



...A United Voice for the Santa Ana River Watershed

OWOW STEERING COMMITTEE

REGULAR MEETING MINUTES

SEPTEMBER 27, 2018

Committee Members	
<u>Santa Ana Watershed Project Authority Representatives</u>	
Ronald W. Sullivan, Eastern Municipal Water District	Present
Jasmin A. Hall, Inland Empire Utilities Agency	Present
<u>County Supervisor Representatives</u>	
Marion Ashley, Riverside County Board of Supervisors	Absent
Shawn Nelson, Orange County Board of Supervisors	Present
Curt Hagman, San Bernardino County Board of Supervisors	Present
<u>County City Representatives</u>	
San Bernardino County City Representative [Vacant]	Vacant
Laura Roughton, Councilmember, City of Jurupa Valley	Present
Jose Solorio, Councilmember, City of Santa Ana	Present [11:07 a.m.]
<u>Business Committee Representative</u>	
James Hessler, Director of West Coast Operations, Altman Plants	Present
<u>Environmental Committee Representative</u>	
Garry W. Brown, Convener, President, Orange County Coastkeeper	Present
<u>Regional Water Quality Control Board Representative</u>	
Linda Ackerman, Vice Chair, Santa Ana Regional Water Quality Control Board	Present
Others Present	
<u>SAWPA COMMISSIONERS:</u>	None.
<u>SAWPA STAFF:</u>	Rich Haller, Larry McKenney, Karen Williams, Dean Unger, Mike Antos, Kelly Berry
<u>OTHERS PRESENT:</u>	Heather Cooley, Director of Research with the Pacific Institute; Amanda Carr, Deputy Director, OC Environmental Resources; Michael Markus, General Manager, Orange County Water District

The OWOW Steering Committee meeting was called to order at 11:04 a.m. by Ronald W. Sullivan, Convener, at the Santa Ana Watershed Project Authority, 11615 Sterling Avenue, Riverside, California.

1. WELCOME AND INTRODUCTIONS

Roll call was duly noted and recorded. Mike Antos introduced Vic Nguyen, Chief, Southern Region Office, California Department of Water Resources Division of Integrated Regional Water Management.



Mr. Nguyen has reached out to engage with stakeholders and SAWPA staff and observe the work accomplished within the watershed.

2. **PUBLIC COMMENTS**

There were no public comments.

3. **APPROVAL OF MEETING MINUTES – July 26, 2018**

MOVED, approve the July 26, 2018 meeting minutes.

Result:	Adopted (Passed)
Motion/Second:	Hall/Brown
Ayes:	Ackerman, Brown, Hagman, Hall, Hessler, Nelson
Nays:	None
Abstentions:	Roughton, Sullivan
Absent:	Ashley, Solorio

4. **INFORMATIONAL ITEMS**

A. **Pacific Institute Update on Activities in the Santa Ana River Waterside (SC#2018.19)**

Heather Cooley, Director of Research with the Pacific Institute, provided a PowerPoint presentation titled, *Corporate Water Stewardship in the Santa Ana River Watershed*. Current work in the Santa Ana River Basin includes commercial and industrial properties, sustainable landscapes to improve water security and climate resilience in California, and context-based corporate water targets to reduce water risk and improve water security.

Committee Member Solorio arrived at 11:07 a.m., during the presentation of Agenda Item No. 4.A.

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

B. **OWOW Program Update (SC#2018.20)**

Mark Norton provided a PowerPoint presentation with a status report on the OWOW Program (inclusive of the OWOW Plan Update 2018, Disadvantaged Communities Involvement Program, Proposition 1 IRWM Implementation Grants), a copy of which was provided to Committee members, staff and the public. Public review of the draft OWOW Plan Update 2018 is anticipated in mid-October. The draft Project Solicitation Package (PSP) for the Proposition 1 IRWM Implementation Grants is anticipated to be released at any time; DWR funding area workshops will be conducted during the winter 2018/2019 timeframe. Round 1 grant applications are due to DWR early April 2019, with grant awards anticipated late 2019.

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

5. **BUSINESS ITEMS**

A. **The OC Plan and the July 13, 2018 letter from the North/Central OC Watershed Management Area Agencies (SC#2018.18)**

Mike Antos provided a PowerPoint presentation, a copy of which was provided to Committee members, staff and the public. Additional handouts included (1) July 13, 2018 letter from the North/Central OC Watershed Management Area Agencies, (2) two support letters (OC Stakeholders and Newport Bay Watershed Executive Committee), and (3) a rebuttal letter from OCWD to SC#2018.18; copies of which are made a part of the record by this reference.



Amanda Carr, Deputy Director, OC Environmental Resources provided a PowerPoint presentation titled, *The OC Plan and Integrated Regional Water Management in Orange County*. Within Orange County collaboration efforts, North and Central cities and water districts expressed concerns they did not feel that Orange County water resources needs were being effectively reflected in the OWOW Plan and the OWOW IRWM process, which was the impetus for the water district, sanitation district and Orange County to begin the update and further development of the OC Plan. The OC Plan combines the north and central areas into one area; all Santa Ana Region municipalities and water districts are included. This effort to update the OC Plan was to clarify specific water resource needs of Orange County; then through that clarification of needs, to hope for better integration within the OWOW Plan.

For illustrative purposes, Carr outlined management and operation in the San Diego funding area (SD Area), where Orange County takes on the role as the lead agency. This group, consisting of a 21-member executive committee supported by a management committee of high-level staff from agencies participating in IRWM, has been awarded \$37 million in grant funding which has leveraged a total of \$216 million in investment for south Orange County water resources. The SD Area has three separate regional water management groups – South Orange County, Upper Santa Margarita, and San Diego. The Tri-County FACC serves as the formal agreement under which the funding split is modeled on the population and land area calculation that the State utilizes to distribute the funds to all twelve funding areas. Under the Tri-County FACC, Orange County receives 13% because they are a small geographic/population area relative to San Diego, but they follow the model that the State has followed in distributing funds because they believe it is representative of the needs demonstrated by those areas. Collaboration is pursued within watershed and program areas.

Carr stated that relative to North and Central Orange County, less than 20% of the geographic area is still hydrologically connected to the Santa Ana River watershed. Prado Dam physically separates the upper and lower watershed. Orange County's major focus is surface water quality; North and Central Orange County have unique priorities such as beach water quality, seawater intrusion control, marine protected areas, and the ecological health of Upper Newport Bay. Concerns have existed since the beginning on whether the focus of Orange County stakeholders, water quality (including surface water quality) and coastal issues (Upper Newport Bay), could be effectively reflected within the OWOW Plan. They recognize that the goal of the OWOW Plan is to improve the overall health of the watershed through the Santa Ana funding area and they do agree that there are several interrelated issues; however, it is much easier for projects in the upper watershed to show downstream benefits versus projects that are in the lower watershed showing upstream benefits. Carr noted that the OC Stakeholders approaching the County to re-engage in IRWM planning for Orange County illustrates the fact that the OC Stakeholders have not felt engaged/heard through the OWOW process. They were hoping to clarify and reinvigorate the voice of the OC Stakeholders and further spur dialogue through their request for integration by becoming a chapter in the OWOW Plan.

Development and adoption of the OC Plan were outlined, as well as the rating and ranking differences between the OC Plan and the OWOW Plan. The highest-score focus of the OC Plan, adequate/reliable water supplies and protect/enhance water quality, do not map to the OWOW plan. The OC Stakeholders place water reliability and supply and surface water quality as equal-weighted goals; this is not sufficiently reflected in the OWOW Plan to address the needs OC Stakeholders have identified as their top concerns. Water quality in Newport Bay, a focus of OC Stakeholders, is completely unrelated to water coming down the Santa Ana River and they feel that the OWOW Plan is solely focused on water coming down the Santa Ana River. So, when



projects in Newport Bay Watershed/Huntington Harbor Watershed are put forth in the OWOW Plan, they are less competitive because the OWOW Plan is focused mainly on water supply and on areas hydrologically connected.

Allocation of 38% of total available grant funds to projects in Orange County was requested in the July 13, 2018 letter from the North/Central OC Watershed Management Area Agencies. In addressing that request, Carr noted that 38% was based on the way the State allocated funding statewide to address both land area and population. Population plays a large role in bringing money to the funding area; they believe that population and land area should be used to divide money within this funding area. In addressing information contained in OWOW SC memorandum 2018.08 provided by staff for this discussion which stated the DWR is uncomfortable with the funding split that has been negotiated within the SD Area, Carr respectfully disagreed. As the manager for that area, Carr stated that has never been communicated to her during frequent conversations with the Director of Finance for the IRWM program.

Committee Members Hagman and Solorio noted they were in the State Legislature at the time, and the intent of this funding was to encourage people to work together within regional efforts, not individual counties or looking at geographical boundaries. They were seeking a holistic perspective giving the flexibility to regions relating to their own needs, not per population. Carr noted the OC Plan sets forth their needs and makes their request very clear to have meaningful integration in the OWOW process; alternatively, their IRWM plan is compliant and they can go to DWR and ask to be a separate regional water management group within the Santa Ana funding area. This is their request to have meaningful integration into the OWOW Plan and remain within the OWOW Plan.

Discussion continued regarding success within the SD Area, purpose and funding as well as rating and ranking of the OC Plan versus the OWOW Plan. Committee Member Solorio noted that within spans of time demographics change and other areas will grow; this conversation is very important and timely, and these are reasonable requests. Orange County is an important stakeholder to SAWPA overall; they have represented they feel shortchanged over several years, and this is the time to make it right.

Convener Sullivan noted the OWOW process has been an evolution over the past ten years; it has always been a competitive process for the benefit of the entire watershed, not individual areas, counties or districts. There has never been a guaranteed amount for a specified area. We are trying to support continuing a competitive grant program for the betterment of the entire watershed.

Mike Antos reported on recent communication efforts, noting a result of which is a proposal for a program goal to ensure projects within any one county will not receive less than 25% of the available funding. Carr noted this does not address the fact that OC goals of water quality and water supply are not reflected in the ranking and scoring process of the OWOW Plan. They accordingly request their projects come through their plan and scoring process, as a chapter under the OWOW Plan umbrella. Convener Sullivan suggested obtaining current population data, not 2010 data used in the OC calculations, and take that data forward to calculate what would be expected in 2020 and 2030; then come back with more accurate information so the Committee can decide with current data.

Committee Member Hall left the meeting at 12:23 p.m. and did not return.

Commissioner Bruce Whitaker noted that significant stretches of coastal areas are unique in Orange County relating to the Santa Ana Watershed. Committee Member Brown noted the



benefit and connectivity relating to groundwater throughout the watershed and support of the holistic approach to the watershed but voiced a problem with a guaranteed percentage because it moves against the purpose of the OWOW process; Brown supported integration of the OC Plan within the OWOW Plan. He would like to see a more robust effort taking into account the coastal region when it comes to project rating and ranking.

Mike Markus expressed the OC Stakeholders believe the OC Plan process is superior to that being proposed in the OWOW Plan, and encouraged the Committee take that into consideration and not just the guaranteed percentage of funding requested.

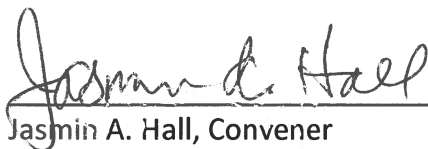
Committee Member Roughton noted she was not comfortable with the guaranteed percentage; she appreciated the robust discussion and encouraged it to continue. She was supportive of resiliency language but emphasized the need for more work among staff before she would be comfortable to vote on the item. Committee Member Hessler noted he was struggling with the guaranteed percentage, but he understands the concerns regarding competitiveness and alignment of goals expressed by Orange County and does not think the language fully addresses those concerns. Committee Member Ackerman was not prepared to vote on the item until she received more data and noted she would like to know how and to what degree climate change was discussed with the Pillars. Committee Member Solorio supported looking at current population numbers and noted it would be interesting to know how much money each of the counties have received over the past 10 years; Solorio noted water quality should be included and perhaps moved up in priority. Convener Sullivan reiterated there was no goal to shortchange the coastal region; it is a competitive program and will never be perfect. Committee Member Hagman encouraged we take into consideration what the language of the bond states and we should determine how close we are to following what is set forth in the water bond.

The information provided was received by the OWOW Steering Committee; however, direction was provided to SAWPA staff but no action was taken on Agenda Item No. 5.A.

6. ADJOURNMENT

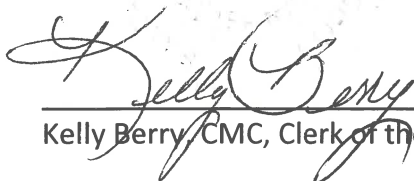
The meeting came to a close at 1:08 p.m.

APPROVED: January 24, 2019



Jasmin A. Hall, Convener

Attest:



Kelly Berry, CMC, Clerk of the Board