



SANTA ANA WATERSHED
PROJECT AUTHORITY

Inland Empire Brine Line Reserve Funds Review

Karen Williams, Interim General Manager

Commission Meeting

August 19, 2025

Recommendation

It is recommended that the Commission approve the following:

1. R-01 Brine Line Operating Reserve

Set the target balance at **\$2,548,941**, representing 25% of total operating expenses of **\$10,195,765** for Fiscal Year Ending (FYE) 2025, an increase of **\$257,833**, and continue to accrue interest.

2. R-07 Brine Line Replacement and Capital Investment Reserve

Establish the **minimum** and **target** funding levels at **\$19,870,091** and **\$48,830,227**, respectively, based on the revised Capital Improvement Plan (CIP) total of **\$69.2 million**, as determined through Engineering's review.

3. Other Reserve Funds

Approve the continued accrual of interest in FYE 2026 for the following reserve funds, with funding levels (as of June 30, 2025) above their respective targets:

- R-02 Brine Line Debt Service Reserve
- R-04 Pipeline Capacity Management Reserve
- R-05 OC Future Treatment & Disposal Capacity Reserve

4. Surplus Allocation

From the projected **\$3,834,230** surplus for FYE 2025:

- Transfer **\$161,694** to the **R-01 Brine Line Operating Reserve** to reach its target balance
- Allocate the remaining balance to the **R-07 Brine Line Replacement and Capital Investment Reserve**

Brine Line Reserve Policy

- The updated Reserve Policy was approved by:
 - PA 24 on November 1, 2022
 - SAWPA Commission on December 20, 2022
- As per the approved Reserve Policy:
 - Funding above the target level in the reserve will be discussed and approved with the PA 24 and the Commission annually and during the biennial budget adoption process.
 - For those reserves under the target level, staff will involve member agencies in reviewing the timing for each reserve to achieve the target.
- Staff will bring the evaluation of reserves above the targets to PA 24 and the Commission in August each year.

Reserve Balances as of 06/30/2025

Fund	06/30/2025 Ending Balance	Minimum (2026)	Target (2026)	Over or Under Target	Amount Over or (Under) Target	Comment
R-01 Brine Line Operating	\$2,387,248	\$2,548,941	\$2,548,941	Under	(\$161,693)	Interest through 06/30/2025
R-02 Debt Retirement	\$3,142,328	\$1,709,476	\$1,709,476	Over	\$1,432,852	Interest through 06/30/2025
R-04 Pipeline Capacity Management	\$13,363,704	\$3,894,181	\$9,735,454	Over	\$3,628,250	Funds from pipeline capacity sales
R-05 OC San Future Treatment and Disposal Capacity	\$2,046,026	\$1,842,396	\$1,842,396	Over	\$203,630	Target set at 06/30/22 balance Interest through 06/30/25
R-06 OC San Pipeline Rehabilitation	\$3,167,752	\$2,425,147	\$7,250,000	Under	(\$4,082,248)	Contributions for FYE 2026 and 2027 are \$426,224 and \$182,388
R-07 Pipeline Replacement and Capital Investment	\$38,429,066	\$19,870,091	\$48,830,227	Under	(\$10,401,161)	Contributions for FYE 2026 and 2027 are \$2.0 million each year
Resiliency Component		\$2,338,000	\$5,000,000	--	--	--
CIP Component		\$2,853,993	\$7,134,983	--	--	--
R&R Component		\$14,678,098	\$36,695,244	--	--	--
Total - Unrestricted	\$60,826,648	\$30,580,756	\$70,207,018	--	--	--
Total – Restricted (R-02)	\$1,709,476	\$1,709,476	\$1,709,476	--	--	--
Total	\$62,536,124	\$32,290,232	\$71,916,494	--	--	--

R-01 Brine Line Operating

- Target: \$2,548,941 (25% of FYE 2026 budgeted operating costs).
- Interest earned in 2025: \$ 99,188
- Balance at 06/30/2025: \$2,387,248

Recommendation:

- Set Target at: \$2,548,941 (25% of FYE 2026 budgeted operating costs)
- Transfer \$161,693 from operating cash
- Continue to accrue interest in 2026

R-02 Debt Retirement

- Target: \$1,709,476 (1x annual debt service payment)
- Interest earned in FYE 2025: \$ 130,642
- Balance at 06/30/2025: \$3,142,328

Recommendation:

- Keep Target: \$1,709,476 (1x annual debt service payment)
- Keep the \$3,142,328 balance in this reserve and continue to accrue interest.
- 10-year CIP of \$69.2 million that qualifies for SRF Loans:
 - Reach IV-D Corrosion Repair SRF Loan of \$37.3 million
 - Estimated annual loan payment of \$1.3 million
 - \$3.1 million is 1x annual debt service payment reserve requirement

R-04 Pipeline Capacity Management

- Target: \$ 9,735,454
- Interest earned in FYE 2025: \$ 555,593
- Balance at 06/30/2025: \$13,363,704

Recommendation:

- Keep Target: \$ 9,735,454
- Keep the \$13,363,704 balance in this reserve and continue to accrue interest until more information is known on the future costs of this project.
- Funds in this account are from pipeline capacity sales to EMWD and WMWD, and interest earned.

R-05 OC San Future Treatment and Disposal Capacity

• Target:	\$1,842,396
• Interest earned in 2025:	\$ 85,063
• Balance at 06/30/2025:	\$2,046,026

Recommendation:

- Keep Target: \$1,842,396
- Keep the \$2,046,026 in this reserve and continue to accrue interest.
- The current price for 1 MG of treatment & disposal capacity is \$8.3 million. Funds in this reserve will be used to purchase additional treatment capacity.
- Funds in this reserve are from SBVMWD treatment capacity purchases and interest earned.

R-06 OC San Pipeline Rehabilitation

- Target: \$7,250,000
- Interest earned in 2025: \$ 131,291
- Contributions in 2025: \$ 155,786
- Balance at 06/30/2025: \$3,167,752

Recommendation:

- Keep Target: \$7,250,000
- Continue to contribute to this fund
 - FYE 2026 contribution = \$426,224.

R-07 Pipeline Replacement and Capital Investment

• Target (Resiliency, CIP, and Renew and Replacement):	\$48,830,227
• Interest earned in 2025:	\$ 1,588,061
• Contributions in 2025:	\$ 1,900,000
• Use of reserves in 2025	(\$ 177,360)
• SBVMWD Cost Share Agua Mansa Lateral	\$ 562,152
• Prado Reservoir MAS project reimbursement	\$ 210,010
• Balance at 06/30/2025	\$38,429,066

Recommendation:

• Keep Target:	\$48,830,227
• Continue to contribute to this fund.	
• FYE 2026 contribution = \$2,000,000	

YVWD Treatment Purchase

- No Target
- YVWD purchased 0.505 treatment capacity \$4,485,897
- Interest earned in 2025: \$ 83,255
- Balance at 06/30/2025 \$4,520,062

Recommendation:

- Continue to earn interest per agreement with SBVMWD and YVWD

Surplus Allocation

Projected results from FYE 2025:

Total Revenues	\$ 15,931,477
Total Expenses	(\$ 10,165,484)
Contributions to Reserves	<u>(\$ 2,055,786)</u>
Excess Rev over Expenses	\$ 3,834,230

Recommendation:

- Transfer \$161,693 to R-01 Brine Line Operating
- Transfer remaining surplus to R-07 Pipeline Replacement and Capital Investment

Recommendation

It is recommended that the Commission approve the following:

1. R-01 Brine Line Operating Reserve

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Questions

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SANTA ANA WATERSHED
PROJECT AUTHORITY

Arundo Donax Removal in the Santa Ana River Basin Headwaters Project

(SAWPA Change Order 1 to Task Order IERCD387-01)

Commission Meeting
Item No. 6.A

Ian Achimore, Interim Planning Department Manager
Santa Ana Watershed Project Authority

August 19, 2025

Recommendation

It is recommended that the Commission authorize the Interim General Manager to execute the following:

1. Change Order No. 1 to Task Order IERCD387-01, which increases the Project budget from \$147,777 to \$616,045 (a change of \$468,268), and
2. General Services Agreement with IERCD.

Project Sites

Tributary Name	Project Area (Acres)	Percent Completion
Cajon Creek	876	9%
Coopers Creek	74	0%
Devore Community	1,426	5%
Live Oak/Yucaipa Creek	31	58%
Lytle Creek	4,361	0%
Mill Creek	677	56%
Morey Arroyo	9	41%
Noble Creek	167	0%
Palm Canyon	23	0%
San Timoteo Canyon	350	78%
Santa Ana River	1,973	35%
Waterman Canyon & East Twin Creek	254	0%
Yucaipa Waterways	42	56%
Zanja	29	17%
TOTAL	10,292	29%

Change Order No. 1 Budget

Task	Task Description	Original Task Order	Change Order No. 1	Total
1	Access Agreements, Right of Entry, Encroachment	\$10,775	\$38,348	\$49,123
2	Surveying and Mapping	\$16,357	\$16,954	\$33,311
3	Invasive Species Removal, Herbicide Application, Retreatment, and Restoration	\$107,097	\$361,720	\$468,817
4	Admin - Environmental Review, Project Management, Administration, and Reporting	\$13,548	\$51,246	\$64,794
Totals		\$147,777	\$468,268	\$616,045

Note: Funding for both the Task Order and Change Order is through the proceeds of the sale of mitigation credits from the Santa Ana River Mitigation Bank. **The Fund's current balance is \$703,933 as of June 30, 2025.**

If adopted, there will be an approximately \$200,000 unobligated Fund balance. The Fund will be replenished when more mitigation credits are sold.

General Services Agreement

- Current GSA expires December 31, 2027
- Change Order extends project through December 31, 2029
- New GSA will expire December 31, 2029, to align with project
- Commission approved modified version of current GSA
 - Replaced term “Consultant” with “Partner” throughout document
 - Due to concerns of being viewed as a “contractor”, they prefer the term “partner” when executing contracts with water agencies.
 - Added language to clearly define independent status of both parties
- SAWPA’s legal counsel has reviewed and has no objection with change in terminology.

Question from Last Meeting on Surfactant

Question: Does the surfactant, Rainier-EA, used in this project contain PFAS?

Answer: **No.** The surfactant is made of several active ingredients – 1) Polyoxyethylene polyol fatty acid ester, and 2) Butyl lactate.

This surfactant is a formulation consisting of different combinations of **Carbon (C), Hydrogen (H) and Oxygen (O)**. **The key element in PFAS is Fluorine (F) or Fluorinated compounds.** The Rainier-EA label does not mention Fluorine.

Recommendation

It is recommended that the Commission authorize the Interim General Manager to execute the following:

1. Change Order No. 1 to Task Order IERCD387-01, which increases the Project budget from \$147,777 to \$616,045 (a change of \$468,268), and
2. General Services Agreement with IERCD.

Thank You

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SANTA ANA WATERSHED
PROJECT AUTHORITY

Request for Qualifications on Groundwater Technical Assistance and Surface Water Reporting

Commission Meeting
Item No. 6.B
Ian Achimore
Interim Planning Department Manager
August 19, 2025

Recommendation

- It is recommended that the Commission authorize the release of the Request for Qualifications for Groundwater Technical Assistance and Surface Water Reporting services, on behalf of the Basin Monitoring Program Task Force.



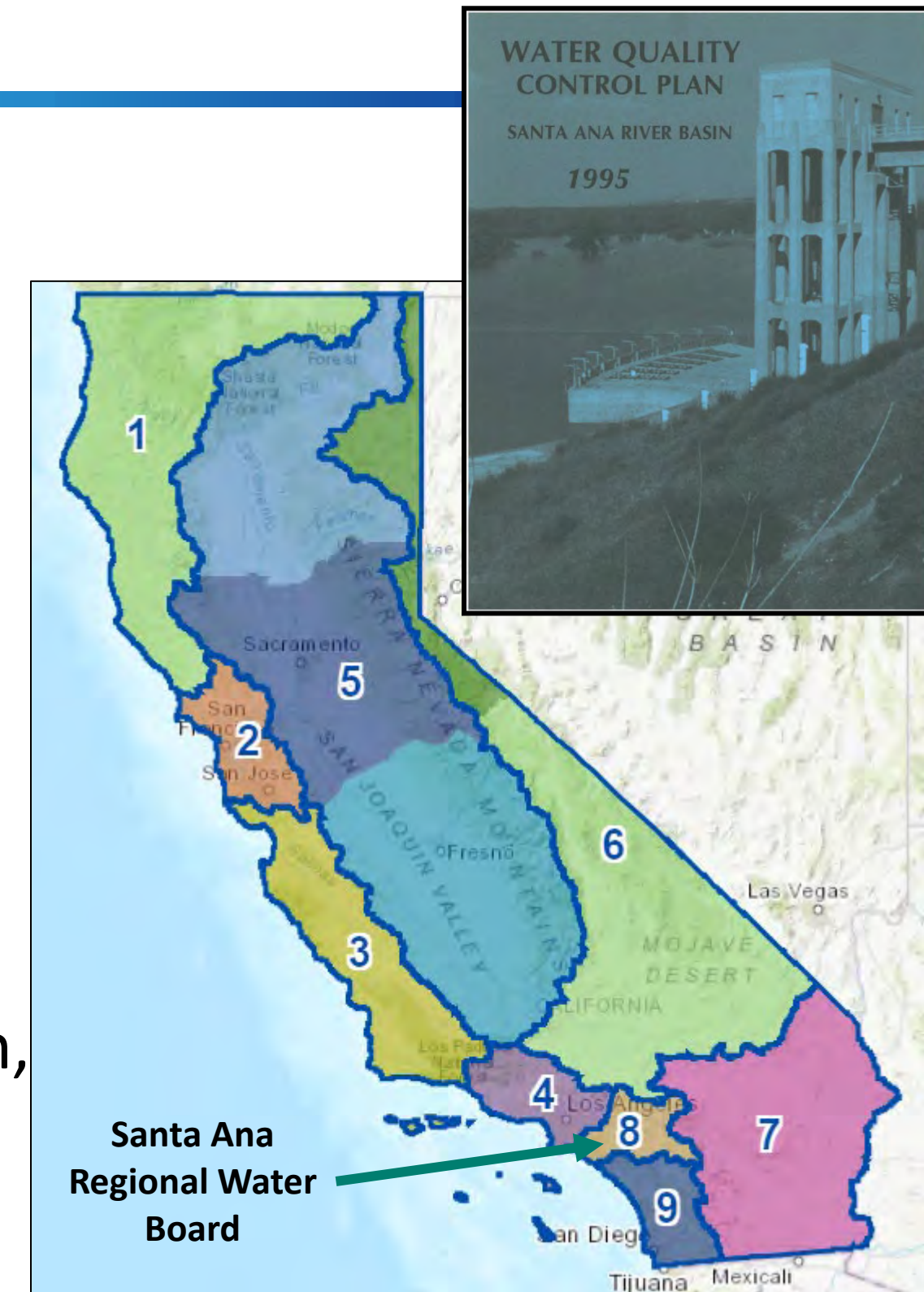
Overview

- Current Project
 - Basin Monitoring Program Task Force
- Funding Source
 - 20 water agencies (Task Force members)
- Purpose of item (review and approve)
 - Request for Qualifications
- Topics
 - About Task Force
 - Ongoing Task Force Monitoring Tasks
 - Future Task Force Deliverables (And Relationship to Monitoring Tasks)
 - Major RFQ Provisions



Task Force Purpose

- The Task Force implements ongoing monitoring tasks that are required in the Santa Ana Regional Board's regulatory document, the Basin Plan.
- Various agencies are identified in the Basin Plan and thus responsible for this monitoring. These agencies formed the Task Force in 2004.
- More broadly the Task Force does the following -
 - Assist individual dischargers (i.e. task force members with treatment plants and water recycling projects) with their regulatory permit requirements.
 - Assist the Regional Board with watershed-wide collaboration, water quality reporting and future Basin Plan Amendments.



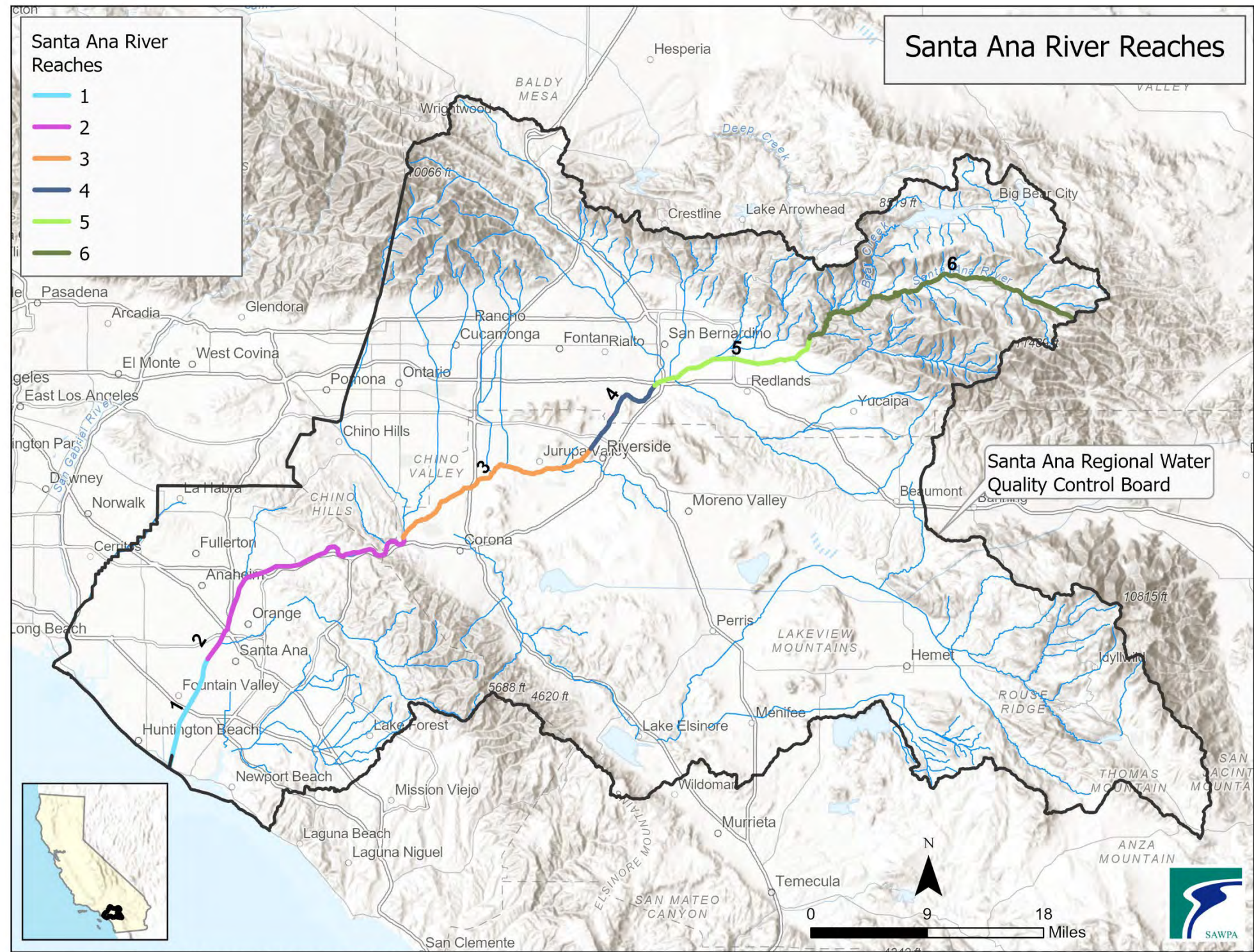
Note: These monitoring tasks are related to two pollutants – **salt** and **nutrients**.

BMP Task Force's Ongoing Monitoring Tasks

Monitoring Task	Description	Timeline for Completion
Ambient Water Quality Recomputation	Calculates salt and nutrient concentrations in Santa Ana River Watershed's 35 groundwater management zones (using data from > 4,000 wells).	Performed every five years. Next due date October 31, 2028.
Annual Report of Santa Ana River Water Quality	Reports water quality data to inform compliance with the antidegradation objectives for Santa Ana River Reaches 2, 3, 4 and 5.	Performed annually. Next due date August 1, 2026.
Wasteload Allocation Model	Models the Santa Ana River's salt and nutrients concentrations, and estimates those concentrations as recharge to underlying groundwater basin or as discharge at Prado Dam.	Performed every ten years. Next due date June 2030.

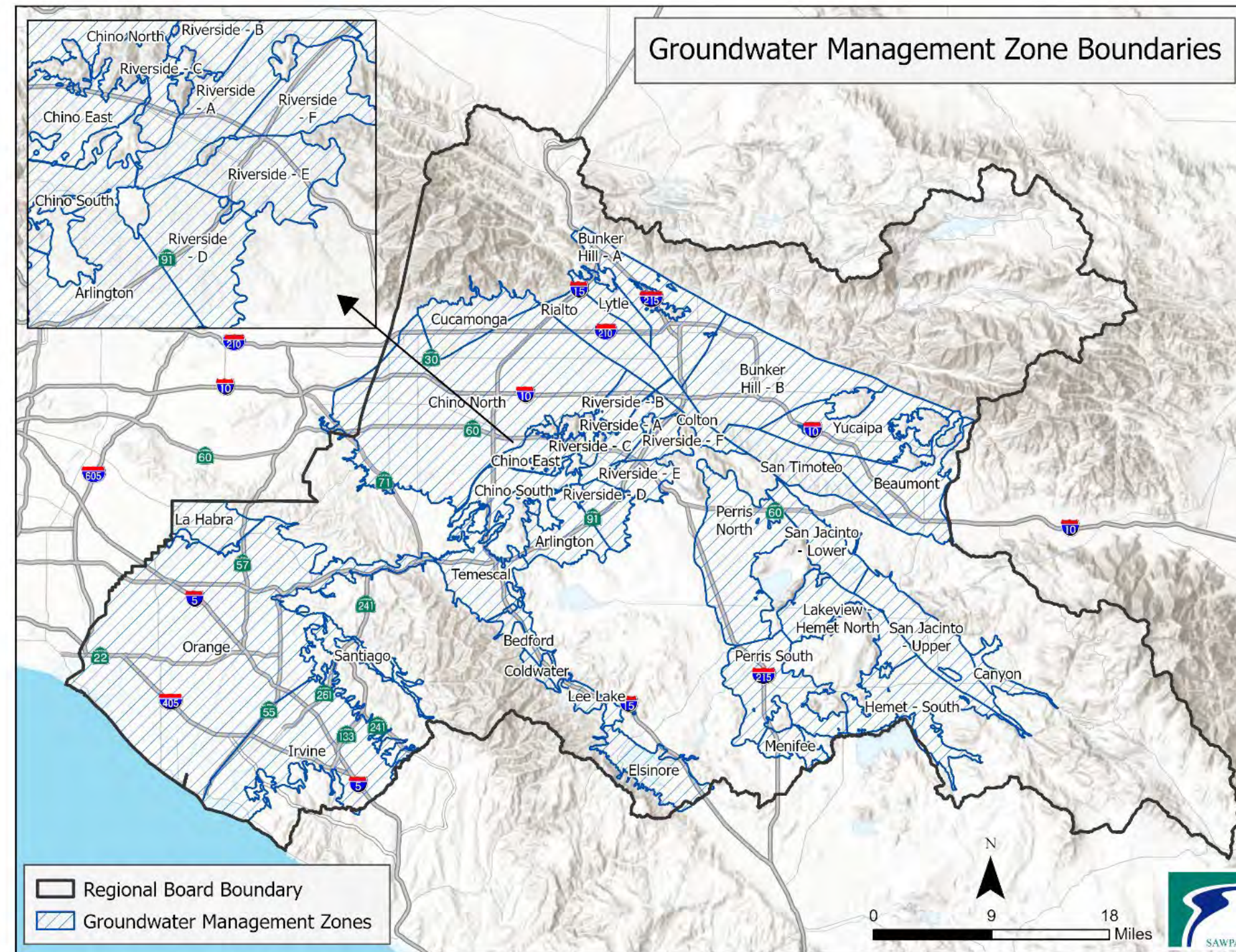
Note: Salt is regulated as the broader pollutant category of total dissolved solids (TDS), nutrients are regulated as Total Inorganic Nitrogen (TIN) and Nitrate-Nitrogen.

Santa Ana River Reaches



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Groundwater Management Zones



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Task Force Members

Beaumont Cherry Valley Water District	Elsinore Valley Municipal Water District
Chino Basin Watermaster	Inland Empire Utilities Agency
City of Banning	Irvine Ranch Water District
City of Beaumont	Jurupa Community Services District
City of Corona	Orange County Water District
City of Redlands	San Bernardino Valley Municipal Water District
City of Rialto	San Geronio Pass Water Agency
City of Riverside	Temescal Valley Water District
Colton/San Bernardino Regional Tertiary Treatment and Wastewater Reclamation	Western Riverside Co Regional Wastewater Authority/Western Municipal Water District
Eastern Municipal Water District	Yucaipa Valley Water District



Santa Ana Regional Board also a non-funding task force member agency

RFQ

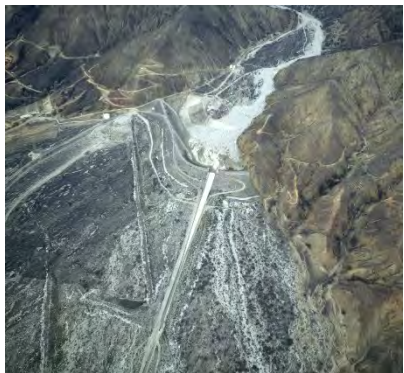


- RFQ includes four “services” (i.e. monitoring projects) for TDS and Nitrate-Nitrogen.
- Three services focused on groundwater management zones (GMZs) monitoring.
- One service focused on Santa Ana River surface water monitoring.

Services in the RFQ

RFQ Service	Related BMP Ongoing Monitoring Task	Due Date for Service
Groundwater Data Consolidation	Ambient Water Quality Recomputation	Annually per Statewide Recycled Water Policy
Storage Model Technical Assistance	Ambient Water Quality Recomputation	October 31, 2028.
Implementation of 2026 Ambient Water Quality Recomputation	Ambient Water Quality Recomputation	October 31, 2028.
Development of Santa Ana River Annual Water Quality Report	Santa Ana River Annual Water Quality Report	August 1, 2026.

Information on Recomputations



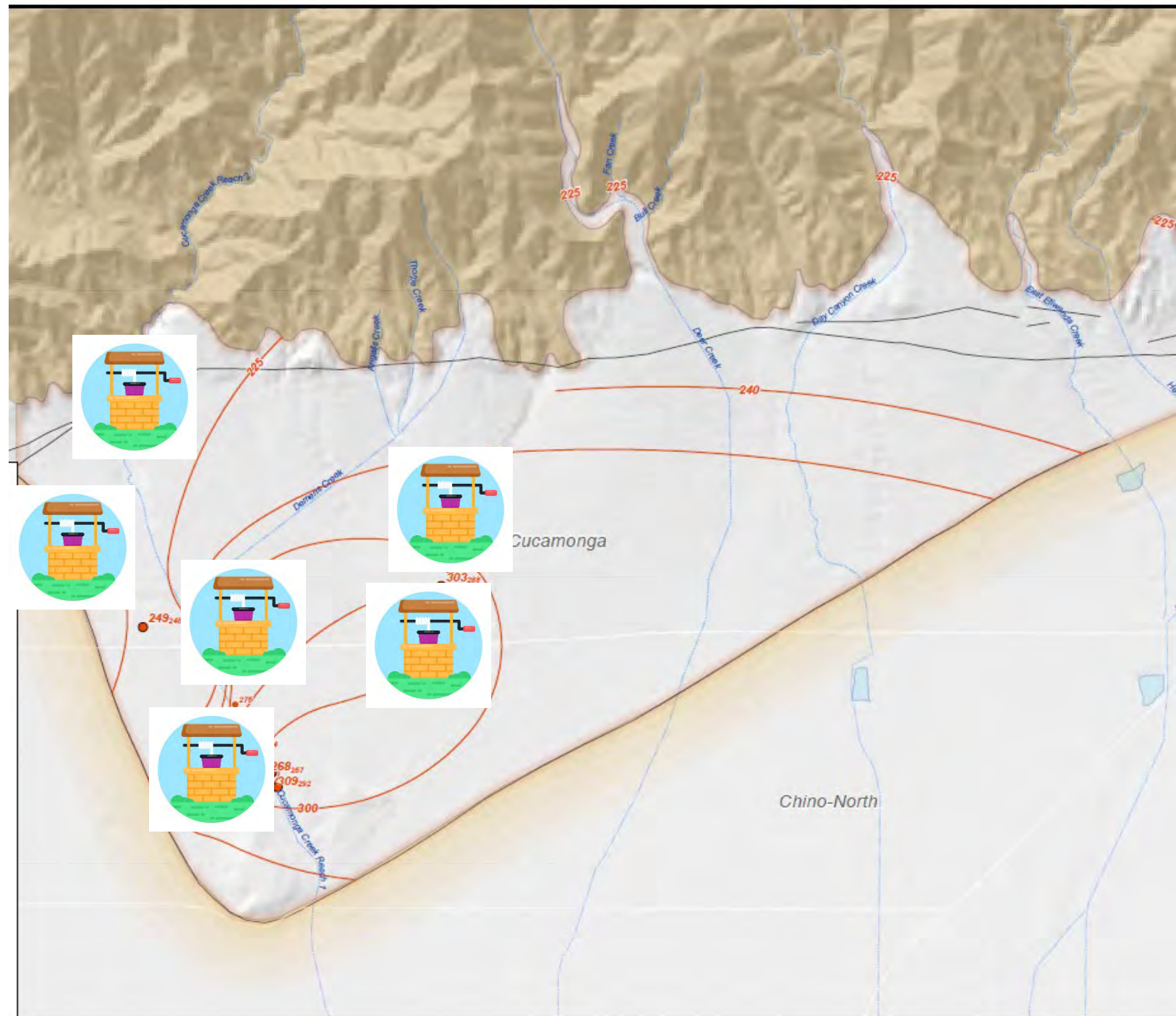
- Calculates ambient (i.e. current) TDS and Nitrate-Nitrogen concentrations over 20-year periods.
 - These 20-year periods include data from 4,000+ wells.
 - BMP Task Force consultants have performed the past nine recomputation.
- Note: recomputations help determine if any new or revised regulatory actions (e.g., revisions to NPDES permits or WDRs) may be necessary.



Task Force Recomputation History

Name	20-Year Period Used
Initial Computation	1978 to 1997
2000 AWQ Recomputation	1981 to 2000
2003 AWQ Recomputation	1984 to 2003
2006 AWQ Recomputation	1987 to 2006
2009 AWQ Recomputation	1990 to 2009
2012 AWQ Recomputation	1993 to 2012
2015 AWQ Recomputation	1996 to 2015
2018 AWQ Recomputation	1999 to 2018
2021 AWQ (Pilot) Recomputation	2002 to 2021
2026 AWQ Recomputation (Not Begun)	2007 to 2026

Information on Data Compilation



- The Statewide 2019 Recycled Water Policy requires annual TDS and Nitrate-Nitrogen data compilation.
- Data compiled will be from the 4,000+ wells used in the ambient water quality recomputations.
 - In the past, this well data has only been compiled when a BMP Task Force consultant is working on one of the nine ambient water quality recomputations (i.e. every three years).

Information on Santa Ana River Report

- Data is compiled and analyzed annually for Santa Ana River Reaches 2 through 5.
- Data from Orange County Water District, the Santa Ana Water Board, the BMP Task Force, U.S. Geological Survey (USGS), and other data sources.
- SAWPA staff have done report in past. Report is becoming more technical and could include new data that the federal U.S. Environmental Protection Agency requires.



RFQ Review Criteria

- Qualifications and Experience (Firm and Personnel) – Consultant shall have a minimum of five years demonstrated experience related to the services to be provided.
- Understanding of the Service(s) – As demonstrated in the completion of their Understanding of the Project and Approach question.
- Exceptions Taken to RFQ – As demonstrated in the completion of Appendix A4 – Additions, Deletions and/or Exceptions.

RFQ Schedule

Action	Deadline
RFQ Published	August 19, 2025
Question Deadline	September 17 at 5:00 PM PST
SAWPA Responds to Final Question(s)	September 24 at 5:00 PM PST
RFQ Proposals Due	September 30 at 5:00 PM PST
Possible Interviews	October 8 through 15, 2025
SAWPA Commission Approval of Short List of Consultants	October 21 at 9:30 AM PST or November 4, at 9:30 AM PST

Short List



Recommendation

- It is recommended that the Commission authorize the release of the Request for Qualifications for Groundwater Technical Assistance and Surface Water Reporting services, on behalf of the Basin Monitoring Program Task Force.



Thank You

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