



**SAWPA COMMISSION
REGULAR MEETING MINUTES
MARCH 3, 2015**

COMMISSIONERS PRESENT

Donald D. Galleano, Chair, Western Municipal Water District
Ed Killgore, Vice Chair, San Bernardino Valley Municipal Water District
Dave Slawson, Eastern Municipal Water District
Phil Anthony, Orange County Water District [9:45 a.m.]
Terry Catlin, Inland Empire Utilities Agency

COMMISSIONERS ABSENT

Ron Sullivan, Secretary-Treasurer, Eastern Municipal Water District

**ALTERNATE COMMISSIONERS
PRESENT; NON-VOTING**

Thomas P. Evans, Alternate, Western Municipal Water District
Steve Copelan, Alternate, San Bernardino Valley Municipal Water District
Jasmin Hall, Alternate, Inland Empire Utilities Agency

STAFF PRESENT

Celeste Cantú, Rich Haller, Larry McKenney, Mark Norton, Karen Williams, Dean Unger, Kelly Berry, David Ruhl

The Regular Commission Meeting of the Santa Ana Watershed Project Authority was called to order at 9:30 a.m. by Chair Donald D. Galleano at the Santa Ana Watershed Project Authority, 11615 Sterling Avenue, Riverside, California.

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE

Mark Norton led the Pledge of Allegiance.

2. ROLL CALL

Roll call was duly noted and recorded by the Clerk of the Board.

3. PUBLIC COMMENTS

Chair Galleano called for public comments. There were no public comments.

4. ADMINISTER OATH OF OFFICE TO SAWPA COMMISSIONERS

Larry McKenney administered the Oath of Office to Commissioners Donald D. Galleano, Ed Killgore, and Terry Catlin, as well as to Alternate Commissioners Dave Slawson, Tom Evans, and Steven Copelan. The record will reflect that the Oath of Office was administered to Commissioner Phil Anthony and Alternate Commissioner Jasmin Hall following the meeting.

5. CONSENT CALENDAR

A. APPROVAL OF MEETING MINUTES: FEBRUARY 17, 2015

MOVED, approve the Consent Calendar.

Result:	Adopted (Unanimously; 4-0-1)
Motion/Second:	Killgore/Galleano
Ayes	Catlin, Galleano, Killgore, Slawson
Nays:	None
Abstentions:	None
Absent:	Anthony

6. WORKSHOP DISCUSSION AGENDA

A. PROPOSITION 1 – EFFECTIVELY IMPLEMENTING 2014 WATER BOND

Celeste Cantú provided a PowerPoint presentation on the 2014 Water Bond, noting the State of California is in the process of developing their guidelines for Proposition 1, which passed November 2014, also known as Water Bond 2014. Each chapter has been assigned to a different department or commission, and they are going through their process of developing the guidelines. Some chapters are similar to existing programs within Proposition 84, so they will only slightly revise and release them in the near future. However, other chapters are new requiring substantial revisions. The State is inviting water communities to provide input; Celeste Cantú was invited to give a presentation which she will outline below.

An overall theme has surfaced: (1) the State is committed to a more diversified stakeholder review, reaching beyond customary water stakeholders and into communities to bring others into the process such as disadvantaged communities, tribal communities, and business communities; and, (2) they are less focused on the investment itself and more focused on the output/benefits resulting from the investment, with the requirement those benefits are maintained and monitored for at least ten year into the future.

The State is looking at each dollar invested in terms of an integrated approach. They are not focusing on stand-alone projects but on how projects fit into a larger scheme within California as a whole – the California Water Plan, which is the blueprint Governor Brown is using for all water investments.

The Water Bond is \$7.4 billion; the Governor's proposed budget for this year allocates \$532.5 million to be spent beginning July 1, 2015. They have generally front-loaded the existing programs but will delay the new program until the administrative review process is complete.

- **Watershed Protection and Restoration - \$178.0 million.** Continuation of existing projects. \$139.1 million for watershed restoration projects; \$38.9 million for enhanced stream flow projects. Stream flow enhancement will be focused on water being held back by dams and the resulting impact on stream water temperature and the Salmon smolt.
- **Water Recycling – \$137.2 million.** \$131.7 million for traditional water recycling projects. \$5.5 million for water recycling and desalination projects. Southern California water recycling projects have been very successful in setting the standard; Celeste Cantú noted she is concerned they will fund projects in Northern California to emulate the successful water recycling projects in Southern California.
- **Safe Drinking Water – \$135.5 million.** \$69.2 million for drinking water treatment projects and \$66.3 million for wastewater treatment projects. These funds are relatively focused on unincorporated farming communities in the Central Valley where they either do not have water service or they depend on wells that are deemed not fit to be utilized for drinking water.
- **Water Supply Reliability – \$59.9 million.** \$32.8 million for integrated regional water management, of which SAWPA's OWOW Plan will receive its population share of those funds. \$23.2 million for water conservation will be focused in the rest of the state to catch up with successful projects in Southern California. \$3.3 million for infrastructure improvements to the state water system. \$600,000 for stormwater management.
- **Groundwater Sustainability – \$21.9 million.** \$21.3 for groundwater management and \$600,000 for groundwater contamination. Santa Ana River Watershed is generally the groundwater management model which the State utilized in underwriting their new groundwater sustainability legislation. These funds will be utilized to bring the rest of the state to the groundwater management standards of the new groundwater legislation.

Their emphasis is looking strategically, with the Water Plan as the overlay, at how the State as a whole can be brought up to a certain standard, not just based on the merits of any particular stand-alone program.

Bond accountability will be a transparent and public process, requiring maximum monitoring and reporting of the benefits produced – those benefits must be maintained ten years into the future; monitoring and reporting of water storage benefits will most likely be longer.

A new website has been created that is a central clearinghouse of all bond expenditures.

<http://bondaccountability.resources.ca.gov/>

B. CALIFORNIA WATER COMMISSION PROPOSITION 1 SCOPING SURVEY

Celeste Cantú provided a background on the California Water Commission (CWC), which will now provide a public forum for the discussion of statewide water issues. The Water Bond appropriated \$2.7 billion for investments in water storage projects (including both dam and groundwater storage) and designated the CWC as the agency responsible for allocating these funds. However, these funds cannot be allocated until 2016 in order to provide all stakeholders an opportunity to give input on how the money should be spent. Celeste Cantú outlined various eligible projects, noting that by December 15, 2016, the CWC will develop and adopt by regulation methods for the quantification and management of the public benefits of water storage projects. Measurable benefits to the Delta ecosystem or its tributaries must be included in eligible projects. The release of draft project solicitation and evaluation guidelines for the Water Storage Investment Project (including consideration of public comments before finalizing) will occur by March 2017. After December 15, 2016 and before January 2022, the CWC will select projects through a competitive public process, ranking projects on expected return of public investment.

Chair Galleano requested an item on the next Commission agenda asking the Governor to recognize the significance of the southern part of the state and make some appointments to the CWC in accordance with that population.

Finally, Celeste Cantú encouraged participation in an initial scoping survey presented by the CWC and available on the CWC's website which will be utilized to collect information about potential water storage projects from proponents who may request Water Bond funding.

C. SENATE GOVERNANCE AND FINANCE AND NATURAL RESOURCES AND WATER COMMITTEES – STRATEGIES AND INNOVATIONS IN FINANCING AND LOCAL STORMWATER AND DRY WEATHER RUNOFF IMPROVEMENTS

Celeste Cantú provided a report on her presentation to a joint committee meeting of the State Governance and Finance and Natural Resources and Water Committees. Nine people were invited to present at this joint session; she was among those invited to present, including a staff member from IEUA. The topic was innovative financing mechanisms for stormwater management and dry weather runoff (aka urban slobber). Her presentation emphasized the importance of eliminating dry weather runoff through budget-based rates and other conservation efforts currently utilized within the watershed.

7. **NEW BUSINESS**

A. **OPPOSITION TO SB 143 (STONE) DIAMOND VALLEY RESERVOIR: RECREATIONAL USE (CM#2015.12)**

Larry McKenney noted that Diamond Valley Reservoir (DVR) was designed and constructed to serve primarily as an emergency supply for the Metropolitan Water District (MWD) service area. DVR was specifically designed to accommodate the recreational use of fishing and is not physically suited to body contact recreation. Establishing contact recreation would require significant local expense to modify the reservoir and related facilities and provide very little economic benefit. MWD and Eastern Municipal Water District have adopted positions in opposition to SB 143.

MOVED, adopt a position of opposition to SB 143 (Stone), Diamond Valley Reservoir: Recreational Use.

Result:	Adopted (Unanimously; 5-0)
Motion/Second:	Catlin/Anthony
Ayes	Anthony, Catlin, Galleano, Killgore, Slawson
Nays:	None
Abstentions:	None
Absent:	None

8. **OLD BUSINESS**

None.

9. **INFORMATIONAL REPORTS**

Recommendation: Receive and file the following oral/written reports/updates.

A. **TEMPORARY URGENCY CHANGE PETITION FOR DROUGHT RESPONSE**

Larry McKenney provided an update, noting the State Water Board had recently held a lengthy workshop, had received many public comments and was expected to make a decision at today's meeting. However, as of this morning this item had been deferred off their agenda to a future meeting.

B. **SAWPA GENERAL MANAGERS MEETING NOTES**

- February 10, 2015

C. **CHAIR'S COMMENTS/REPORT**

D. **COMMISSIONERS' COMMENTS**

10. **CLOSED SESSION**

There was no closed session.

11. **ADJOURNMENT**

There being no further business for review, Chair Galleano adjourned the meeting at 10:12 a.m.

Approved at a Regular Meeting of the Santa Ana Watershed Project Authority Commission on Tuesday, March 17, 2015.


Donald D. Galleano, Chair