



**SAWPA COMMISSION
REGULAR MEETING MINUTES
JUNE 20, 2017**

COMMISSIONERS PRESENT

Susan Lien Longville, Chair, San Bernardino Valley Municipal Water District
Ronald W. Sullivan, Vice Chair, Eastern Municipal Water District
Jasmin A. Hall, Secretary-Treasurer, Inland Empire Utilities Agency
Thomas P. Evans, Western Municipal Water District
Bruce Whitaker, Alternate, Orange County Water District

COMMISSIONERS ABSENT

Philip L. Anthony, Orange County Water District

**ALTERNATE COMMISSIONERS
PRESENT; NON-VOTING**

Kati Parker, Alternate, Inland Empire Utilities Agency
Gil Navarro, Alternate, San Bernardino Valley Municipal Water District

STAFF PRESENT

Celeste Cantú, Rich Haller, Larry McKenney, Mark Norton, Karen Williams, Dean Unger, David Ruhl, Carlos Quintero, Nicole Weideman, Rick Whetsel, Ian Achimore, Kelly Berry

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

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE

2. ROLL CALL

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

3. PUBLIC COMMENTS

There were no public comments.

4. COMMENDATIONS

Service pins were presented to the individuals listed below in appreciation of their service to SAWPA.

- A. 5 years:** Zyanya Blancas | Larry McKenney
- B. 10 years:** Tom Evans | Celeste Cantú | David Ruhl | Dean Unger | Sara Villa
- C. 15 years:** Rich Haller | Karen Williams | Dawna Munson
- D. 20 years:** Jerry Oldenburg
- E. 25 years:** Regina Patterson | Mark Norton

5. CONSENT CALENDAR

A. APPROVAL OF MEETING MINUTES: JUNE 6, 2017

MOVED, approve the June 6, 2017 meeting minutes.

Result: **Adopted (Unanimously)**
Motion/Second: Sullivan/Whitaker
Ayes: Evans, Hall, Longville, Sullivan, Whitaker
Nays: None
Abstentions: None
Absent: None

B. TREASURER'S REPORT – MAY 2017

MOVED, approve the May 2017 Treasurer's Report.

Result: **Adopted (Unanimously)**
Motion/Second: Evans/Hall
Ayes: Evans, Hall, Longville, Sullivan, Whitaker
Nays: None
Abstentions: None
Absent: None

6. NEW BUSINESS

A. VIREO MONITORING PROJECT UPDATE

Hugh Wood, Executive Director, Santa Ana Watershed Association (SAWA), accompanied by Melody Aimar, Wildlife Habitat Management Services Supervisor, provided a Proposition 84 (OWOW) Project Summary. Utilizing Proposition 84 Round 1 and SAWA funding, SAWA has removed over 4,700 acres of Arundo and other invasive plants throughout the watershed, monitored the endangered species Least Bell's Vireo, and monitored/trapped the Brown-headed Cowbird. These efforts greatly contributed to Vireo habitat restoration, a decline in parasitism by the Brown-headed Cowbird, and an increase from 19 to 865 known Vireo territories within the Santa Ana Watershed.

Greg Woodside, OCWD, provided a PowerPoint presentation outlining elements of the SARCCUP Project which will result in the removal of 640 acres of Arundo within the Santa Ana Watershed.

Commissioner Sullivan requested the Vireo data be sent to the Western Riverside County Regional Conservation Authority (RCA). Melody Aimar advised they send the data to approximately 30 stakeholders, and she will confirm RCA is among those to whom the data is provided.

This item was for informational and discussion purposes; no action was taken on Agenda Item No. 6.A.

B. DISCUSS JOINT POWERS AUTHORITY DELIBERATION PROCESS (CM#2017.82)

Chair Longville noted this item was to follow up on the action taken by the EMWD Board on June 7, 2017: "Prior to taking action on the proposed SAWPA biennial budget, secure from the SAWPA Commission an acknowledgement of the concerns raised by EMWD and OCWD regarding compliance with the JPA agreement and agreement to establish a process and schedule to collaboratively resolve these concerns in a timely manner."

Chair Longville has worked with staff to determine a plan of action, and proposed the following: Acknowledge the action taken by EMWD's Board. Determine what additional project agreements the Commission believes may be needed. If the Commission were to direct staff to proceed, staff would review current activities; group activities for which project agreements may be needed under programmatic agreements for efficiency of administration. After this review the results would be provided at a future workshop, and then the Commission could consider directing staff to draft new agreements should that be the desire of the Commission. This that could include, for example:

- Drafting specific identified new project agreements
- Drafting a template general purpose project agreement that could be adapted to various activities.
- Drafting a project agreement for operation of the Inland Empire Brine Line
- Drafting a project agreement generally covering activities under multi-agency task force agreements.

Commissioner Sullivan noted he was basically in agreement, with a couple of clarifications:

1. That the process incorporate consideration of the responses to the questions on JPAA issues and other items that the member agency general managers were asked to prepare by Chair Longville. This would be inclusive of the final report/outcome of the Sharon Browning facilitation process.
2. That SAWPA staff should collaborate with the member agencies in preparing the list of individual projects and activities, or groups of projects and activities, which would potentially be included in the project agreements.
3. That a target schedule be established for the process, with:
 - a. The materials from staff and general managers completed by the end of July;
 - b. An initial Commission workshop could begin in the first part of August; and,
 - c. Commission and member agency review and consideration of new project agreements tentatively in September/October.

Chair Longville suggested the Commission direct SAWPA staff to review current activities and group them together under programmatic elements and bring that information back before the Commission to provide feedback. Commissioner Sullivan stated that including the general managers and member agency staff would be beneficial. Chair Longville voiced her agreement.

Commissioner Evans requested clarification on EMWD's expectations with respect to their approval of the SAWPA budget. Commissioner Sullivan stated EMWD's Board has two concerns: (1) the creation of the grant/technical writer position; and, (2) they are seeking clarification of the budget for Reach V. Additionally, there is a JPAA process that is instrumental in how we move forward, and the EMWD Board desires all to be in agreement as to that process.

Alternate Commissioner Whitaker recommended a commitment to the steps and timetable set forth earlier by Commissioner Sullivan.

Chair Longville restated Commissioner Sullivan's motion to direct staff to review current activities, group activities for which project agreements may be needed under programmatic agreements, and bring this back to the Commission at a future meeting. Chair Longville encouraged that the discussion also include the general managers as part of their normal process of regularly occurring meetings.

MOVED, direct SAWPA staff to review current activities and then group activities for which project agreements may be needed under programmatic agreements and bring this information back to the Commission at a future meeting; incorporate consideration of the responses to JPAA concerns; collaborate with member agency staff; that the process incorporate consideration of the responses to the questions on JPAA issues and other items that the member agency general managers were asked to prepare by Chair Longville, which would be inclusive of the final report/outcome of the Sharon Browning facilitation process; that SAWPA staff should collaborate with the member agencies in preparing the list of individual projects and activities, or groups of projects and activities, which would potentially be included in the project agreements; and, that a target schedule be established for the process, with materials from staff and general managers completed by the end of July, an initial Commission workshop in the first part of August, and Commission and member agency review and consideration of new project agreements tentatively in September/October.

Result:	Adopted (Unanimously)
Motion/Second:	Sullivan/Whitaker
Ayes	Evans, Hall, Longville, Sullivan, Whitaker
Nays:	None
Abstentions:	None
Absent:	None

C. FYE 2018 AND FYE 2019 SAWPA BUDGET (CM#2017.83)

Staff provided additional information relative to EMWD's deferral of SAWPA's proposed FYE 2018-2019 budget. Staff addressed three main issues raised by EMWD as follows:

Technical Grant Writer Position

EMWD Staff Recommendation: Deletion of the proposed full-time Technical Grant Writer position and substitution with appropriate budget for contracting with a qualified consultant to provide such services on an as-needed basis.

SAWPA Staff Response: Mark Norton provided a PowerPoint presentation on the Technical Grant Writer position, duties and goals. Emphasis and first priority of the position would be technical writing for SAWPA – sharing of data and reports, preparation of outreach materials, OWOW Plan update efforts, improvement in prioritization and beneficial outcome of roundtable projects and efforts. Staff analysis shows that a full time staff position is less expensive than a consultant working part time at 1400 hours annually. Additionally, in-house staff would gain a better understanding of the functions and responsibilities of SAWPA and become an important position in SAWPA succession planning efforts.

Reach V Project Expenditures

EMWD Staff Recommendation: Clarification of the current and projected Reach V Project expenditures to completion of the project, and the total authorized and requested budget amount for the project that will not be exceeded absent further approval by the Commission.

SAWPA Staff Response: A handout titled "Reach V Capital Repairs" was provided as a replacement for Page 40 of the agenda, which contained a table with a "Budget" column (numbers from the FY 2014-15, 2016-17 and 2018-19 budgets) and an "Actual (Est)" column (totaling \$32,262,658). Commissioner Sullivan voiced EMWD's concern that the "Budget" numbers add up to \$35,018,315, which is \$2.7 million plus more than the "Actual (Est)" column total, and he requested clarification of

which number is the actual budget. Karen Williams confirmed the Actual (Est) column total is the actual budget, \$32,262,658. It was confirmed that if the budget were to be exceeded, it would come back to the Commission for additional budget approval.

State Revolving Fund (SRF) Loan

EMWD Staff Recommendation: Clarification regarding the use of any proceeds recovered through litigation and/or pursuit of any performance bond for reducing the State Revolving Fund (SRF) loan borrowing for this project or defeasing a portion of that obligation, whichever is appropriate based on the timing of such a recovery.

SAWPA Staff Response: If SAWPA were to prevail and recover proceeds, SAWPA could reduce the Reach V SRF Loan amount by the proceeds received. This would be a decision for the Commission; staff would bring a recommendation before the Commission for consideration based on the timing and interest rate environment at that time.

Paul Jones addressed the Commission regarding EMWD's position on the following:

- SRF Loan. EMWD is in agreement with the options provided in the staff report relative to the SRF Loan.
- Reach V Project Expenditures. EMWD did not support the award of the WEKA, Inc. contract. Given that the project is in mid-construction, EMWD staff will be recommending for approval by their Board the \$14.8 million to finish the project.
- Technical Grant Writer Position. EMWD supports the resources budgeted for grant writing and technical writing. Jones stated the budget currently includes approximately \$220,000 for a fulltime position (\$73/hour x .45/benefit factor). However, EMWD supports utilizing consultant services and not a fulltime position based on the following: (i) more focused expertise in grant writing and technical writing areas, which are different skills; (ii) potentially lower labor cost for technical writing; (iii) flexibility for varying workload access to multiple consultant staff; (ix) SAWPA's cost comparison supporting a fulltime position shows current-year savings, but does not include long-term financial impacts from health benefit and CalPERS retirement benefit cost escalation; these costs can be avoided by utilizing consultant resources.

EMWD suggested utilizing consultant services for the first year, then come back to the Commission with an analysis after the first year and make a determination at that time whether to hire a fulltime position or continue with consultant resources.

Chair Longville stated it was her understanding the budget includes approximately \$157,000 for a fulltime position, not \$220,000. Jones advised he based the \$220,000 calculation on the \$73 hourly rate listed in the staff report times the 0.45 benefit rate. Karen Williams noted the hourly rate is not \$73.

Commissioner Hall emphasized that hiring a fulltime person could facilitate future succession planning as current SAWPA employees retire. This position will establish working relationships throughout the watershed, and these services will benefit the region as well as SAWPA.

Chair Longville noted the concerns of EMWD relative to the SRF Loan and Reach V Project Expenditures have been satisfied. Commissioner Sullivan and General Manager Jones expressed their concerns relative to the fulltime technical/grant writer position.

Commissioner Sullivan noted utilizing consultant services would be a useful barometer to determine which grants would be attainable in the first year, then the Commission could reevaluate. Additionally, utilizing consultant services for the first year would provide the new SAWPA General Manager an opportunity to determine resource allocation. Alternate Commissioner Whitaker voiced his expectation that the OCWD Board might have the same concerns regarding a fulltime position as those noted by EMWD.

Karen Williams advised the current budget includes the money for a fulltime position; utilizing consultant services would require a line item funds transfer from labor to consulting. Celeste Cantú recommended accommodating both possibilities by augmenting the current budget with funding for a consultant; the budget would need to be resubmitted to member agencies for approval. Karen Williams advised if the Commission approved a line item funds transfer from labor to consulting, resubmitting the budget to member agencies for approval would not be required; there would be no impact to member agency contributions. Commissioner Sullivan voiced his support of transferring money into consulting and allowing the new General Manager to decide whether or not to hire a fulltime position. Commissioner Whitaker requested assurance that member agency approval of the budget does not create an unfunded position, which is a concern of the OCWD Board. Karen Williams advised budget approval does not create a position.

Chair Longville requested Karen Williams provide a budget memo to member agencies for clarification purposes. Commissioner Sullivan requested the budget memo also confirm that the total budget for Reach V Project Expenditures is \$32,262,658. Commissioner Sullivan requested consistent, clear communication to all member agency staff so there is no conflict between what is communicated and what is approved.

MOVED, direct staff not to hire a Technical/Grant Writer until further action by the Commission; direct staff to bring to the Commission for consideration a Request for Qualifications (RFQ) for technical/grant writing consultant services; authorize the use of budgeted labor dollars on an as-needed basis for technical and grant writing consultant services.

Result:	Adopted (Unanimously)
Motion/Second:	Evans/Sullivan
Ayes	Evans, Hall, Longville, Sullivan, Whitaker
Nays:	None
Abstentions:	None
Absent:	None

D. APPOINTMENT OF INTERIM GENERAL MANAGER (CM#2017.87)

Rich Haller has acted as Interim General Manager on numerous occasions over the past years while Celeste Cantú has been away from the office; it was recommended Rich Haller be appointed as Interim General Manager effective July 1, 2017. Celeste Cantú's last working day will be June 30, 2017, and she will be on vacation and available to the Commissioners and staff until August 25, 2017.

MOVED,

1. Appoint Richard Haller, P.E., Executive Manager of Engineering & Operations as Interim General Manager effective July 1, 2017, until the Commission appoints a General Manager;
2. That the appointment as Interim General Manager include all the power, authority, and responsibility of the General Manager;
3. That Mr. Haller will at the same time retain his position and duties as Executive Manager of Engineering & Operations while serving as Interim General Manager; and,
4. That during his appointment as Interim General Manager, Mr. Haller's salary will be 110% of his salary as Executive Manager of Engineering & Operations.

Result: **Adopted (Unanimously)**
Motion/Second: Evans/Hall
Ayes: Evans, Hall, Longville, Sullivan, Whitaker
Nays: None
Abstentions: None
Absent: None

E. FOREST FIRST PROGRAM UPDATE (CM#2017.84)

Ian Achimore provided a PowerPoint presentation with an update on the Forest First program. The program receives no direct funding from outside agencies; SAWPA staff is funded through the Basin Planning General Fund. Public-private partnerships currently include Blue Forest Conservation, an organization providing private funding for projects on forest lands through a bond agreement backed by the forest service and public utilities. Additionally, a proposal for a fuel break project in the San Bernardino National Forest has been submitted to Califia Farms. Chair Longville recommended staff contact Save Our Forest Association in the San Bernardino National Forest.

This item was for informational and discussion purposes; no action was taken on Agenda Item No. 6.E.

F. WATER QUALITY MONITORING – SAWPA ADMINISTRATION (CM#2017.85)

Due to time constraints, Agenda Item No. 6.F. was continued to the July 18, 2017 regular meeting.

G. INLAND EMPIRE BRINE LINE REACH V REHABILITATION AND IMPROVEMENT PROJECT – PHASE 1

David Ruhl provided a brief PowerPoint presentation; a detailed report will be provided at the July 18, 2017 meeting. We have successfully installed 2 of the 32 liners; initial test result data confirms the required liner thickness.

This item was for informational and discussion purposes; no action was taken on Agenda Item No. 6.G.

H. WROUGHT IRON FENCE – SAWPA BUILDING (CM#2017.86)

Due to time constraints, Agenda Item No. 6.H. was continued to the July 18, 2017 regular meeting.

I. LOCAL HAZARD MITIGATION PLAN UPDATE (CM#2017.80)

Due to time constraints, Agenda Item No. 6.I. was continued to the July 18, 2017 regular meeting.

J. EMERGING CONSTITUENTS PROGRAM TASK FORCE – PUBLIC OUTREACH STATUS REPORT (CM#2017.78)

Due to time constraints, Agenda Item No. 6.J. was continued to the July 18, 2017 regular meeting.

K. BASIN MONITORING PROGRAM TASK FORCE UPDATE | UPPER SANTA ANA RIVER INTEGRATED MODEL UPDATE (CM#2017.79)

Mark Norton provided a PowerPoint presentation on the history and purpose of the Basin Monitoring Program Task Force. Commissioner Evans encouraged staff share this information with the Council of Governments of each county within the watershed, such as WRCOG and OCCOG.

Bob Tincher, SBVMWD, provided a PowerPoint presentation on the Upper Santa Ana River Integrated Model (River Study).

This item was for informational and discussion purposes; no action was taken on Agenda Item No. 6.K.

L. STATEMENT OF INVESTMENT POLICY (CM#2017.81)

Due to time constraints, Agenda Item No. 6.L. was continued to the July 18, 2017 regular meeting.

7. INFORMATIONAL REPORTS

The following oral/written reports/updates were received and filed.

A. CASH TRANSACTIONS REPORT – APRIL 2017

B. INTER-FUND BORROWING – APRIL 2017 (CM#2017.75)

C. PERFORMANCE INDICATORS/FINANCIAL REPORTING – APRIL (CM#2017.76)

D. THIRD QUARTER FYE 2017 EXPENSE REPORTS

- Staff
- General Manager

E. GENERAL MANAGER'S REPORT

F. EXECUTIVE SEARCH AD HOC COMMITTEE REPORT

The recruitment brochure was provided for comments. It was suggested the front of the brochure include collaboration meeting pictures.

G. CHAIR'S COMMENTS/REPORT

Chair Longville thanked Celeste Cantú for her time at SAWPA, noting she is confident that Celeste will continue to do great things in her new position.

H. COMMISSIONERS' COMMENTS

There were no Commissioner comments.

I. COMMISSIONERS' REQUEST FOR FUTURE AGENDA ITEMS

Other than set forth above, there were no further requests for future agenda items.

J. NO REGULAR MEETING JULY 4, 2017 – NEXT REGULAR MEETING IS JULY 18, 2017

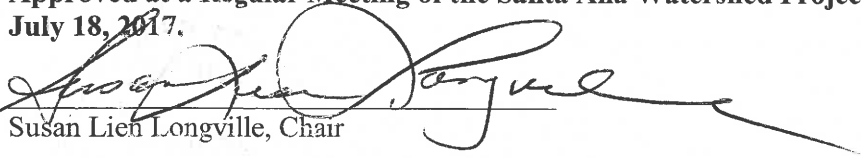
8. **CLOSED SESSION**

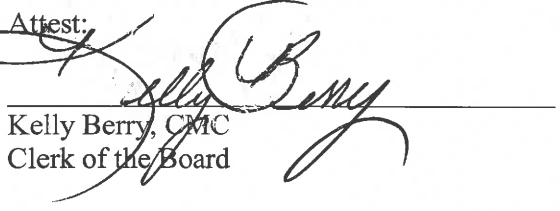
There was no Closed Session. Commissioner Sullivan requested a future litigation strategy report.

9. **ADJOURNMENT**

There being no further business for review, Chair Longville adjourned the meeting at 11:50 a.m.

Approved at a Regular Meeting of the Santa Ana Watershed Project Authority Commission on Tuesday,
July 18, 2017.


Susan Lien Longville, Chair

Attest:

Kelly Berry, CMC
Clerk of the Board