



**PROJECT AGREEMENT 23 COMMITTEE**  
Santa Ana River Conservation and Conjunctive Use Program (SARCCUP)  
**REGULAR MEETING MINUTES**  
**January 26, 2017**

**COMMITTEE MEMBERS PRESENT**

Paul D. Jones, General Manager, Eastern Municipal Water District  
P. Joseph Grindstaff, General Manager, Inland Empire Utilities Agency [Vice Chair]  
Michael Markus, General Manager, Orange County Water District  
Thomas P. Evans, Vice President, Western Municipal Water District

**ALTERNATE COMMITTEE MEMBERS PRESENT [Non-Voting]**

None.

**COMMITTEE MEMBERS ABSENT**

Douglas Headrick, General Manager, San Bernardino Valley Municipal Water District [Chair]

**MEMBER AGENCY STAFF PRESENT**

**Eastern Municipal Water District**

Brian Powell  
Kelly Gage  
Gordon Ng

**San Bernardino Valley Municipal Water District**

Bob Tincher

**Inland Empire Utilities Agency**

Sylvie Lee

**Western Municipal Water District**

Craig Miller  
Tim Barr  
Ryan Shaw

**Orange County Water District**

Adam Hutchinson

**Santa Ana Watershed Project Authority**

Larry McKenney  
Mark Norton  
Dean Unger  
Sara Villa

**OTHERS PRESENT**

Margie Armstrong, EVMWD  
Jesus Gastelum, EVMWD  
Brian Dietrick, RMC Woodard & Curran  
Scott Goldman, RMC Woodard & Curran  
Armin Munevar, Ch2M  
Marcelo Reginato, Ch2M

**1. CALL TO ORDER**

The regular meeting of the PA 23 Committee was called to order at 8:48 a.m. by Vice Chair Grindstaff at the Santa Ana Watershed Project Authority, 11615 Sterling Avenue, Riverside, California.

## 2. PUBLIC COMMENTS

There were no public comments.

## 3. APPROVAL OF MEETING MINUTES: DECEMBER 22, 2016

Vice Chair Grindstaff called for a motion to approve the meeting minutes.

**MOVED**, approve December 22, 2016 meeting minutes.

Result:	<b>Adopted (Unanimously; 4-0)</b>
Motion/Second:	Evans/Jones
Ayes	Evans, Grindstaff, Jones, Markus
Nays:	None
Abstentions:	None
Absent:	Headrick

Awaiting the arrival of Armin Munevar of Ch2M before considering Agenda Item No. 4.A., the Committee next considered Agenda Item Nos. 5.A., 5.B., 5.C., 5.D., and 5.E.

## 4. COMMITTEE DISCUSSION ITEMS

### A. SARCCUP DECISION SUPPORT MODEL

Armin Munevar, Ch2M, provided a PowerPoint presentation on the SARCCUP Decision Support Model (DSM). The presentation provided an overview of the following:

- SARCCUP Goals and Objectives
- Major Assumptions of SARCCUP Scenarios
- Cost Assumptions
- DSM Cost Inputs
- Preliminary SARCCUP Cost Results (Treated)
- SARCCUP Facility Usage

Munevar noted that a number of DSM costs were reduced due to Valley storing water through SBBA. Committee Member Jones questioned if the in-lieu exchange of \$313/AF calculation only includes the treatment surcharge and do we have the capability to monitor it. Munevar said that it currently only includes the treatment surcharge, though it can be built to monitor. Discussion ensued regarding the recharge and capacity charge amount, as well as the SARCCUP facility usage. Vice Chair Grindstaff recommended consulting within the member agencies to see if there is a perceived benefit in building the baseline feeder and coming up with the money amongst them in order to reduce future costs. Larry McKenney noted that changing where the capital money goes for instance, the baseline feeder, would require an Amendment to the Grant Agreement. Munevar provided the following schedule of the remaining DSM work:

- Final Cost and Conveyance Reviews
- Final DSM Simulations
- Draft Model Documentation (January 31)
- Draft Master Plan Scope of Work (January 31)
- Final Model Documentation and Master Plan Scope of Work (February 21)

This item was for informational purposes; no action was taken on Agenda Item No. 4.A.

## 5. INFORMATIONAL REPORTS

### A. PROJECT AGREEMENT 23 MODIFICATIONS STATUS

McKenney provided an oral report of the Project Agreement 23 (PA 23) modifications status. The committee was interested in exploring a change in the terms of PA 23, which would require action of the commission and member agency boards, to change the composition of the Committee to SAWPA Commissioners. McKenney developed a draft Amendment to the PA 23 Agreement and distributed it to the general managers for review. No comments have been received. Vice Chair Grindstaff noted that the draft Amendment has been forwarded to their legal counsel. Committee Member Jones stated they are in the process of accumulating and submitting their comments, noting his support that the Committee instead be comprised of SAWPA Commissioners. However, he noted his desire that the following remain unchanged in the PA 23 Agreement:

- Section 11 (Annual Reporting) – there be separate annual reporting for PA 23, as a traditional project committee.
- Sections 12 & 13 (Committee Member Financial Responsibilities) – if one of the Committee Members were to drop out in the future, that they continue to function under the same project committee format.
- Section 9 (Recognition) – have an as-needed technical advisory workgroup to assist with implementation and to retain the necessary technical expertise.
- Section 3 (Reference to SAWPA's potential ownership of facilities) – strike out the reference of ownership.

McKenney reminded that any such changes would require Commission and member agency governing board approval. McKenney clarified Section 9 addresses technical advisory participants and envisions this Committee naming non-member agency representatives as non-voting members of this committee. The purpose of that provision was to allow agencies who may actually own and operate facilities that are part of the project, like EVMWD and YVWD, to have a way to participate. Committee Member Evans raised concern over the amount of time expended to rewrite an agreement that doesn't need to be rewritten. Committee Member Jones noted that if they can't come to a consensus then they are fine with the way it is. Committee Member Markus suggested addressing the reference to SAWPA's potential ownership of facilities. Vice Chair Grindstaff noted that he would want to be freed from Brown Act meeting limitations because to gain an ability to meet and negotiate on some issues that are really pertinent to PA 23. Vice Chair Grindstaff advised that if there were no change to the Project Agreement, he would seek removal by his Board and appointment of an IEUA Board member to the Committee; Committee Member Markus noted he would do the same. Committee Member Jones said he would provide written comments to McKenney and requested that this item be placed as a future informational agenda item for discussion before it goes to Commission.

### B. SARCCUP DETAILED SCHEDULE

Brian Dietrick of RMC provided a PowerPoint Presentation on the SARCCUP Detailed Schedule. The detailed project schedule roll up was displayed by agency and each category (Agreement/CEQA/Permitting/Design/Construction) indicated how it is reflected in

the overall schedule. Committee Member Markus questioned if IEUA's institutional issues with MWD were captured in the current schedule. Dietrick noted that the MWD Agreement is included under SAWPA since it is a universal event that applies to everyone. Committee Member Evans raised concern if construction would begin without first having an agreement in place. Vice Chair Grindstaff noted current IEUA efforts within the Chino Basin and regarding CEQA. Dietrick advised that the schedule would be updated monthly.

**C. GRANT AGREEMENT AND SUB-AGREEMENTS STATUS**

Mark Norton provided an oral update on the Grant Agreement and Sub-Agreements status. The DWR Grant Agreement was executed in November. The sub-agreements are nearly finalized, the legal issues have been addressed and there is a planning managers meeting scheduled this afternoon. Norton noted that most of the agencies are planning on taking their sub-agreements to their Board in February. Vice Chair Grindstaff and Committee Member Markus noted that they will take the sub-agreements to their respective Boards this month as there are remaining issues staff is working through. Norton advised that there is no deadline on submittal of the sub-agreements, though that timing will impact how quickly grant funds are distributed.

**D. METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA AGREEMENTS STATUS**

Committee Member Jones provided an oral update on the MWD Agreement status. He noted that he met with Debra Man of MWD on the proposal for the Conjunctive Use Project and she advised their legal counsel is in the process of reviewing the proposal of the agreement and will soon go to the management team for discussion. Committee Member Jones noted that they are proposing various elements that include water from Valley included as part of the SARCCUP project and how it would be credited under a water shortage contingency. It is anticipated a first phase proposal response from MWD will be forthcoming in the near future.

**E. CALIFORNIA ENVIRONMENTAL QUALITY ACT DOCUMENTS STATUS**

Sylvie Lee, IEUA provided an oral update on the CEQA status. Public comments were received and the tribal consultation, as well as other agencies, requested having face-to-face meetings. Tom Dodson and ESA are in the process of working together to review and respond to other comments received.

**6. COMMITTEE MEMBER REQUESTS FOR FUTURE AGENDA ITEMS**

There were no requests for future agenda items.

**7. ADJOURNMENT**

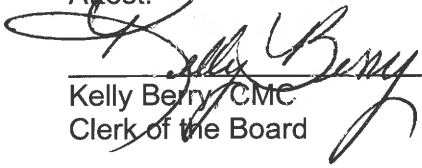
There being no further business for review, Vice Chair Grindstaff adjourned the meeting at 10:03 a.m.

Approved at a Special Meeting of the Project Agreement 23 Committee on Tuesday, April 4, 2017.



Jasmin A. Hall, Vice Chair

Attest:



Kelly Berry, CMC  
Clerk of the Board