PROJECT AGREEMENT 23 COMMITTEE
Santa Ana River Conservation and Conjunctive Use Program (SARCCUP)
REGULAR MEETING MINUTES
September 22, 2016

COMMITTEE MEMBERS PRESENT
P. Joseph Grindstaff, General Manager, Inland Empire Utilities Agency [Vice Chair]
Douglas Headrick, General Manager, San Bernardino Valley Municipal Water District [Chair]
Michael Markus, General Manager, Orange County Water District
John Rossi, General Manager, Western Municipal Water District [Alternate]

ALTERNATE COMMITTEE MEMBERS PRESENT [Non-Voting]
None.

COMMITTEE MEMBERS ABSENT
Thomas P. Evans, Vice President, Western Municipal Water District
Paul D. Jones, General Manager, Eastern Municipal Water District

MEMBER AGENCY STAFF PRESENT
Eastern Municipal Water District
Nick Kanetis
Kelley Gage
Brian Powell

Inland Empire Utilities Agency
Sylvie Lee

Orange County Water District
Adam Hutchinson

San Bernardino Valley Municipal Water District
Bob Tincher

Western Municipal Water District
Craig Miller
Tim Barr
Ryan Shaw

Santa Ana Watershed Project Authority
Larry McKenney
Mark Norton
Ian Achimore
Kelly Berry
Sara Villa

OTHERS PRESENT
Brian Dietrick, RMC Water & Environment

1. CALL TO ORDER
The regular meeting of the PA 23 Committee was called to order at 8:31 a.m. by Chair Headrick 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: AUGUST 25, 2016**

Chair Headrick called for a motion to approve the meeting minutes.

**MOVED,** approve August 25, 2016 meeting minutes.

**Result:** Adopted (Unanimously; 4-0)

**Motion/Second:** Grindstaff/Markus

**Ayes:** Grindstaff, Headrick, Markus, Rossi

**Nays:** None

**Abstentions:** None

**Absent:** Jones

4. **COMMITTEE DISCUSSION ITEMS**

A. **PROJECT AGREEMENT 23 COMMITTEE BUDGET FOR FISCAL YEAR ENDING (FYE) 2017 (PA23#2016.5)**

Ian Achimore provided a PowerPoint presentation briefly reviewing the critical success factors and outlining the budget development process for PA 23 Committee Budget for FYE 2017. The Budget was prepared with the planning managers and in accordance with provisions outlined in the Project Agreement 23. This budget approval is for Fiscal Year 2017, only, as follows:

<table>
<thead>
<tr>
<th>Fund/Task</th>
<th>Requested Grant Amount</th>
<th>Local Match: Non-State Fund Source</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>E PA 23 FYE 2017 Budget</td>
<td>$3,326,433</td>
<td>$2,781,327</td>
<td>6,107,760</td>
</tr>
<tr>
<td>F PA 22 Phase II FYE 2017 Budget</td>
<td>$197,600</td>
<td>$191,120</td>
<td>$388,720</td>
</tr>
<tr>
<td>Total FYE 2017 Budget</td>
<td>$3,524,033</td>
<td>$2,972,447</td>
<td>$6,496,480</td>
</tr>
</tbody>
</table>

Following is a breakdown of Line E referenced in the table above:

<table>
<thead>
<tr>
<th>Fund/Task</th>
<th>Requested Grant Amount</th>
<th>Local Match: Non-State Fund Source</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>A SAWPA Administration of PA 23 Committee/Planning Managers Mtgs</td>
<td>$99,885</td>
<td>$0</td>
<td>$99,885</td>
</tr>
<tr>
<td>B RMC/SAWPA Program Management</td>
<td>$302,383</td>
<td>$25,941</td>
<td>$328,324</td>
</tr>
<tr>
<td>C Pass Through</td>
<td>$2,924,165</td>
<td>$2,755,386</td>
<td>$5,679,551</td>
</tr>
<tr>
<td>Total PA 23 FYE 2017 Budget</td>
<td>$3,326,433</td>
<td>$2,781,327</td>
<td>6,107,760</td>
</tr>
</tbody>
</table>
MOVED, adopt the Project Agreement 23 Committee Budget for Fiscal Year Ending (FYE) 2017, and receive an informational report regarding the Estimated Project Cost Projections.

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

B. GRANT AGREEMENT AND SUB-AGREEMENT STATUS
Mark Norton provided and oral status report which included ongoing discussions with DWR. He referenced the grant agreement workplan and schedule, noting that there are a few adjustments yet to be made. The sub-agreements with the member agencies are anticipated to be finalized by January 2017.

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

C. LETTER AGREEMENT – COST SHARING FOR CASH FLOW PURPOSES TO FUND THE SARCCUP PROGRAM MANAGEMENT SERVICES CONSULTANT CONTRACT
Mark Norton advised that the planning managers requested a cost sharing letter agreement to set forth the understanding between the member agencies regarding the need for cash flow for the first six-month phase of SARCCUP; specifically, for consultant program management services.

MOVED, approve a Cost Sharing Letter Agreement for cash flow purposes to fund the first six months of the SARCCUP Program Management Services Consultant Contract to be signed by all SARCCUP agencies and SAWPA.

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

D. SARCCUP AGREEMENTS DEVELOPMENT TIMELINE STATUS
Mark Norton referenced the SARCCUP Agreement Timeline on page 47 of the agenda packet, developed by the consultant and planning managers. Discussion ensued regarding the SARCCUP project timeline, possible designation of more water to other basins, and potential pipeline relocation. The need for development of meaningful milestones and deadlines as well as potential alternatives was also discussed.

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

5. COMMITTEE MEMBER REQUESTS FOR FUTURE AGENDA ITEMS
There were no requests for future agenda items.
6. **ADJOURNMENT**  
There being no further business for review, Chair Headrick adjourned the meeting at 9:08 a.m.

Approved at a Regular Meeting of the Project Agreement 23 Committee on Thursday, December 22, 2016.

[Signature]
Douglas Headrick, Chair

Attest:

[Signature]
Kelly Berry, CMC  
Clerk of the Board