
CD	Prime Alliance Bank	11/17/2022	11/17/2027	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	248,058.33	4.950%
CD	Cooperative Center FSU	12/29/2022	12/29/2025	100.00	\$ 249,000.00	\$ 249,000.00	\$ 249,000.00	249,985.83	4.650%
CD	Affinity Bank	3/17/2023	3/17/2028	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	254,241.04	4.900%
CD	Discover Bank	3/22/2023	3/23/2027	100.00	\$ 243,000.00	\$ 243,000.00	\$ 243,000.00	247,862.82	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	251,746.90	4.600%
CD	UBS Bank USA	5/17/2023	5/17/2027	100.00	\$ 249,000.00	\$ 249,000.00	\$ 249,000.00	251,473.59	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	245,289.95	4.600%
CD	Farmers Insurance Group	7/26/2023	7/27/2026	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	251,585.28	5.100%
CD	Barclays Bank Delaware	7/26/2023	7/28/2025	100.00	\$ 243,000.00	\$ 243,000.00	\$ 243,000.00	243,971.90	5.100%
CD	Chartway Federal Credit Uni	9/8/2023	9/8/2027	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	253,783.46	5.000%
CD	Greenstate Credit Union	9/26/2023	9/26/2028	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	256,271.85	5.000%
CD	Empower Fed Cedit Union	9/29/2023	9/29/2027	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	254,581.01	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	257,172.27	5.100%
CD	Numerica Credit Union	11/10/2023	11/10/2026	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	254,468.42	5.550%
CD	Heritage Community CR UN	11/15/2023	11/16/2026	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	254,099.47	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	248,595.56	4.000%
CD	Hughes FCU	1/29/2024	1/29/2027	100.00	\$ 249,000.00	\$ 249,000.00	\$ 249,000.00	250,360.06	4.400%
CD	Farmers & Merchants TR	1/30/2024	2/1/2027	100.00	\$ 249,000.00	\$ 249,000.00	\$ 249,000.00	249,070.98	4.150%
CD	Nicolet National Bank	3/8/2024	3/8/2029	100.00	\$ 249,000.00	\$ 249,000.00	\$ 249,000.00	251,090.95	4.250%
CD	Medallion Bank	3/13/2024	3/15/2027	100.00	\$ 249,000.00	\$ 249,000.00	\$ 249,000.00	251,478.35	4.600%
CD	Wells Fargo Bank	3/12/2024	3/12/2027	100.00	\$ 249,000.00	\$ 249,000.00	\$ 249,000.00	250,980.12	4.500%
CD	Toyota Financial SGS Bank	5/24/2024	5/24/2029	100.00	\$ 244,000.00	\$ 244,000.00	\$ 244,000.00	249,679.32	4.600%
CD	First Foundation Bank	5/22/2024	5/22/2029	100.00	\$ 244,000.00	\$ 244,000.00	\$ 244,000.00	249,669.52	4.600%
CD	Alliant Credit Union	12/30/2022	12/30/2025	100.00	\$ 248,000.00	\$ 248,000.00	\$ 248,000.00	250,112.80	5.100%
					\$13,921,415.06	\$13,923,000.00	\$13,923,000.00	13,900,049.72	4.102%

Average Daily Flow by Month





SUMMARY OF LABOR MULTIPLIERS

		Benefit Rate
Total Employee Benefits	613,610	0.342
Total Payroll	1,794,303	
Gross Indirect Costs	1,865,917	
Less: Member Contributions & Other Revenue	(516,925)	
Indirect Costs for Distribution	1,348,992	
		Indirect Rate
Direct Labor	869,042	1.552
Indirect Costs	1,348,992	
FY 2024-25 Labor multiplier - thru 11/30/24		1.894
FY 2024-25 Budgeted Labor multiplier		<u>2.000</u>
FY 2023-24 Labor multiplier		<u>2.060</u>
FY 2022-23 Labor multiplier		<u>1.984</u>
FY 2021-22 Labor multiplier		<u>1.993</u>



INDIRECT COSTS

(to be Distributed)

G/L Acct.	Description	Actual thru 11/30/24
51000	Salaries - Regular	\$ 925,261
52000	Benefits	\$ 336,795
60111	Tuition Reimbursement	\$ -
60112	Training	\$ 7,060
60113	Education	\$ -
60114	Other Training & Education	\$ 30,879
60120	Audit Fees	\$ 16,326
60121	Consulting	\$ 41,825
60126	Temporary Services	\$ -
60128	Other Professional Services	\$ 700
60129	Other Contract Services	\$ -
60130	Legal Fees	\$ 12,700
60145	Permit Fees	\$ 51
60153	Materials & Supplies	\$ -
60154	Safety	\$ 4,209
60155	Security	\$ 2,525
60156	Custodial Contract Services	\$ 11,608
60157	Landscaping Maintenance	\$ 8,420
60158	HVAC	\$ 7,093
60159	Facility Repair & Maintenance	\$ 1,475
60160	Telephone	\$ 19,390
60161	Cellular Services	\$ 3,616
60163	Electricity	\$ 8,279
60164	Water Services	\$ 2,772
60170	Equipment Expensed	\$ 11,804
60171	Equipment Rented	\$ 8,008

(Continued - next column)

G/L Acct.	Description	Actual thru 11/30/24
60172	Equipment Repair / Maintenance	\$ 1,340
60180	Computer Hardware	\$ 808
60181	Computer Software	\$ 86,528
60182	Internet Services	\$ 10,581
60183	Computer Supplies	\$ 926
60184	Computer Repair/Maint	\$ -
60185	Cloud Storage	\$ 15,103
60190	Offsite Meeting/Travel Expense	\$ 674
60191	In House Meetings	\$ 253
60192	Conference Expense	\$ 21,387
60193	Car, Repair, Maintenance	\$ 221
60200	Dues	\$ 36,158
60202	Subscriptions	\$ 8,385
60203	Contributions	\$ 14,650
60210	Bank Charges	\$ -
60211	Shipping/Postage	\$ 226
60212	Office Supplies	\$ 3,911
48000	Commission Fees	\$ 22,100
60221	Commission Mileage Reimb.	\$ 1,022
60222	Other Commission Expense	\$ -
60230	Other Expense	\$ 1,359
60240	Building Lease	\$ 3,834
81010	Retiree Medical Expense	\$ 29,745
80001	Insurance Expense	\$ 31,125
80000	Building Repair/Replacement Reserve	\$ 100,000
80000	Fixed Assets	\$ 14,784

Total Costs \$ 1,865,917

Direct Costs Paid by Projects	\$ 1,531,459
Member Contribution Offset	\$ 475,000
Interest & Other Revenue Offset	\$ 41,925
	\$ 2,048,385

Over (Under) Allocation %	9.6%
Over (Under) Allocation of General Fund Costs	\$ 182,467



BENEFITS SUMMARY

(Distributed based on Actual Labor)

<u>G/L Acct</u>	<u>Description</u>		<u>Budget</u>		<u>Actual @ 11/30/24</u>		<u>Projected FYE 2025</u>
70101	FICA Expense	\$	211,101	\$	82,171	\$	197,211
70102	Medicare Expense	\$	59,818	\$	25,330	\$	60,792
70103	State Unemployment Insurance	\$	3,906	\$	127	\$	3,900
70104	Worker's Compensation Insurance	\$	72,456	\$	13,858	\$	40,000
70105	State Disability Insurance	\$	39,569	\$	17,827	\$	39,500
70106	PERS Pension Plan	\$	487,199	\$	205,969	\$	487,199
70111	Medical Expense	\$	511,245	\$	217,595	\$	511,245
70112	Dental Expense	\$	28,657	\$	15,862	\$	38,069
70113	Vision Insurance	\$	7,751	\$	2,934	\$	7,041
70114	Life Insurance Expense	\$	15,940	\$	6,694	\$	16,065
70115	Long Term Disability	\$	18,593	\$	7,700	\$	18,481
70116	Wellness Program Expense	\$	3,900	\$	293	\$	3,900
70120	Car Allowance	\$	39,000	\$	17,250	\$	41,400
	Total Benefits	\$	1,499,135	\$	613,610	\$	1,464,804
	Total Payroll	\$	4,086,368	\$	1,794,303	\$	4,086,368
	Benefits Rate		36.7%		34.2%		35.8%

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

	Fund	Budget	Actual	%
100	General Fund	28,150	10,794	38.34%
145	Prop 84 - 2015 Program Mgmt	2,140	921	43.05%
150	Prop1 - Program Management	1,070	320	29.93%
155	Prop1 Round 2	-	247	-100.00%
240	Brine Line Enterprise	19,407	7,948	40.95%
320	Brine Line Protection	277	10	3.43%
327	Reach IV-D Corrosion Repairs	349	5	1.36%
328	Agua Mansa Lateral Construction	-	8	-100.00%
370-01	Basin Planning General	1,830	730	39.89%
370-02	USBR Partnership Studies	75	1	0.67%
373	Watershed Management (OWOW)	1,970	631	32.03%
374	Basin Monitoring Program TF	615	199	32.40%
376	ICARP	-	62	-100.00%
377	PFAS Study	220	53	23.98%
378	Weather Modification	205	31	14.88%
381	SAR Fish Conservation	185	249	134.73%
384-01	MSAR TMDL TF	155	55	35.32%
386MONIT	RWQ Monitoring TF	115	24	20.87%
387	Arundo Removal & Habitat Restoration	250	42	16.70%
392	Emerging Constituents TF	220	65	29.55%
397ADMIN	WECAN Riverside	137	66	48.36%
398RELIE	DACI	80	25	30.63%
477-02	LESJWA - Administration	420	279	66.37%
477TMDL	LESJWA - TMDL Task Force	365	130	35.48%
504-401IMPLE	Prop 84 - Final Round Implementation	60	-	0.00%
504-401PA23	Prop 84 - Final Round PA23 Admin	165	3	1.52%
504-402PA22	Prop84 - Final Round PA22 Admin	270	6	2.13%
504-402RATES	Prop 84 - Final Round Water Rates	-	12	-100.00%
505-00	Prop1 - Capital Projects	150	48	31.83%
		58,880	22,959	38.99%

Note: Should be at 41.67% of budget for 5 months

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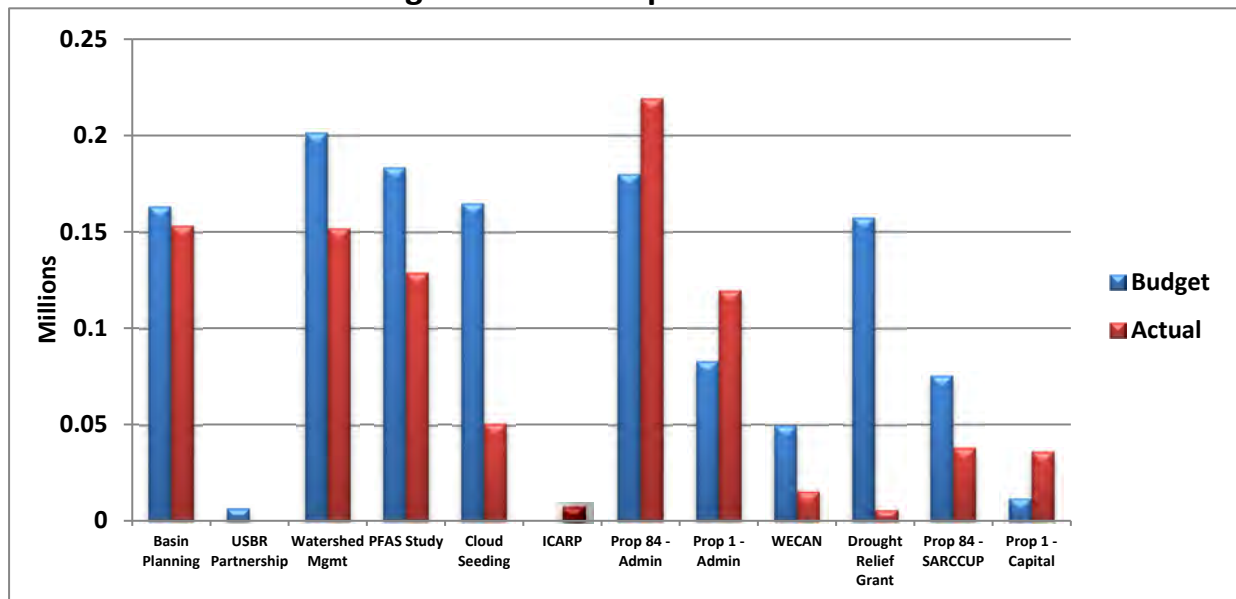
**Santa Ana Watershed Project Authority
PA25 - OWOW Fund - Financial Report
October 2024**

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

Overview	This report highlights the agency's key financial indicators for the Fiscal Year-to-Date (FYTD) through October 2024 unless otherwise noted.
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Budget to Actual Expenses - OWOW	✔ Favorable			
	Annual Budget	FYTD Budget	FYTD Actual	Favorable (Unfavorable) Variance
Basin Planning General	\$539,791	\$163,264	\$153,377	\$9,887
USBR Partnership Studies	69,471	6,491	154	6,337
Watershed Mgmt. (OWOW)	904,428	201,476	151,815	49,661
PFAS Study	550,459	183,486	128,963	54,523
Cloud Seeding	494,707	164,902	50,863	114,039
ICARP	-	-	7,440	(7,440)
Prop 84 - Administration	539,894	179,965	219,146	(39,181)
Prop 1 – Administration	248,593	82,864	119,361	(36,497)
WECAN - Riverside	148,933	49,644	15,732	33,912
Drought Relief Grant DACI	471,466	157,155	6,096	151,059
Prop 84 – SARCCUP & Other	225,399	75,133	37,897	37,236
Prop 1 – Capital Projects	36,178	12,059	35,942	(23,883)
Total	\$4,229,319	\$1,276,439	\$926,786	\$349,653

Budget to Actual Expenses - OWOW



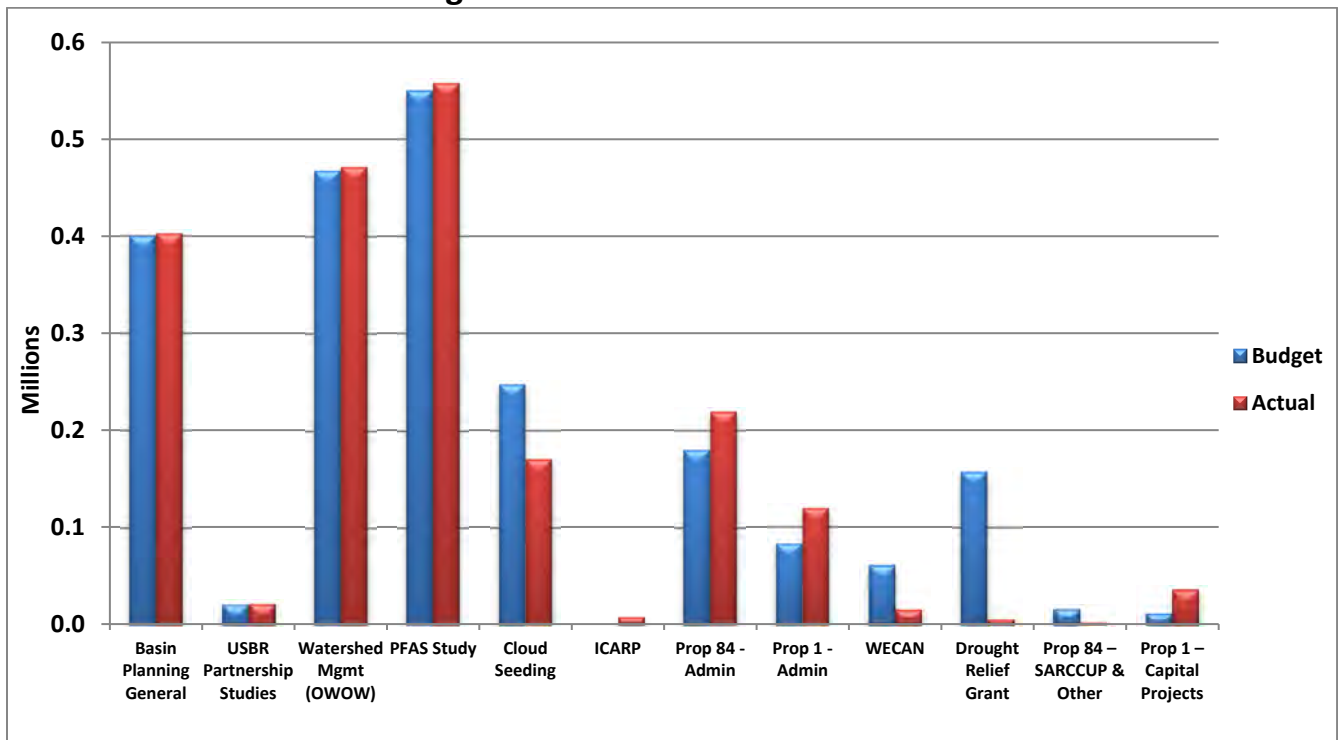
Budget to Actual Revenues - OWOW



Concern





	Annual Budget	FYTD Budget	FYTD Actual	Favorable (Unfavorable) Variance
Basin Planning General	\$450,000	\$400,000	\$402,416	\$2,416
USBR Partnership Studies	70,000	20,000	20,647	647
Watershed Mgmt. (OWOW)	767,900	467,900	471,785	3,885
PFAS Study	550,000	550,000	557,632	7,632
Cloud Seeding	402,500	247,167	170,297	(76,870)
ICARP	0	0	7,440	7,440
Prop 84 - Administration	539,894	179,965	219,146	39,181
Prop 1 – Administration	248,593	82,864	119,361	36,497
WECAN - Riverside	148,933	60,436	15,732	(44,704)
Drought Relief Grant - DACI	471,466	157,155	6,096	(151,059)
Prop 84 – SARCCUP & Other	47,908	15,969	2,534	(13,435)
Prop 1 – Capital Projects	36,178	12,059	35,942	23,883
Total	\$3,733,372	\$2,193,515	\$2,029,028	(\$164,487)

Budget to Actual Revenues - OWOW



Reserve Fund Balance	
	Amount
Basin Planning General	\$278,849
USBR Partnership Studies	68,187
Watershed Management (OWOW)	480,916
PFAS Study	834,224
Cloud Seeding	90,199
WECAN	6,358
Proposition 84 – SARCCUP & Other	660,450
Proposition 1 – Capital Projects	56,189
Total Reserves	\$2,475,372

Legend

<u>Compared to Budget</u>		
	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) Expenses are favorable with the budget. Revenues are slightly behind the budget. It is anticipated that they will be on track before the end of the year.

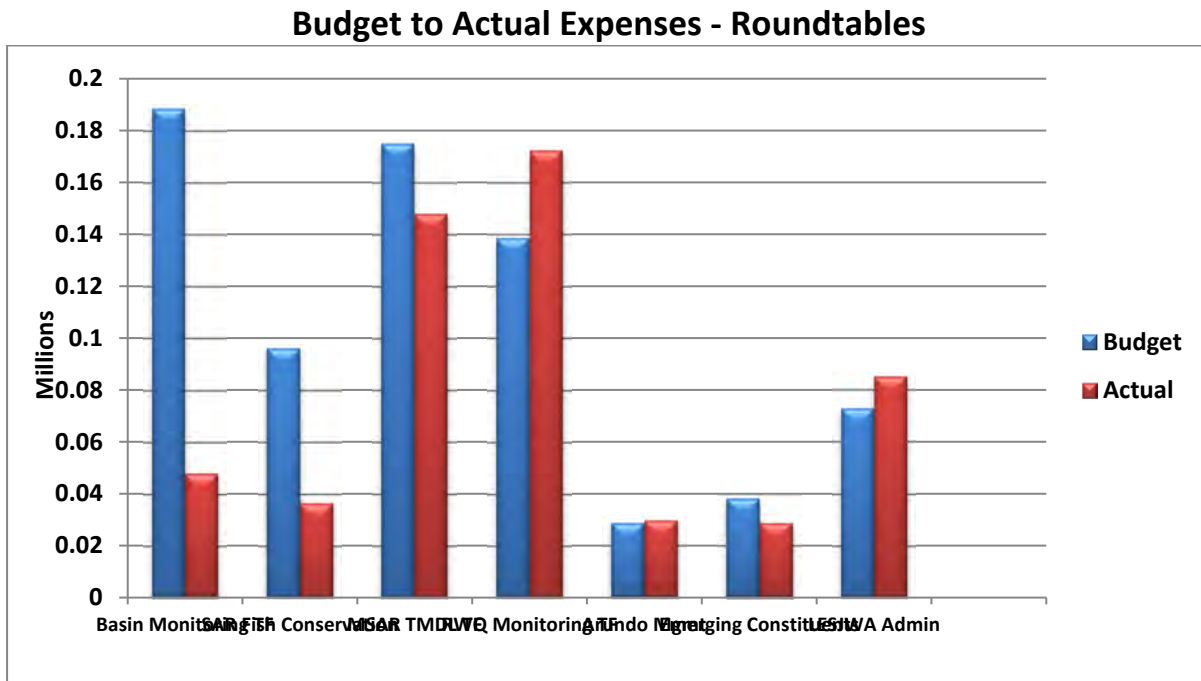
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**Santa Ana Watershed Project Authority
PA26 - Roundtable Fund - Financial Report
October 2024**

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

Overview	This report highlights the agency's key financial indicators for the Fiscal Year-to-Date (FYTD) through October 2024 unless otherwise noted.
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Budget to Actual Expenses - Roundtables				 Favorable
	Annual Budget	FYTD Budget	FYTD Actual	Favorable (Unfavorable) Variance
Basin Monitoring TF	\$565,988	\$188,663	\$47,962	\$140,701
SAR Fish Conservation	288,541	96,180	36,452	59,728
MSAR TMDL TF	284,664	175,101	147,962	27,139
RWQ Monitoring TF	415,702	138,567	172,356	(33,789)
Arundo Mgmt.	85,780	28,593	29,553	(960)
Emerging Constituents	114,303	38,101	28,617	9,484
LESJWA Admin	198,285	72,761	85,055	(12,294)
Total	\$1,953,263	\$737,966	\$547,957	\$190,009



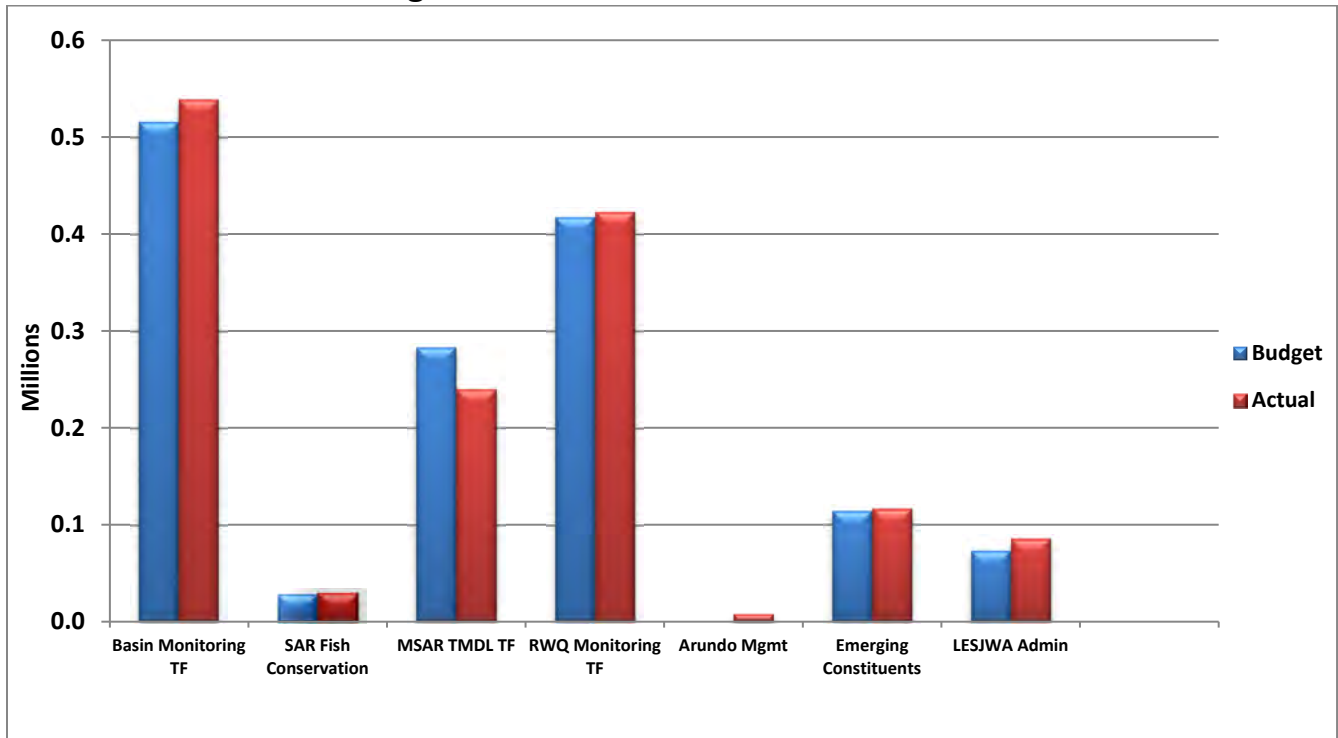
Budget to Actual Revenues - Roundtables



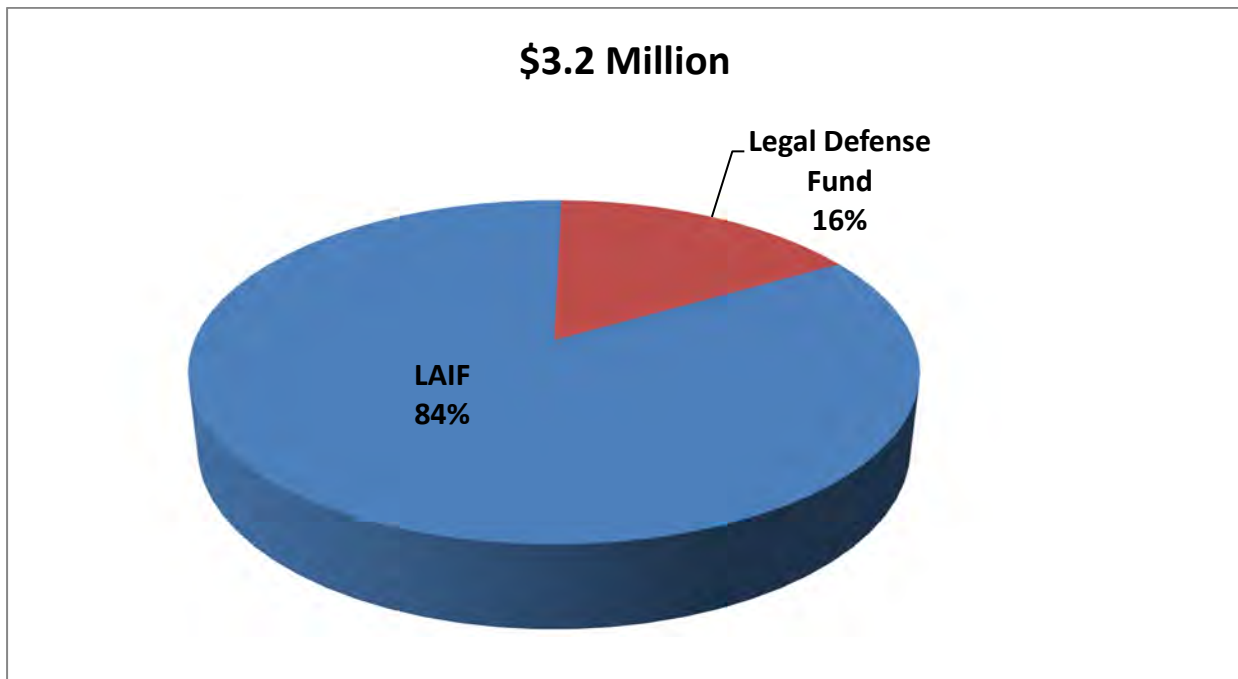
On Track

	Annual Budget	FYTD Budget	FYTD Actual	Favorable (Unfavorable) Variance
Basin Monitoring TF	\$516,000	\$516,000	\$538,969	\$22,969
SAR Fish Conservation	279,000	29,000	30,257	1,257
MSAR TMDL TF	282,820	282,820	239,573	(43,247)
RWQ Monitoring TF	417,625	417,625	422,942	5,317
Arundo Mgmt.	889,800	-	8,039	8,039
Emerging Constituents	114,000	114,000	116,070	2,070
LESJWA Admin	198,285	72,762	85,055	12,293
Total	\$2,697,530	\$1,432,207	\$1,440,905	\$8,698

Budget to Actual Revenues - Roundtables



Total Cash & Investments







Reserve Fund Balance

	Amount
Basin Monitoring Task Force	\$1,105,753
SAR Fish Conservation	106,175
Middle SAR TMDL Task Force	315,343
Regional Water Quality Monitoring Task Force	118,045
Arundo Management & Habitat	751,772
Emerging Constituents Task Force	254,018
Legal Defense Fund	515,687
Total Reserves	\$3,166,793

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) Expenses and revenues are favorable to the budget.



January 10, 2025

To: Santa Ana Watershed Project Authority

From: Michael Boccadoro
Beth Olhasso

RE: December Report

Overview:

Electronic snow survey data is now available and shows the statewide snowpack at 94 percent of average for this time of year, with the northern Sierra clocking in at over 136 percent of average. On December 23, after a series of significant storms, the Department of Water Resources issued a revised State Water Project allocation of 15 percent up from initial allocation at only 5 percent. Storage remains strong with Lake Oroville sitting at 72 percent capacity, 129 percent of normal; Lake Shasta is sitting at 72 percent of capacity, 129 percent of average; and San Luis Reservoir is at 72 percent of capacity, 108 percent average for this time of year.

Governor Newsom recently traveled to Colusa County to hold a press conference on water. He highlighted key areas for his administration to make progress in the new year, including groundwater recharge, Delta conveyance and Sites Reservoir.

With just days left in office, the Biden EPA still hasn't granted the waivers California needs to advance its ambitious zero-emission vehicles goals. Notably, Advanced Clean Fleets is one of two waivers left for action. Without the waiver ACF risks collapse because it is improbable that the Trump administration would grant the waiver.

The State Water Resources Control Board recently held a workshop on the Bay Delta Plan Update. The State Water Contractors led group has been very supportive of the Healthy Rivers and Landscapes approach as opposed to the unimpaired flows approach to managing the Delta. A final decision is slated for 2025, so increased activity by the water community is expected in the new year.

Legislators returned to Sacramento and started introducing bills for the 2025-26 Legislative Session. Additionally, the Governor released his proposed 2025-26 State Budget. He noted that the \$322.2 billion budget is essentially balanced.

2025 looks to be a busy year legislatively for water, wastewater, and recycled water. Legislation is expected on low-income rate assistance, recycled water, biosolids, PFAS, floodflows and other issues that are important to SAWPA.

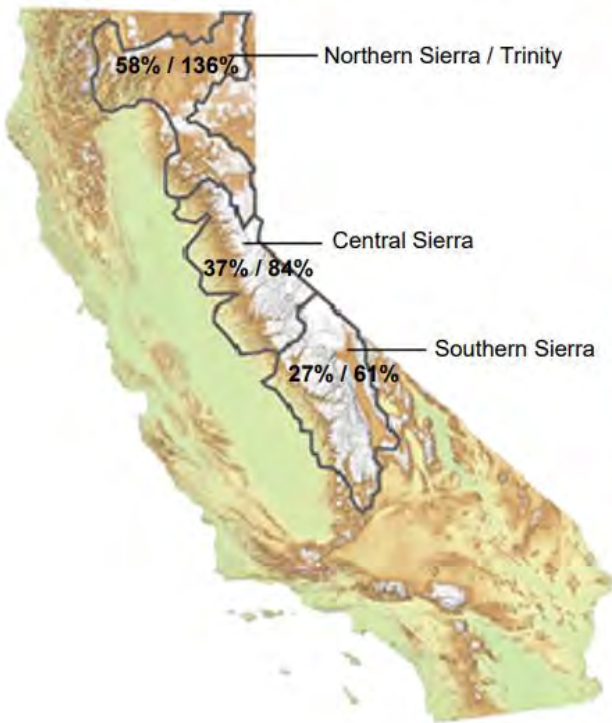
Santa Ana Watershed Project Authority Status Report – December 2024

Water Supply Conditions

Significant precipitation has fallen throughout northern California creating a robust snowpack and increased reservoir capacity. The statewide snowpack is 94 percent of average for this time of year, with the northern Sierra's at over 136 percent of average. Lake Oroville is at 129 percent of average, 72 percent capacity; Shasta is at 128 percent average, 78 percent capacity; San Luis Reservoir is at 108 percent average, and 72 percent capacity. With reservoirs being well above average and the snowpack off to a good start after a series of recent storms, the Department of Water Resources updated State Water project Allocation from just 5 percent to 15. DWR staff recently noted their frustration in having to release an allocation in December while the Central Valley Project holds off until February when more snowpack data is available.

CURRENT REGIONAL SNOWPACK FROM AUTOMATED SNOW SENSORS

% of April 1 Average / % of Normal for This Date



NORTH	
Data as of January 10, 2025	
Number of Stations Reporting	27
Average snow water equivalent (Inches)	15.3
Percent of April 1 Average (%)	58
Percent of normal for this date (%)	136

CENTRAL	
Data as of January 10, 2025	
Number of Stations Reporting	53
Average snow water equivalent (Inches)	10.3
Percent of April 1 Average (%)	37
Percent of normal for this date (%)	84

SOUTH	
Data as of January 10, 2025	
Number of Stations Reporting	25
Average snow water equivalent (Inches)	6.4
Percent of April 1 Average (%)	27
Percent of normal for this date (%)	61

STATE	
Data as of January 10, 2025	
Number of Stations Reporting	105
Average snow water equivalent (Inches)	10.7
Percent of April 1 Average (%)	41
Percent of normal for this date (%)	94

Statewide Average: 41% / 94%

Governor Newsom Doubles Down on Groundwater Recharge, Delta Conveyance and Sites Reservoir

The same day the MWD Board of Directors voted to provide \$141 million for planning for the Delta Conveyance Project, Governor Newsom traveled to Colusa County to talk about water.

On a ranch near the planned site for Sites Reservoir, the Governor called the reservoir's construction a "critical" part of the state's climate adaptation strategy.

He moved on to discuss groundwater recharge and stated his intent to continue to try to streamline the process for groundwater recharge projects, especially in the Central Valley during extreme flood events.

Finally, the Newsom heralded MWD's vote as a "major milestone" in a statement. At the Colusa press conference, he admitted he was not hopeful the project would break ground before he left office in 2027, but that he was "committed" to removing "as many barriers as I can." "This project, if it's not completed, we will pay a huge price," Newsom told reporters.

Workshop on Bay Delta Plan Update

The State Water Resources Control Board recently held a workshop to discuss Bay Delta Plan Update. At issue are two competing proposals: unimpaired flows and Healthy Rivers and Landscapes.

Dubbed Healthy Rivers and Landscapes (HRL) but better known as "the voluntary agreements," the proposal is one of two pathways for state officials as they update a keystone regulatory document called the Bay-Delta Water Quality Control Plan, which was last overhauled in 1995. HRL would meter out flows for fish while mandating restoration of floodplains and other river features. Newsom Administration officials including Wade Crowfoot and Chuck Bonham are supportive of HRL but environmentalists say the rules would favor water users, allowing cities and farms to draw so much water from the Delta and its tributary rivers that salmon will continue their long decline. They say the proposed rules simply don't offer fish the water they need, let alone support the state's salmon rebuilding mandate.

The water board staff's proposal would require strict minimum flows in rivers. Water users say those rules would have unacceptable impacts on farms, hydropower and communities — including planned housing projects — while environmentalists and tribes laud it as more protective of fish. It would ensure that rivers contain an average of 55% of the total water available in the watershed at a given time — a measure called unimpaired flow.

While momentum has built behind the state's Healthy Rivers plan, the state water board could still go either way with their vote. It is even possible that officials adopt both options, with the unimpaired flow pathway reserved as a regulatory backstop, should the Newsom proposal fail, or as concurrent rules applied to waters users who opt out of the voluntary agreements.

The timeline to adopt a new Bay-Delta Plan keeps slipping, with adoption not likely until Q3 2025.

EPA Grants Six of Eight Waivers for Clean Fleets

Updating a story from last month, the U.S. Environmental Protection Agency (EPA) has granted six of the eight requests from the California Air Resources Board (CARB) for waivers under the Clean Air Act (CAA) to approve several regulations. Notably, Advanced Clean Fleets is one of the two left for approval before President Biden leaves office in a little over a week.

Republican lawmakers are strongly opposed to CARB's rules, arguing that they will be costly for California consumers and impractical. They are lobbying Congress to block the waivers, though they have limited options, as the CAA waivers are not subject to Congressional Review Act (CRA) challenges. The Government Accountability Office (GAO) has stated that such waivers cannot be overturned under the CRA, even if they are challenged by a future administration, though many think it might just make it harder to overturn, not impossible.

Without the waivers, the Advanced Clean Fleets rule that requires POTW fleets to transition to electric, will not be able to go into effect as it is unlikely the Trump Administration would grant the waiver.

Governor Releases 2025-26 Proposed Budget

The Governor released his proposed Fiscal Year 2025-26 \$322.2 billion State Budget. Unlike last year, this proposed budget is "balanced."

The proposed budget starts to allocate some of the \$10 billion Climate Bond passed by voters in November. Because of the new bond funds, the proposal claws back \$32 million in Watershed Climate Resilience funding allocated in the budget in 2024-25. Additionally, it claws back \$51 million in water recycling funding, while allocating \$153 million in water recycling bond funds.

Budget sub committees will meet in the coming weeks and months to discuss all aspects of the state budget before passing a the final budget by June 15.

Legislative Update

Legislators returned to Sacramento to start the work of the 2025-26 Legislative Session. Leaders in the Senate and Assembly have announced committee leadership for the session.

Asm: Water Parks & Wildlife-- Asm. Papan (D-San Mateo)- No Change
Asm: Natural Resources- Asm. Bryan (D-Culver City)- No Change
Asm: Env. Safety & Toxic Materials: Asm. Connolly (D-Santa Rosa)NEW
Asm. Budget Sub 4- Asm. Bennett (D-Oxnard)-No Change
Sen: Nat Resources & Water: Sen Limon (D-Santa Barbara) NEW
Sen: Env Quality: Sen Blakespear (D-Encinitas)- NEW
Sen Sub 2: Sen Allen (D-Agoura Hills)-NEW

2025 looks to be a busy year for the water, wastewater, and recycled water community in terms of legislation.

Low-Income Rate Assistance: The environmental community is likely to re-introduce some form of SB 1255 (Durazo) that would have required establishment of low-income rate assistance

programs at all retail water agencies. To counter this move, the California Municipal Utilities Association is planning to introduce their own proposal for low-income rate assistance.

Water Supply: California Municipal Utilities Association and Western Municipal Water District are planning to reintroduce SB 366 (Caballero), their legislation to add new requirements into the CA Water Plan to set volumetric targets for new water supply. They believe they have removed the concerns of the SWRCB, which was the reason the bill was vetoed last session.

Recycled Water: WaterReuse CA is planning to introduce legislation to make some long-overdue updates to Title 22 of the CA Code of Regulations.

Biosolids: There is discussion that there might be an effort to address PFAS in biosolids by the environmental community. There have also been several articles recently (New York Times and LA Times) about PFAS and other contaminants in biosolids. Additionally, there has been discussion of testing for bird flu in wastewater (similar to COVID testing).

PFAS: The CA Association of Sanitation Agencies is going to reintroduce their PFAS source control bill that would ban the use of any intentionally added PFAS to products. The bill hit a roadblock with the CA Manufacturers and Technology Association who worked to load costs into the bill to get it held in Appropriations Committee.

Floodflows: It is very likely Senator Caballero will introduce a version of SB 1390, especially after the emphasis the Governor put on capturing floodflow diversions for groundwater recharge at his recent press conference in Colusa County (discussed above).

Wildfire: As the fires in Los Angeles still rage, it is clear there will be discussion of water pressure and availability during the fires. Assemblymember Bennett raised this issue earlier after a pump station burned down in his district this summer, making firefighting efforts difficult. With the issues in LA, legislation is all but unavoidable.

Of course, there will be any number of other issues that get introduced before the February 16 bill introduction deadline. WCA will work with SAWPA staff to identify key measures for board consideration.

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Santa Ana Watershed
Project Authority

General Manager's Report

January 2025



Reach IV-A Upper Updates

This past month, Engineering and Operations completed inspections on 9,000 feet of the Brine Line Reach IV-A upper. Additionally, access road and maintenance access structure (MAS) clearing on Reach IV-A upper and Reach IV-A lower was also completed.

Annual Santa Ana Riverwalk Provides 18 Years of Habitat Data

On October 3 and 24, 2024, SAWPA, with support from Orange County Water District, hosted one of the longest running Southern California annual habitat assessments, the Santa Ana Riverwalk. Started in 2006, the primary purpose of the Riverwalk is to assess habitat beneficial to an endemic aquatic species, the Santa Ana sucker. Data collected each year is available in the Riverwalk Atlas report.



SAWPA Receives Capella Award

SAWPA staff attended the 2024 Polaris Awards hosted by the Public Relations Society of America, Inland Empire Chapter, on November 8, 2024, where SAWPA was awarded a Capella Award under Environmental Sustainability Campaigns Public Relations for the Santa Ana River Watershed Cloud Seeding Pilot Program

Deep Learning Arundo Identification Project

SAWPA's GIS Intern, Robert Plair, developed a draft story map of the Deep Learning Arundo Identification project. The story map summarizes the analysis process and results of the study.



City of Canyon Alum Application Lake Public Meeting

On September 23, 2024, SAWPA staff, acting as the Administrator, with the support of the LESJWA Board of Directors, hosted a public meeting at the City of Canyon Lake to perform outreach and education to residents on the semi-annual application of Alum in Canyon Lake. Staff and scientists provided information on the history of alum applications, benefits, and efficacy and answered questions from the public.

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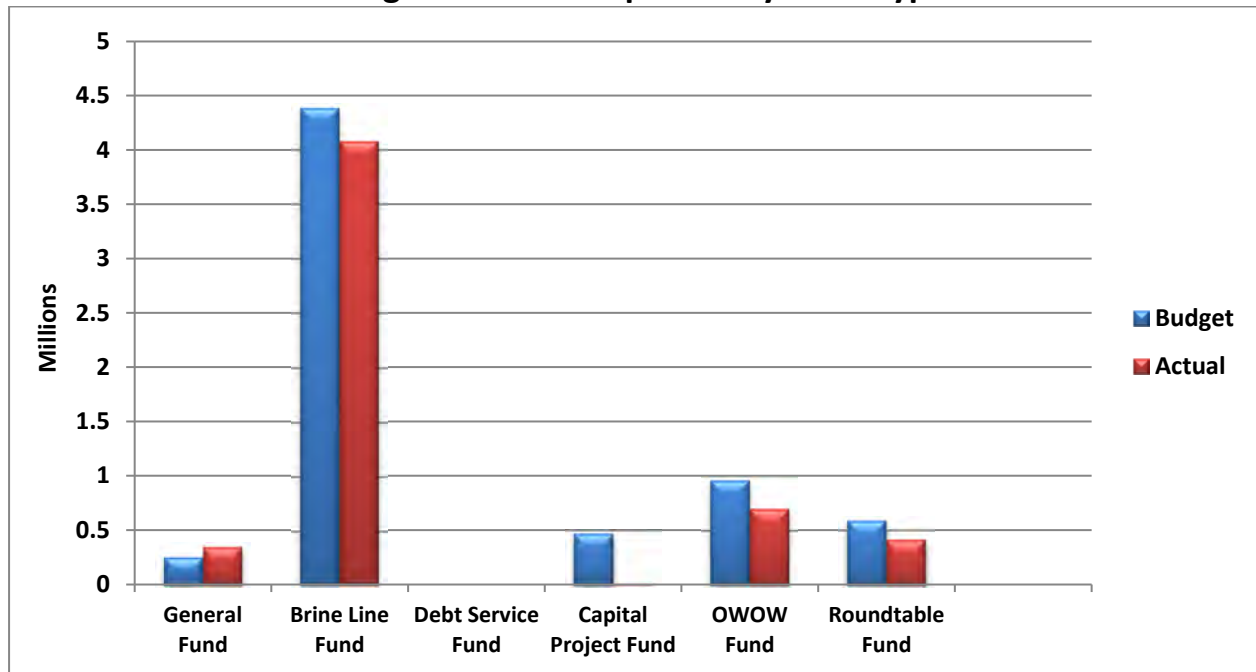
Santa Ana Watershed Project Authority Executive Financial Information Report September 2024

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

Overview	This report highlights the agency’s key financial indicators for the Fiscal Year-to-Date (FYTD) September 2024 unless otherwise noted.
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Budget to Actual Expenses by Fund Type	✔ Favorable			
	Annual Budget	FYTD Budget	FYTD Actual	Favorable (Unfavorable) Variance
General Fund	\$712,910	\$253,228	\$346,359	(\$93,131)
Brine Line Enterprise	11,368,636	4,383,999	4,077,408	306,591
Debt Service Fund	1,709,476	-	-	-
Capital Project Fund	1,870,013	467,504	9,271	458,233
OWOW Fund	4,229,319	957,332	696,252	261,080
Roundtable Fund	1,953,263	586,056	413,002	173,054
Total	\$21,843,617	\$6,648,119	\$5,542,292	\$1,105,827

Budget to Actual Expenses by Fund Type



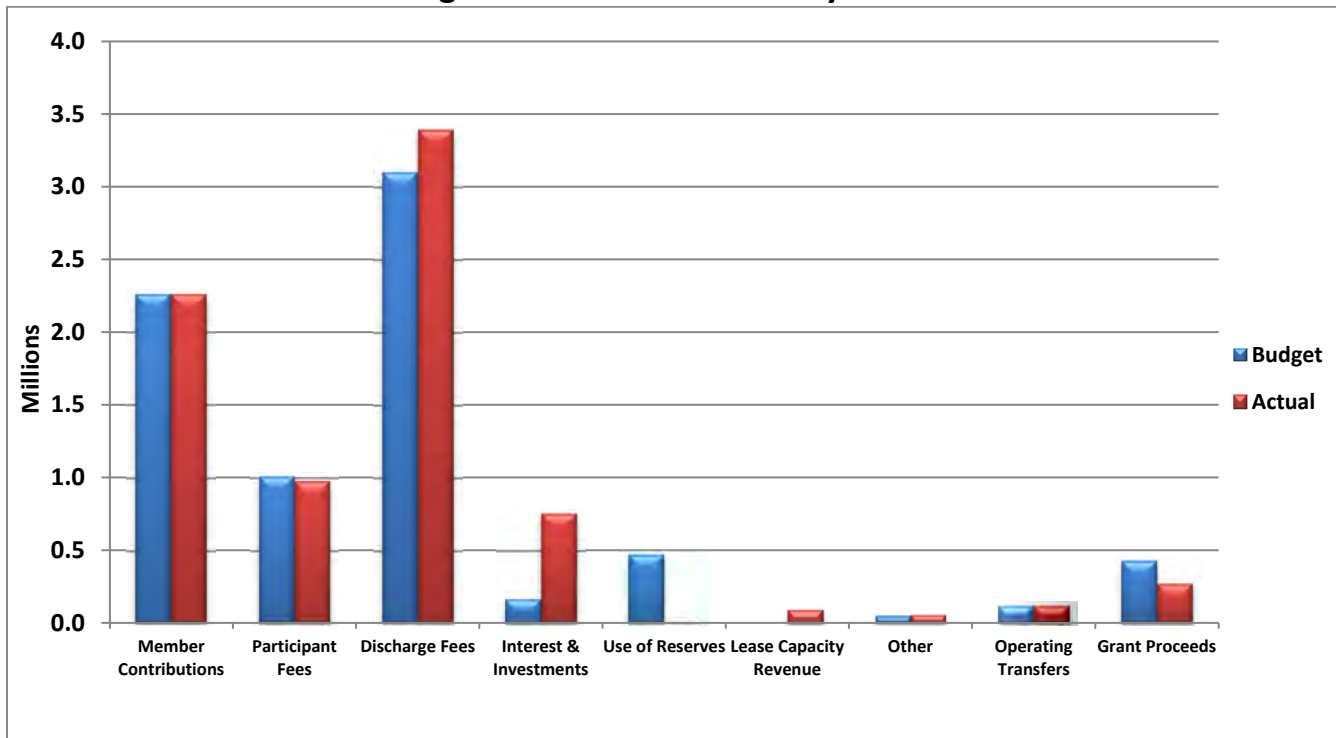
Budget to Actual Revenues by Source



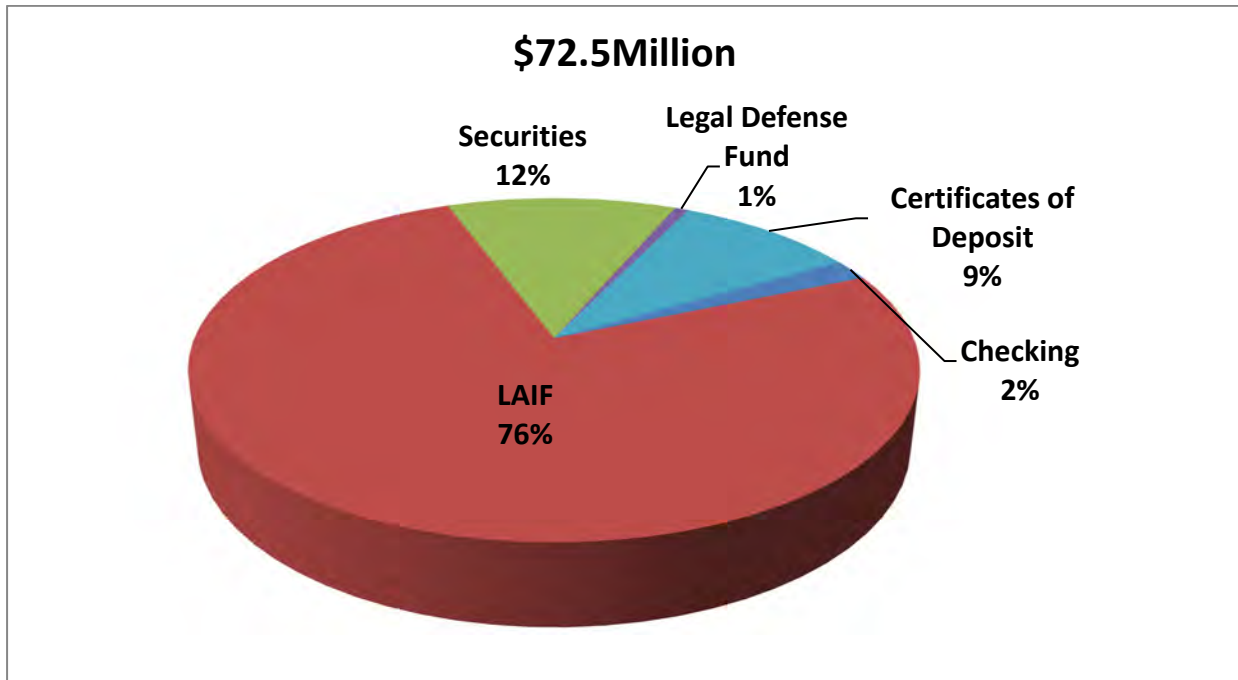
Favorable

	Annual Budget	FYTD Budget	FYTD Actual	Favorable (Unfavorable) Variance
Member Contributions	\$2,261,410	\$2,261,410	\$2,261,410	\$-
Participant Fees	1,324,212	1,010,720	978,265	(32,455)
Discharge Fees	12,405,112	3,102,528	3,394,733	292,205
Interest & Investments	673,000	168,250	754,389	586,139
Use of Reserves	1,870,013	467,504	9,271	(458,233)
Lease Capacity Revenue	-	-	87,272	87,272
Other	1,078,085	47,071	54,437	7,366
Operating Transfers	120,320	120,320	120,320	-
Grant Proceeds	2,359,785	427,448	272,320	(155,128)
Total	\$22,091,937	\$7,605,251	\$7,932,417	\$327,166

Budget to Actual Revenues by Source



Total Cash & Investments







Reserve Fund Balance

	Amount
General Fund	\$2,232,578
Building Fund	778,238
OWOW Fund	2,617,570
Roundtable Fund	3,201,875
Debt Retirement	3,011,686
Pipeline Replacement & Capital Investment	36,643,173
OC San Pipeline Rehabilitation	3,036,460
Pipeline Capacity Management	12,808,111
OC San Future Treatment & Disposal Capacity	1,960,963
Brine Line Operating Reserve	2,288,059
Brine Line Operating Cash	3,970,580
Total Reserves	\$72,549,294

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.

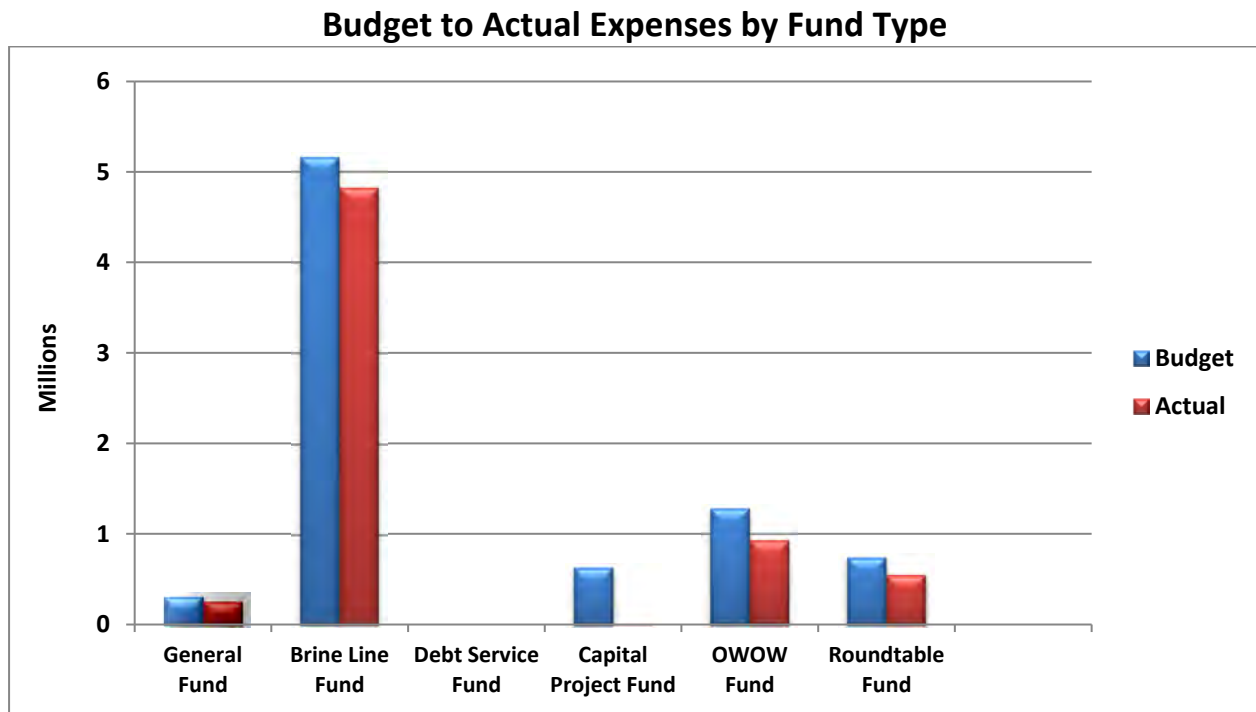
Both expenses and revenues are favorable.

Santa Ana Watershed Project Authority Executive Financial Information Report October 2024

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Budget to Actual Expenses by Fund Type	✔ Favorable			
	Annual Budget	FYTD Budget	FYTD Actual	Favorable (Unfavorable) Variance
General Fund	\$712,910	\$304,304	\$254,560	\$49,744
Brine Line Enterprise	11,368,636	5,160,070	4,822,170	337,900
Debt Service Fund	1,709,476	-	-	-
Capital Project Fund	1,870,013	623,337	9,724	613,613
OWOW Fund	4,229,319	1,276,439	926,786	349,653
Roundtable Fund	1,953,263	737,966	547,957	190,009
Total	\$21,843,617	\$8,102,116	\$6,561,197	\$1,540,919



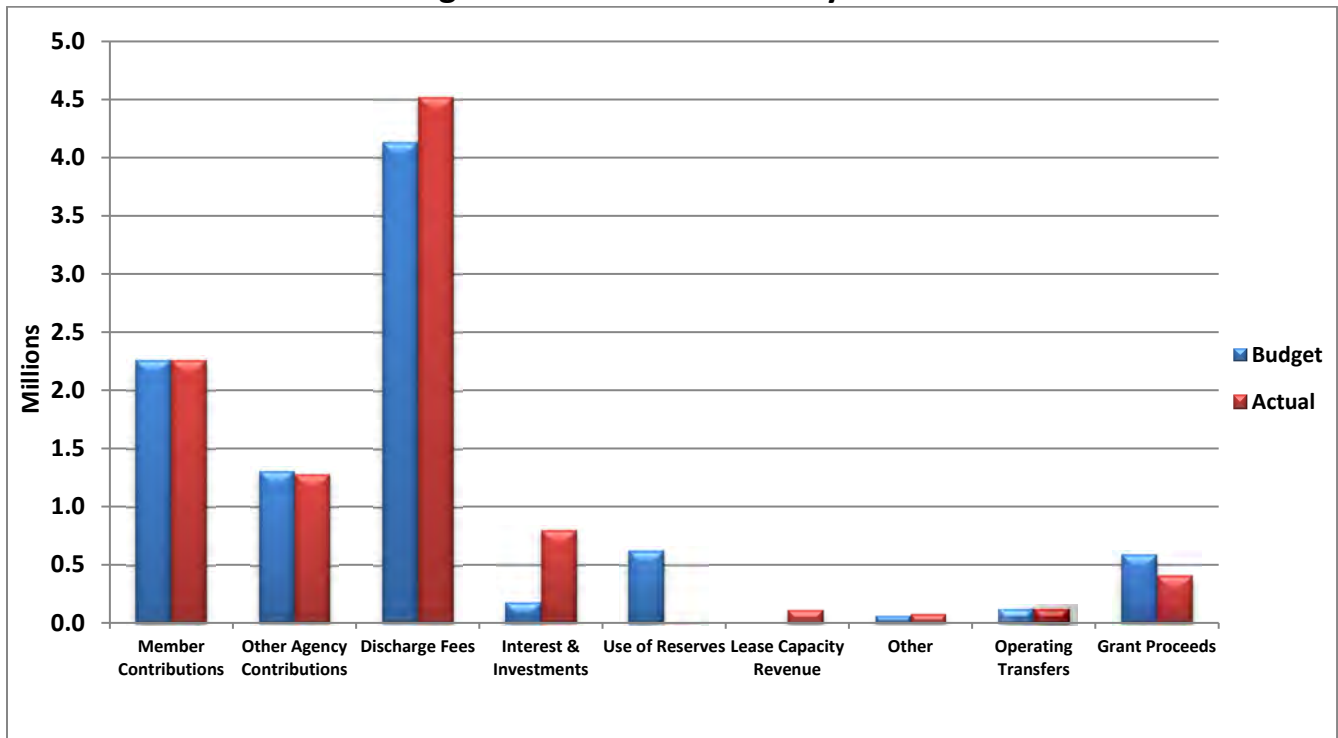
Budget to Actual Revenues by Source



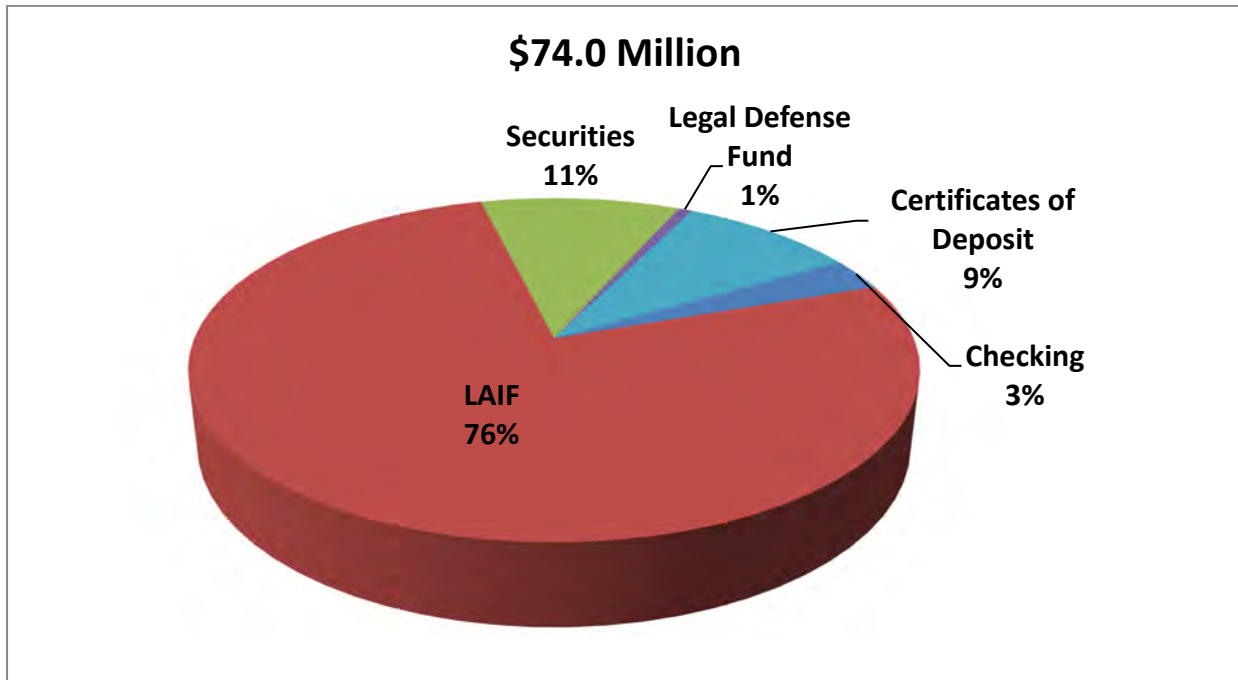
Favorable

	Annual Budget	FYTD Budget	FYTD Actual	Favorable (Unfavorable) Variance
Member Contributions	\$2,261,410	\$2,261,410	\$2,261,410	\$-
Other Agency Contributions	1,324,212	1,308,025	1,279,264	(28,761)
Discharge Fees	12,405,112	4,134,071	4,522,967	388,896
Interest & Investments	673,000	182,667	796,551	613,884
Use of Reserves	1,870,013	623,337	9,724	(613,613)
Lease Capacity Revenue	-	-	116,362	116,362
Other	1,078,085	62,762	75,419	12,657
Operating Transfers	120,320	120,320	120,320	-
Grant Proceeds	2,359,785	586,115	407,290	(178,825)
Total	\$22,091,937	\$9,278,707	\$9,589,307	\$310,600

Budget to Actual Revenues by Source



Total Cash & Investments







Reserve Fund Balance

	Amount
General Fund	\$2,177,675
Building Fund	786,011
OWOW Fund	2,475,372
Roundtable Fund	3,166,793
Debt Retirement	3,043,856
Pipeline Replacement & Capital Investment	37,027,115
OC San Pipeline Rehabilitation	3,068,481
Pipeline Capacity Management	12,944,921
OC San Future Treatment & Disposal Capacity	1,981,909
Brine Line Operating Reserve	2,312,437
Brine Line Operating Cash	5,012,381
Total Reserves	\$73,996,950

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.

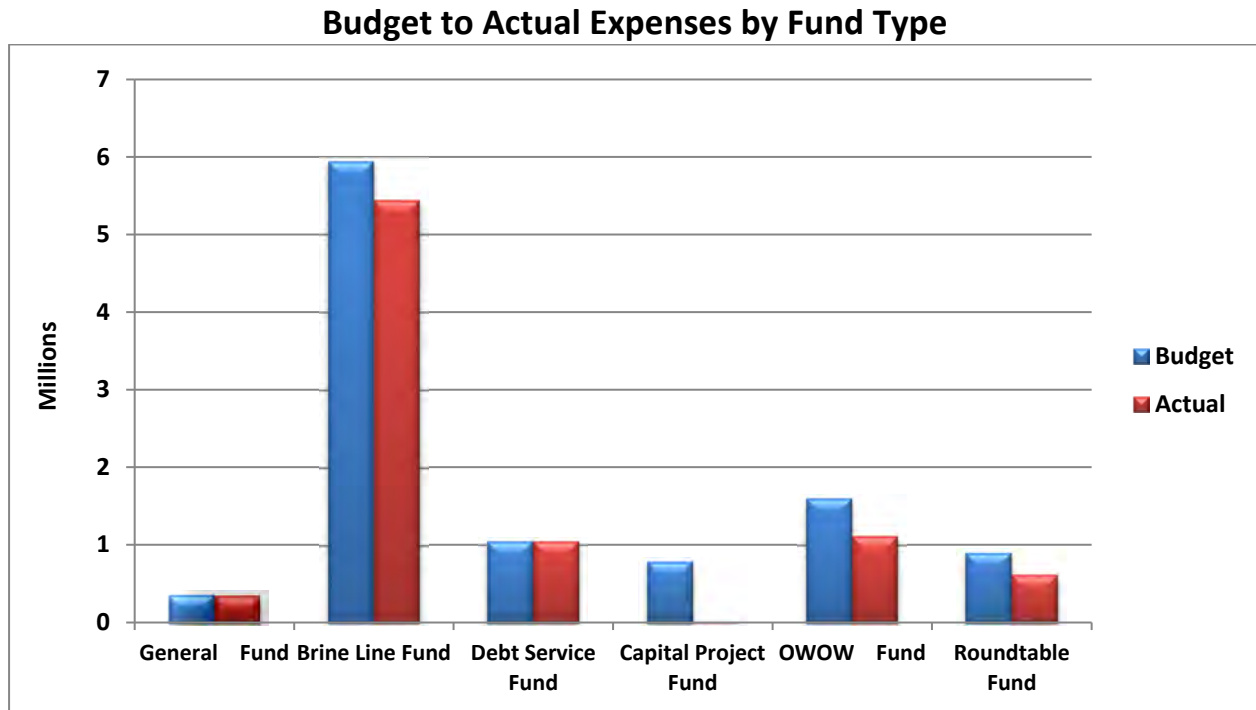
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**Santa Ana Watershed Project Authority
Executive Financial Information Report
November 2024**

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Budget to Actual Expenses by Fund Type				 Favorable
	Annual Budget	FYTD Budget	FYTD Actual	Favorable (Unfavorable) Variance
General Fund	\$712,910	\$355,379	\$343,496	\$11,885
Brine Line Enterprise	11,368,636	5,936,141	5,440,831	495,310
Debt Service Fund	1,709,476	1,044,273	1,044,273	-
Capital Project Fund	1,870,013	779,172	13,639	765,533
OWOW Fund	4,229,319	1,595,549	1,115,649	479,900
Roundtable Fund	1,953,263	889,878	611,348	278,530
Total	\$21,843,617	\$10,600,392	\$8,569,236	\$2,031,158



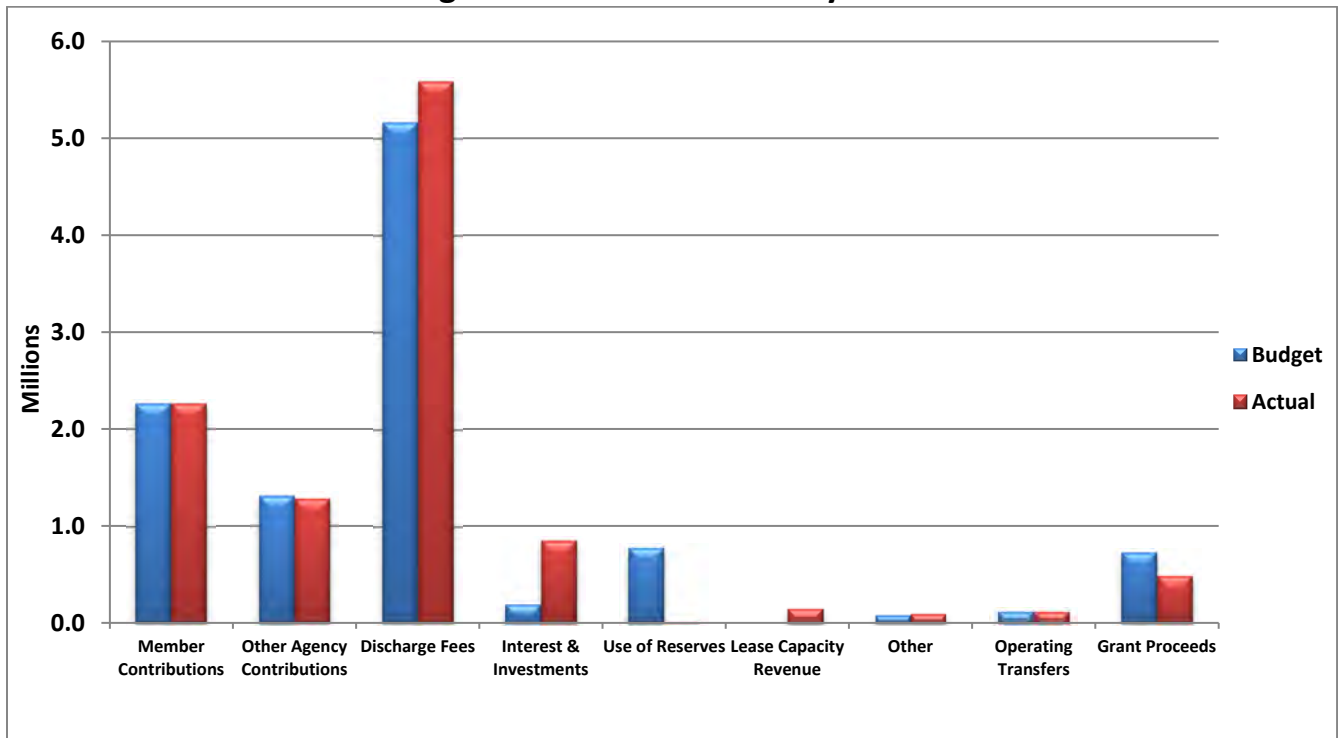
Budget to Actual Revenues by Source



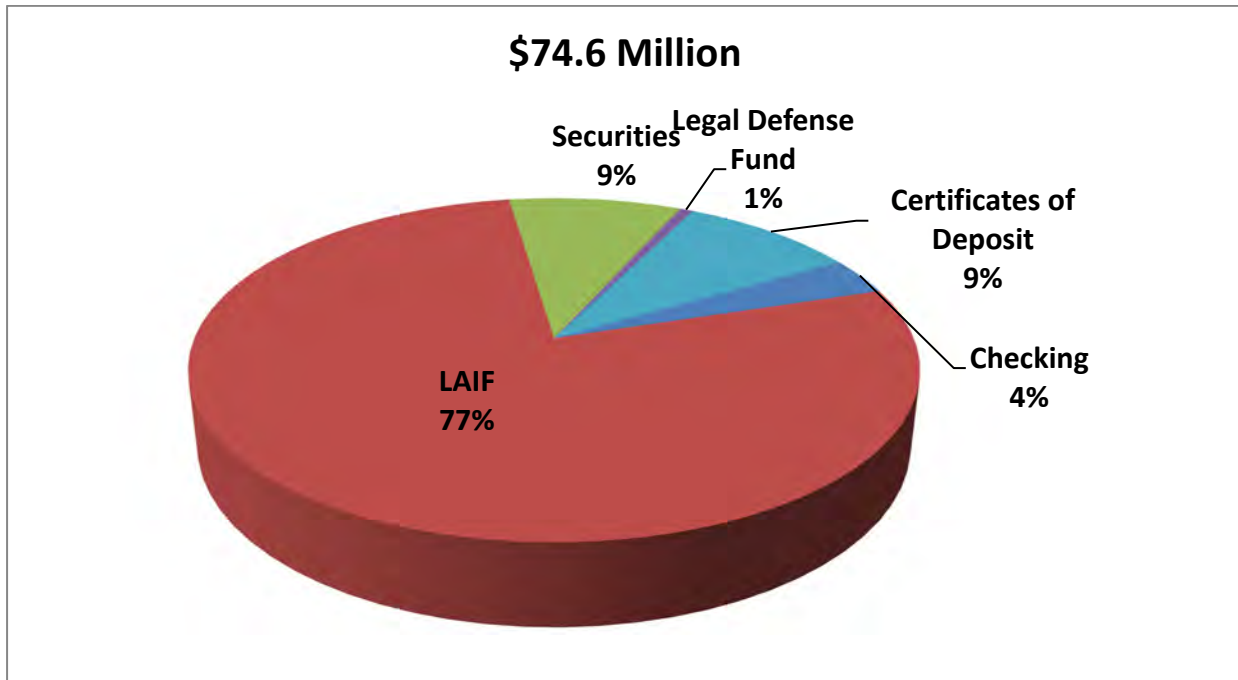
Favorable

	Annual Budget	FYTD Budget	FYTD Actual	Favorable (Unfavorable) Variance
Member Contributions	\$2,261,410	\$2,261,410	\$2,261,410	\$-
Other Agency Contributions	1,324,212	1,308,025	1,279,264	(28,761)
Discharge Fees	12,405,112	5,165,614	5,589,437	423,823
Interest & Investments	673,000	197,083	853,576	656,493
Use of Reserves	1,870,013	779,172	13,639	(765,533)
Lease Capacity Revenue	-	-	145,453	145,453
Other	1,078,085	78,452	92,122	13,670
Operating Transfers	120,320	120,320	120,320	-
Grant Proceeds	2,359,785	728,598	488,309	(240,289)
Total	\$22,091,937	\$10,638,674	\$10,843,530	\$204,856

Budget to Actual Revenues by Source



Total Cash & Investments







Reserve Fund Balance

	Amount
General Fund	\$1,879,856
Building Fund	786,011
OWOW Fund	2,362,056
Roundtable Fund	3,324,027
Debt Retirement	3,043,856
Pipeline Replacement & Capital Investment	37,229,698
OC San Pipeline Rehabilitation	3,068,481
Pipeline Capacity Management	12,944,921
OC San Future Treatment & Disposal Capacity	1,981,909
Brine Line Operating Reserve	2,312,437
Brine Line Operating Cash	5,631,833
Total Reserves	\$74,565,086

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.

Both expenses and revenues are favorable.
