REGULAR COMMISSION MEETING
TUESDAY, OCTOBER 2, 2018 – 9:30 A.M.

AGENDA

1. **CALL TO ORDER/PLEDGE OF ALLEGIANCE** (Mark Bulot, Chair)

2. **ROLL CALL**

3. **PUBLIC COMMENTS**
   Members of the public may address the Commission on items within the jurisdiction of the Commission; however, no action may be taken on an item not appearing on the agenda unless the action is otherwise authorized by Government Code §54954.2(b).

4. **SAN DIEGO ASSOCIATION OF ENVIRONMENTAL PROFESSIONALS – AWARD**
   - **Outstanding Public Involvement.** The SAWPA Outreach Brochures prepared by Woodard & Curran and SAWPA were recently acknowledged by the San Diego Association of Environmental Professionals by its award for Outstanding Public Involvement.

5. **CONSENT CALENDAR**
   All matters listed on the Consent Calendar are considered routine and non-controversial and will be acted upon by the Commission by one motion as listed below.
   A. **APPROVAL OF MEETING MINUTES: SEPTEMBER 18, 2018** .................................................. 5
      Recommendation: Approve as posted.
   B. **DISPOSAL OF SAWPA SURPLUS PROPERTY (CM#2018.99)** ............................................. 9
      Recommendation: Receive and file.

6. **NEW BUSINESS**
   A. **INJURY AND ILLNESS PREVENTION PLAN (IIPP) (CM#2018.100)** ................................. 11
      Presenter: Carlos Quintero
      Recommendation: Receive and file.
   B. **WECAN EXPANSION IN THE CITY OF RIVERSIDE (CM#2018.101)** ............................... 13
      Presenter: Mike Antos
      Recommendation: Receive and file.
C. **PROPOSED JPA AMENDMENTS AND NEW PROJECT AGREEMENT 24 (CM#2018.102)**

**Recommendation:** (1) Receive information on the proposed Joint Powers Authority Agreement (JPAA) Amendments and the Project Agreement 24; (2) consider approval of proposed JPAA Amendments and Project Agreement 24 and/or provide direction to staff regarding further revisions; or (3) consider approval of draft Project Agreement 24 only without changes to the JPAA and/or provide direction to staff.

7. **INFORMATIONAL REPORTS**

**Recommendation:** Receive for information.

A. **CHAIR’S COMMENTS/REPORT**

B. **COMMISSIONERS’ COMMENTS**

C. **COMMISSIONERS’ REQUEST FOR FUTURE AGENDA ITEMS**

8. **SAWPA COMMISSION MEETING SCHEDULE – NOVEMBER 2018**

**Recommendation:** Provide direction to staff regarding possible cancellation of November 20, 2018 Commission meeting.

9. **CLOSED SESSION**

A. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d)(1)**

Name of Case: Spiniello Companies v. Charles King Company, Inc., Santa Ana Watershed Project Authority, The Ohio Casualty Insurance Company (Superior Court of Los Angeles BC616589)

B. **PUBLIC EMPLOYEE ANNUAL PERFORMANCE EVALUATION – PURSUANT TO GOVERNMENT CODE SECTION 54957**

Title: General Manager

10. **ADJOURNMENT**

Americans with Disabilities Act: If you require any special disability related accommodations to participate in this meeting, please call (951) 354-4230 or email kberry@sawpa.org. Notification at least 48 hours prior to the meeting will enable staff to make reasonable arrangements to ensure accessibility for this meeting. Requests should specify the nature of the disability and the type of accommodation requested.

Materials related to an item on this agenda submitted to the Commission after distribution of the agenda packet are available for public inspection during normal business hours at the SAWPA office, 11615 Sterling Avenue, Riverside, and available at www.sawpa.org, subject to staff’s ability to post documents prior to the meeting.

**Declaration of Posting**

I, Kelly Berry, Clerk of the Board of the Santa Ana Watershed Project Authority declare that on Wednesday, September 26, 2018, a copy of this agenda has been uploaded to the SAWPA website at www.sawpa.org and posted at the SAWPA office, 11615 Sterling Avenue, Riverside, California.

/s/

Kelly Berry, CMC
## 2018 SAWPA Commission Meetings/Events

First and Third Tuesday of the Month

(NOTE: Unless otherwise noticed, all Commission Workshops/Meetings begin at **9:30 a.m.**, and are held at SAWPA.)

<table>
<thead>
<tr>
<th>January</th>
<th>February</th>
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<tbody>
<tr>
<td>1/2/18</td>
<td>2/6/18</td>
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<tr>
<td>Commission Workshop [cancelled]</td>
<td>Commission Workshop</td>
</tr>
<tr>
<td>1/16/18</td>
<td>2/20/18</td>
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<tr>
<td>Regular Commission Meeting</td>
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<th>March</th>
<th>April</th>
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<td>3/6/18</td>
<td>4/3/18</td>
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<tr>
<td>Commission Workshop</td>
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<tr>
<td>3/20/18</td>
<td>4/17/18</td>
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<tr>
<td>Regular Commission Meeting</td>
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<th>May</th>
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<td>5/1/18</td>
<td>6/5/18</td>
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<tr>
<td>Commission Workshop</td>
<td>Commission Workshop</td>
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<tr>
<td>5/8 – 5/11/18</td>
<td>6/19/18</td>
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<tr>
<td>ACWA Spring Conference, Sacramento</td>
<td>Regular Commission Meeting</td>
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<tr>
<td>5/15/18</td>
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<td>Regular Commission Meeting</td>
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<th>July</th>
<th>August</th>
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<tr>
<td>7/3/18</td>
<td>8/7/18</td>
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<tr>
<td>Commission Workshop [cancelled]</td>
<td>Commission Workshop</td>
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<tr>
<td>7/17/18</td>
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<tr>
<td>Regular Commission Meeting</td>
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<th>September</th>
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<tr>
<td>9/4/18</td>
<td>10/2/18</td>
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<tr>
<td>Commission Workshop</td>
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<td>9/18/18</td>
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<td>Regular Commission Meeting</td>
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<tr>
<th>November</th>
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<tbody>
<tr>
<td>11/6/18</td>
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<td>Commission Workshop</td>
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<tr>
<td>Regular Commission Meeting</td>
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<tr>
<td>11/27 – 11/30/18 ACWA Fall Conference, San Diego</td>
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# SAWPA COMPENSABLE MEETINGS

Commissioners and Alternate Commissioners will receive compensation for attending the meetings listed below, pursuant to the Commission Compensation, Expense Reimbursement, and Ethics Training Policy.

**IMPORTANT NOTE:** These meetings are subject to change. Prior to attending any meetings listed below, please confirm meeting details by viewing the website calendar using the following link:


## MONTH OF: OCTOBER

<table>
<thead>
<tr>
<th>DATE</th>
<th>TIME</th>
<th>MEETING DESCRIPTION</th>
<th>LOCATION</th>
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<tbody>
<tr>
<td>10/2/18</td>
<td>8:30 AM</td>
<td>PA 23 Committee Mtg</td>
<td>SAWPA</td>
</tr>
<tr>
<td>10/10/18</td>
<td>10:00 AM</td>
<td>Climate Risk/Response Pillar Mtg</td>
<td>CANCELLED</td>
</tr>
<tr>
<td>10/18/18</td>
<td>4:00 PM</td>
<td>LESJWA Board of Directors Mtg</td>
<td>Elsinore Valley MWD</td>
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<td></td>
<td></td>
<td>31315 Chaney Street</td>
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<td></td>
<td></td>
<td></td>
<td>Lake Elsinore, CA</td>
</tr>
<tr>
<td>10/22/18</td>
<td>2:00 PM</td>
<td>OWOW Disadvantaged &amp; Tribal Communities Pillar Mtg</td>
<td>CANCELLED</td>
</tr>
<tr>
<td>10/25/18</td>
<td>8:00 AM</td>
<td>PA 22 Committee Mtg</td>
<td>SAWPA</td>
</tr>
<tr>
<td>10/25/18</td>
<td>9:30 AM</td>
<td>OWOW Pillar Integration Mtg</td>
<td>SAWPA</td>
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<tr>
<td>10/30/18</td>
<td>9:00 AM</td>
<td>Basin Monitoring Program Task Force Mtg</td>
<td>SAWPA</td>
</tr>
<tr>
<td>10/30/18</td>
<td>1:00 PM</td>
<td>Lake Elsinore/Canyon Lake TMDL Mtg</td>
<td>SAWPA</td>
</tr>
<tr>
<td>10/31/18</td>
<td>1:00 PM</td>
<td>MSAR TMDL Task Force Mtg</td>
<td>SAWPA</td>
</tr>
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</table>

## MONTH OF: NOVEMBER

<table>
<thead>
<tr>
<th>DATE</th>
<th>TIME</th>
<th>MEETING DESCRIPTION</th>
<th>LOCATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>11/14/18</td>
<td>1:00 PM</td>
<td>Basin Monitoring Program Task Force Mtg</td>
<td>SAWPA</td>
</tr>
<tr>
<td>11/22/18</td>
<td>8:00 AM</td>
<td>PA 22 Committee Mtg</td>
<td>SAWPA</td>
</tr>
<tr>
<td>11/22/18</td>
<td>11:00 AM</td>
<td>OWOW Steering Committee Mtg</td>
<td>SAWPA</td>
</tr>
</tbody>
</table>

**Please Note:** We strive to ensure the list of Compensable Meetings set forth above is accurate and up-to-date; the list is compiled based on input from SAWPA staff and Department Managers regarding meeting purpose and content.
The Regular Commission Meeting of the Santa Ana Watershed Project Authority was called to order at 9:30 a.m. by Chair Bulot 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. The new CivicSpark Fellows, Marisa Perez-Reyes and Brian Keener were introduced.

The Commission next considered Closed Session Agenda Item No. 7.A.

4. CONSENT CALENDAR
   A. APPROVAL OF MEETING MINUTES: SEPTEMBER 4, 2018
      Recommendation: Approve as posted.
   
   B. TREASURER'S REPORT – AUGUST 2018
      Recommendation: Approve as posted.
      
      MOVED, approve the Consent Calendar.
      Result: Adopted
      Motion/Second: Evans/Whitaker
      Ayes: Bulot, Evans, Sullivan, Whitaker
      Nays: None
      Abstentions: Hall
      Absent: None
5. **NEW BUSINESS**

A. **APPLICATION FOR CERTIFICATE OF CONSENT TO SELF-INSURE AS A PUBLIC AGENCY EMPLOYER SELF-INSURER (WORKERS COMPENSATION INSURANCE) (CM#2018.97)**

Karen Williams provided a PowerPoint presentation regarding Workers’ Compensation insurance history and recommendations. Commissioner Evans requested staff provide the Commission with more specific information relating to SAWPA’s rating – what determines the rating and how we arrived at that rating, as well as programs SAWPA has in place to ensure the best rating.

MOVED, approve Resolution No. 2018-10, authorizing application to the Director of Industrial Relations, State of California for a Certificate of Consent to Self-Insure Workers’ Compensation Liabilities; and authorize staff to complete the application.

Result: Adopted (Unanimously)

Motion/Second: Evans/Sullivan

Ayes: Bulot, Evans, Hall, Sullivan, Whitaker

Nays: None

Abstentions: None

Absent: None

B. **PAYING RETENTION ON CONTRACTS FOR GRANT-FUNDED PROJECTS (CM#2018.98)**

Karen Williams provided the PowerPoint presentation contained in the agenda packet (pages 61-62). A discussion ensued regarding the proposed policy, authority of the General Manager under existing policy, the need for future Commission approval, and fulfilling financial audit requirements. The Commission ultimately declined to adopt the proposed policy, but gave direction authorizing the General Manager to release and pay retention up to a total amount not to exceed $50,000 for completed work on grant-funded projects in advance of State reimbursement. The General Manager will determine on a case-by-case basis the nature of the work and reimbursement risk, extent of delay, significance of impact to small businesses or non-profit organizations, and would report to the Commission if use of the authority would exceed $50,000.

MOVED, authorize the General Manager to release and pay retention up to a total amount not to exceed $50,000, as determined by the General Manager on a case-by-case basis, for completed work on grant-funded projects in advance of State reimbursement.

Result: Adopted (Unanimously)

Motion/Second: Hall/Evans

Ayes: Bulot, Evans, Hall, Sullivan, Whitaker

Nays: None

Abstentions: None

Absent: None

6. **INFORMATIONAL REPORTS**

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

A. **CASH TRANSACTIONS REPORT – JULY 2018**

B. **INTER-FUND BORROWING – JULY 2018 (CM#2018.93)**

C. **PERFORMANCE INDICATORS/FINANCIAL REPORTING – JULY 2018 (CM#2018.94)**
D. **BUDGET VS ACTUAL VARIANCE REPORT – FYE 2018 FOURTH QUARTER - ENDING JUNE 30, 2018 (CM#2018.95)**

E. **FINANCIAL REPORT FOR THE FOURTH QUARTER ENDING JUNE 30, 2018**

F. **FOURTH QUARTER FYE 2018 EXPENSE REPORTS**

G. **INLAND EMPIRE BRINE LINE REACH V TEMESCAL CANYON ROAD WIDENING PROJECT (CM#2018.96)**
   David Ruhl provided a brief oral update.

H. **GENERAL MANAGER REPORT**
   Rich Haller briefly reviewed the General Manager report and attachments.

I. **SAWPA GENERAL MANAGERS MEETING NOTES**
   September 11, 2018

J. **STATE LEGISLATIVE REPORT**

K. **CHAIR’S COMMENTS/REPORT**

L. **COMMISSIONERS’ COMMENTS**

M. **COMMISSIONERS’ REQUEST FOR FUTURE AGENDA ITEMS**
   There were no further requests for future agenda items.

The Commission next considered Closed Session Agenda Item No. 7.B.

7. **CLOSED SESSION**

The Commission first considered Closed Session Agenda Item No. 7.A. Designated personnel essential to the discussion of Agenda Item No. 7.A. were present during Closed Session. Chair Bulot recessed the meeting to Closed Session at 9:33 a.m.

A. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d)(1)**
   Name of Case: Spiniello Companies v. Charles King Company, Inc., Santa Ana Watershed Project Authority, The Ohio Casualty Insurance Company (Superior Court of Los Angeles BC616589)

Chair Bulot resumed Open Session at 10:26 a.m. There was no reportable action on Agenda Item No. 7.A. The Commission next considered Agenda Item No. 4. Consent Calendar.

Chair Bulot recessed the meeting to Closed Session at 10:39 a.m. for consideration of Agenda Item No. 7.B. Only General Manager Rich Haller was present during the discussion.

B. **PUBLIC EMPLOYEE ANNUAL PERFORMANCE EVALUATION – PURSUANT TO GOVERNMENT CODE SECTION 54957**
   Title: General Manager

Chair Bulot resumed Open Session at 11:43 a.m. There was no reportable action on Agenda Item No. 7.B.

8. **ADJOURNMENT**
   There being no further business for review, Chair Bulot adjourned the meeting at 11:43 a.m.
Approved at a Regular Meeting of the Santa Ana Watershed Project Authority Commission on Tuesday, October 2, 2018.

Mark Bulot, Chair

Attest:

Kelly Berry, CMC
Clerk of the Board
COMMISSION MEMORANDUM NO. 2018.99

DATE: October 2, 2018

TO: SAWPA Commission

SUBJECT: Disposal of SAWPA Surplus Property

PREPARED BY: Dean Unger, Information Systems and Technology Manager

RECOMMENDATION

That the Commission receive and file this report.

DISCUSSION

In accordance with requirements of Resolution Number 56, Resolution of the Commission of the Santa Ana Watershed Project Authority (“SAWPA”) Establishing Procedures for Disposal of Surplus Property, staff is informing the Commission of disposal of the following surplus property:

<table>
<thead>
<tr>
<th>Item</th>
<th>IT Category</th>
<th>Reason</th>
</tr>
</thead>
<tbody>
<tr>
<td>HP Pro Liant DL380 Serial No. 2UX90300JE</td>
<td>Server</td>
<td>Outdated</td>
</tr>
<tr>
<td>Gateway 975 Serial No. 0034539346</td>
<td>Server</td>
<td>Outdated</td>
</tr>
<tr>
<td>Gateway 975 Serial No. 0004580642</td>
<td>Server</td>
<td>Outdated</td>
</tr>
<tr>
<td>HP Pro Liant DL 380 Serial No. 2UX83405LL</td>
<td>Server</td>
<td>Outdated</td>
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<tr>
<td>Gateway 975 Serial No. 0031830839</td>
<td>Server</td>
<td>Outdated</td>
</tr>
<tr>
<td>Gateway 975 Serial No. 0034438102</td>
<td>Server</td>
<td>Outdated</td>
</tr>
<tr>
<td>Several small desk UPS</td>
<td>UPS</td>
<td>No longer working</td>
</tr>
<tr>
<td>Cables</td>
<td>Computer Accessories</td>
<td>Outdated</td>
</tr>
<tr>
<td>Small Electronics</td>
<td>Hardware</td>
<td>No longer working</td>
</tr>
</tbody>
</table>

The disposal method of usable items is by recycling at an appropriate recycling center. The server hard drives will be wiped before disposal.

CRITICAL SUCCESS FACTORS

None developed for this organizational function.

RESOURCE IMPACTS

Resources for this activity are included within the approved FY 2018-2019 Budget.
DATE: October 2, 2018
TO: SAWPA Commission
SUBJECT: Injury and Illness Prevention Plan
PREPARED BY: Carlos Quintero, Operations Manager

RECOMMENDATION
Receive and file.

DISCUSSION
On October 15, 2013, the SAWPA Commission adopted Resolution 2013-10 establishing an Injury and Illness Prevention Plan (IIPP). The IIPP is in compliance with California Code of Regulations Title 8, Subchapter 7 (CCR T8), Section §3203.

The IIPP includes a Code of General Safe Practices, along with 24 specific safety programs:

<table>
<thead>
<tr>
<th>PROGRAM NO.</th>
<th>PROGRAM NAME</th>
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<tbody>
<tr>
<td>1</td>
<td>Accident Reporting and Investigation Program</td>
</tr>
<tr>
<td>2</td>
<td>Bloodborne Pathogens Program</td>
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<tr>
<td>3</td>
<td>Air Compressors and Compressed Air Safety Program</td>
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<td>4</td>
<td>Confined Space Safety Program</td>
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<td>5</td>
<td>Driver Safety Program</td>
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<td>6</td>
<td>Ergonomics Safety Program</td>
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<td>7</td>
<td>Fall Protection Program</td>
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<td>8</td>
<td>Hand and Portable Powered Hand Tools Safety Program</td>
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<td>9</td>
<td>Hazard Communication Program</td>
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<td>10</td>
<td>Hazardous Materials Storage and Use Safety Program</td>
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<td>11</td>
<td>Hazardous Waste Operations and Emergency Response (HAZWOPER) Program</td>
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<td>12</td>
<td>Hearing Conservation Program</td>
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<td>13</td>
<td>Heat Stress Prevention Program</td>
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<tr>
<td>14</td>
<td>Hot Work Safety Program (Welding, Cutting and Brazing)</td>
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<td>15</td>
<td>Ladder Safety Program</td>
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<tr>
<td>16</td>
<td>Line Location Safety Program</td>
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<tr>
<td>17</td>
<td>Lockout, Tagout – Hazardous Energy Control Program</td>
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<tr>
<td>18</td>
<td>Machine Guarding Safety Program</td>
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<tr>
<td>19</td>
<td>Outside Regulatory Agency Inspection Program</td>
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<td>20</td>
<td>Personal Protective Equipment Program</td>
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<tr>
<td>21</td>
<td>Respirator Safety Program</td>
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<tr>
<td>22</td>
<td>Safety Orientation Program</td>
</tr>
<tr>
<td>23</td>
<td>Traffic Control and Flagger Safety Program</td>
</tr>
<tr>
<td>24</td>
<td>Trenching and Excavation Safety Program</td>
</tr>
</tbody>
</table>
The IIPP was originally prepared by Mr. Alan Curl, a former City of Riverside Safety Officer and former consultant to Western Municipal Water District. Each IIPP program is updated regularly.

The IIPP also established a Safety Committee, composed of a Safety Manager, Safety Coordinator, and representatives from the SAWPA Departments (Administrative, Operations, and Finance). The Safety Committee meets quarterly to review incidents (if any), discuss results from safety inspections, and make recommendations to management regarding potential safety improvements.

An annual training session takes place with all SAWPA Staff to review the Code of General Safe Practices and specific training requirements are identified in the individual IIPP programs.

SAWPA maintains the IIPP in a readily accessible location in electronic version. A copy of Log 300 (Incident Log) is maintained by the SAWPA Human Resource/Finance and a copy of the Safety Data Sheets are kept in a binder at the SAWPA Office and at the Brine Line Operations Center.

**RESOURCE IMPACTS**

Staff time associated with update of the Injury and Illness Prevention Plan is budgeted under Fund 100 (General Fund - Safety). Training related to the Brine Line operations activities is budgeted under Fund 240 (Brine Line Enterprise - Safety)

Attachments:
None
COMMISSION MEMORANDUM NO. 2018.101

DATE: October 2, 2018

TO: SAWPA Commission

SUBJECT: WECAN Expansion in the City of Riverside

PREPARED BY: Mike Antos, Senior Watershed Manager

RECOMMENDATION
That the Commission receive and file a presentation of the proposed expansion of the Water Energy Community Action Network (WECAN) Program in the City of Riverside.

DISCUSSION
The City of Riverside, in partnership with the County of Riverside, is developing a proposal for the California Strategic Growth Council (SGC) grant program, “Transformative Climate Communities” (TCC). The SGC is a cabinet level committee created by SB732 in 2008 to coordinate the activities of State agencies regarding growth and sustainability, including assisting local entities in planning sustainable communities. This grant program from the Greenhouse Gas Reduction Fund, supports efforts to diminish greenhouse gas emissions while fostering public health and environmental benefits as well as catalyzing economic opportunities and shared prosperity in regions of the state which are designated as overburdened by the California EPA tool, CalEnviroScreen.

The City approached SAWPA about our existing Water-Energy Community Action Network Program (WECAN). This program, funded by a 2014 Water-Energy Nexus grant from the Department of Water Resources and local funding partners, supports the retrofit of indoor plumbing fixtures and front yard landscapes at homes of low-income community members in the watershed. WECAN has expanded once before, when West Valley Water District received a Federal grant which supported additional landscape transformations in its service area. The implementation work using the current funding for WECAN will be complete by the end of October 2018. Administrative work to wrap up the State (awarded to SAWPA) and Federal (awarded to WVWD) grants will be finished by the end of January 2019.

Riverside has asked SAWPA to submit a program proposal as part of their TCC grant application that would extend WECAN for another three years, and accomplish additional work inside the TCC grant program area (a sub-set of city of Riverside, see attached proposed map.) The work by SAWPA and our existing WECAN contractors and partners would be entirely funded by the grant, and will be called WECAN Phase 3. The entire grant scope of work is still under development, and the City has been asked to make two proposals, one at a lower grant award and one at a higher award. Depending on discussions in the final weeks of proposal development, and on the amount awarded by SGC, the SAWPA scope of work and grant award may change. Currently, the work proposed includes 120,000 square feet of front yard transformation (about 135 homes) and the installation of 150 high-efficiency hot water heaters and water heater blankets.

The total value of this proposed work, if awarded, is approximately $1.2 million. Phases 1 and 2 of WECAN spent about $3.5 million to retrofit about 500,000 square feet of turf and install over 1,400 water- and energy-saving devices in the homes of low-income community members across the watershed.
As part of the TCC grant submittal, SAWPA must execute an MOU between SAWPA, the City of Riverside, and other public agencies who will be conducting work within the grant if it is awarded. That MOU is still under development and, once ready, will be on the October 16, 2018 SAWPA Commission agenda for consideration. The grant is due to the SGC at the end of October.

**CRITICAL SUCCESS FACTORS**

**Roundtable**

CSF 1. SAWPA has a strong reputation as a watershed-wide, knowledgeable, neutral and trusted facilitator, leader, and administrator of contracted activities.

CSF 2. Goals, scope, costs, resources, timelines, and the contract term are approved by the Commission before executing an agreement to participate in a roundtable group.

**RESOURCE IMPACTS**

Work to develop and submit SAWPA’s portion of the grant application is funded by 370-01, General Basin Planning and 100-05 through the use of a grant writing consultant. The work of the WECAN Program Phase 3 will be entirely funded by the TCC grant, if awarded.

Attachments:
1. Map of proposed TCC program boundary
2. Pathways to Health Press Release by the City of Riverside
City of Riverside Seeking Public Input for “Pathways to Health” Grant Proposal

Smart Growth and Climate Improvement Grant from State of California could bring millions of dollars to Riverside for public improvements in Eastside and Downtown neighborhoods

RIVERSIDE, Calif. – The City of Riverside is seeking the public’s input on a grant application to the State of California that could bring millions of dollars in additional resources to the Eastside and Downtown neighborhoods.

Opportunities to learn about the grant and provide feedback include a new webpage, email address, online survey, and public meetings this week and continuing through mid-October.

The city’s application, dubbed “Pathways to Health,” seeks to demonstrate the need in Riverside for additional funds to pay for more affordable housing, expanded transit opportunities to help people get around without a car, expanded bike lanes, and other projects that make it easier and safer to walk from one place to another. Other options for the grant funds include energy efficiency efforts, conservation, planting community gardens and park improvements.

Information about public meetings and other ways to contribute can be found at a new website -- https://www.riversideca.gov/pathwaystohealth -- and comments can be emailed to: PathwaysToHealth@RiversideCA.Gov.

“There is nothing more important than the health and safety of our residents, so this grant represents a real opportunity for Riverside,” Mayor Rusty Bailey said. “I encourage Riverside residents to come to the scheduled meetings, provide feedback by email and help the City put forth the best possible grant application.”

Riverside is applying for funds from the California Strategic Growth Council’s Transformative Climate Communities program, which seeks to produce public health and environmental benefits through the reduction of emissions from sources of air pollution. The grants are designed to improve areas that are economically challenged and have experienced pollution issues in the past.
The City of Ontario received $35 million from the TCC program last year. Officials there said the money would help build an urban village in downtown Ontario, among other projects that were planned for the next three years.

The project area in Riverside is bounded roughly by Third Street to the north, 12th and 14th Street/Martin Luther King Drive to south, Brockton Avenue to the west, and Chicago and Iowa avenues to the east (see map).

The area includes North High School, Patterson, Bobby Bonds and Lincoln parks, the proposed Chicago/Linden affordable housing project, the Cesar Chavez Community Center, the planned Mission Heritage affordable housing project, and Longfellow and Grant elementary schools.

City staff has been meeting with community groups for about five weeks. Upcoming meetings include:

- **Riverside Downtown Partnership**, noon, Thursday (9/20), 3666 University Avenue, #100.
- **Centro de Ninos**, 12:30 p.m., Thursday (9/20), 2010 Martin Luther King Blvd.
- **Riverside City Hall**, 5th floor large conference room, 6 p.m. Thursday (9/20), 3900 Main Street.
- **Community Settlement Association**, 11:30 a.m., Sept. 26, 4366 Bermuda Avenue.
- **Mayor’s Ceremonial Room**, 7th floor, City Hall, 6:30 p.m., Oct. 1, 3900 Main Street.
- **Youth Opportunity Center**, 11:30 a.m., Oct. 10, 2060 University Avenue.
- **University Neighborhood Association**, 6:30 p.m., Oct. 11, 3431 Mt. Vernon Ave.

Residents and business owners from across Riverside are invited to participate in the survey process and attend the meetings. You do not have to live in the project area to participate.

“Public participation is an important component of the ‘Pathways to Health’ grant application,” Mayor Pro Tem Chuck Conder said. “The public is encouraged to provide suggestions on possible improvements that could be funded by such a grant.”

The new website -- [https://www.riversideca.gov/pathwaystohealth](https://www.riversideca.gov/pathwaystohealth) -- provides opportunities for comment, links to grant materials, and information about upcoming meetings. Public suggestions and comment can also be emailed to: PathwaysToHealth@RiversideCA.Gov.

Materials are available in alternative formats by calling Andrea at 951-826-5649 (voice) or 1-800-735-2929 (TDD). The identified formats can be provided if notification is given one (1) week in advance.

Public comment on the Grant application will be taken until 4:30 P.M., on October 19, 2018. A decision on grant application from the state is expected by the end of the year.

-30-
COMMISSION MEMORANDUM NO. 2018.102

DATE: October 2, 2018

TO: SAWPA Commission

SUBJECT: Proposed JPAA Amendments and New Project Agreement 24

PREPARED BY: Rich Haller, General Manager

RECOMMENDATION
1. Receive information on the proposed Joint Powers Authority Agreement (JPAA) Amendments and the Project Agreement 24; (2) consider approval of proposed JPAA Amendments and Project Agreement 24 and/or provide direction to staff regarding further revisions; or (3) consider approval of draft Project Agreement 24, only, without changes to the JPAA and/or provide direction to staff.

DISCUSSION
At the September 4th Commission meeting, two options for PA24 Committee members were discussed. Option 1 consisted of Commissioners and Alternate Commissioners only. Option 2 consisted of Commissioners, Alternate Commissioners and agency General Managers. Consensus between Options 1 and 2 was not reached. Staff was directed to explore options for Committee membership and to provide information to the member agencies on the proposed JPA amendments and PA 24. A conference call was conducted with the agency GMs on September 14th. Another option proposed would include both Commissioners and agency GMs. A fourth option consisted of eliminating the JPAA Amendments and modifying PA24; this option does not resolve the Committee members issue proposing Commissioners, Alternate Commissioners and agency GMs would be allowed as Committee members (draft attached).

BACKGROUND
In a series of meetings last year, the Commission discussed the use of and need for project agreements per Section 18 of the JPA that formed SAWPA. The Commission directed staff to draft new project agreements covering significant activities of SAWPA and to coordinate with the member agency general managers regarding the draft agreements. The attached draft Project Agreement 24 (PA24) is the first of the new agreements, and would address all aspects of owning and operating the Inland Empire Brine Line (Brine Line).

The draft agreement has been shared among the general managers in several draft versions since December 2017 and has been discussed at length in a number of meetings. During these discussions, several JPA amendments were also proposed. These proposed amendments have also been reviewed and discussed by the member agency general managers.

Amendments to the JPA must be approved by all of the members, and the proposed PA24 would have to be approved by the four participating member agencies.

At the request of Western MWD, SAWPA participated in a workshop August 22nd on the JPA Amendments and PA24. Western Board members expressed concern about the inclusion of Agency GMs on Project Agreement Project Committees. Concern was also expressed about the wording of the requirement for unanimous Committee approval of budget and operating decisions.
This memorandum summarizes the agreement and highlights several aspects of the agreement that represent important policy choices for the Commission.

The proposed project agreement would be between SAWPA and all member agencies except Orange County Water District. The project that the agreement addresses is to establish policy and provide oversight to Brine Line operations, maintenance, planning, administration, implementation, and improvements, including rate setting, and permit issuance and enforcement. The agreement would form a project committee, per Section 18 of the JPA, with representatives of the participating member agencies to be appointed by the members as provided in that JPA provision. The agreement includes SAWPA’s standard provisions about the project committee having autonomous decision making authority over the project and the participating members accepting financial responsibility for the project, since not all SAWPA member agencies are participating.

The PA24 project committee would have control of the Brine Line enterprise funds. Use of funds for Brine Line purposes would be described in a project budget adopted unanimously by the project committee and approved by the participating member agencies per the JPA. The proposed agreement specifically addresses the responsibility of participating members to fund their respective shares of the costs of administration of the Brine Line and of capital improvements for which SAWPA has already contracted in the event of the failure of approval of a new project budget.

**CRITICAL SUCCESS FACTORS**
None identified for the governance function.

**RESOURCE IMPACTS**
None

Attachments:
1. PowerPoint Presentation
2. September 4, 2018 Commission Meeting Materials
   a. Draft Project Agreement 24
   b. Proposed amendments to SAWPA Joint Powers Authority Agreement (JPAA)
   c. Policy Analysis
3. Commission Actions Taken Regarding Inland Empire Brine Line (January 2015 – May 2018)
4. Draft Project Agreement 24 (revised from 9-4-18 draft)
5. JPAA Amendment Section-Specific Proposed Changes – Flowcharts
6. JPAA Amendment Section-Specific Proposed Changes – Text, with footnotes
SAWPA JOINT POWERS AUTHORITY AGREEMENT AND PA24

Rich Haller, SAWPA General Manager
October 2, 2018

RECOMMENDATION

(1) Receive information on the proposed Joint Powers Authority Agreement (JPAA) Amendments and the Project Agreement 24;

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(3) Consider approval of draft Project Agreement 24, only, without changes to the JPAA and/or provide direction to staff.
JPA

• Agreement – (1975) IEUA, OCWD, Valley, WMWD
• Amendment No. 1 – (1984) EMWD joins
• Amendment No. 2 – (1991) SAWPA has power of eminent domain
• Amendment No. 3 – (1997) established officers – Chair, Vice Chair, Treasurer, Secretary
• Amendment No. 4 – (2002)
  – Commissioner, Primary Alt Comm, Secondary Alt. Comm established
    • Appointed by Board - elected Board members
    • Agency GM must be one of positions
    • One vote per agency
  – Revised Section 18, Specific Projects – any member of Board or GM can be on Project Committees. Unanimous consent of members or Commission
  – Technical Committee of GMs established as standing Committee
• Amendment No. 5 – (2007) Commissioners (Prim and Alt) are elected representatives only, Technical Comm of GMs eliminated.
• Amendment No. 6 – (2017) revised Section 15 Compensation

JPA

• Role of Commission
  – Governing body
  – Exercises powers and functions of SAWPA
  – Prior approval of budget items that impose financial liability
  – Commissioner and Alternate appointed by agency are elected Board Members
  – General budget approved by majority of Commissioners and each member agency Board
JPA

- Project Agreements – for activities except general admin, prelim studies
  - All or less member agencies
  - Unanimous consent of the members of the Project Committee or the Agency on budget and operating decisions
  - Commission can serve without a Project Committee when all 5 agencies participating

Project Agreements

- PA 1 SARI from OCSD plant to Prado Dam – construction and operation (1975) (IEUA, OCWD, SBVMWD, WMWD)
- PA 2 SARI Reach IV-A (1978) (IEUA, OCWD)
- PA 3, 4, 5 Not Used
- PA 6 SARI Reach IV-B (1981) (OCWD, WMWD)
- PA 7 SARI Reaches IV-A Upper and Lower (1981) (IEUA, WMWD)
- PA 8 SARI Reaches IV-D and IV-E (1982) (OCWD, SBVMWD, WMWD)
- PA 9 SARI Groundwater Salt Disposal System (1983) (OCWD, WMWD)
- PA 10 Santa Ana Basin Water Quality Studies (1984) (all member agencies)
  - PA 10A Basin Planning
  - PA 10B Bureau of Reclamation Studies
- PA 11 Regional WW Program – RIX Project (1986) (SBVMWD, WMWD)
- PA 12 LESJWA (1987) (all member agencies)
Project Agreements

- PA 14 Chino Desalters (1991), Chino 1 Desalter Amendment No. 1, Chino 2 Desalter; Amendment No. 2 2001) (IEUA, OCWD, WMWD)
- PA 17 Bunker Hill Groundwater Basin Cooperative Studies (1994) (all member agencies)
- PA 18 IRP (now OWOW) (1994) (all member agencies)
- PA 19 TIN/TDS (1995) (OCWD, SBVMWD, WMWD)
- PA 20 Temescal Desalter (1997) (EMWD, OCWD, WMWD)
- PA 22 Water Use Efficiency (Prop 84 Drought Round and Portions of SARCCUP) (2014) (all member agencies)
- PA 23 SARCCUP (2016) (all member agencies)

Member Agency General Managers Report

- 31 Recommendations
- 1-16 Communication/Collaboration
  - Meetings with GMs
  - Future Agendas
  - SAWPA Meetings with Outside Agencies
- 17-20 Project Agreements
  - SAWPA Projects
  - Projects Without Project Agreements
- 21-31 JPAA Amendments
Commission Activities

- Workshop 10/3/17
- Directed staff to draft Project Agreements in coordination with agencies

Proposed JPAA Amendments

- **Section 18 Specific Projects**

  - Currently:
    - Board members or GMs may be appointed to project committees
    - Requires unanimous consent of the members for budget and operating decisions

  - Proposed changes:
    - Commissioner, Alternate Commissioner or GM as project committee representative
    - Requires unanimous consent of the Committee or Commission for budget and operating decisions (i.e. unanimous vote)
    - Deletes provision describing SAWPA’s initial projects
    - Deletes budget approval provision that was added by Amendment 4
Proposed JPAA Amendments

• **Section 26  Project Budgets**

  • Currently:
    – Defines project budget adoption and approval process, including unanimous consent of the members
  
  • Proposed changes:
    – Adds statement that budget is expenditure or contractual commitment
    – Expands budget elements for projects

Proposed JPAA Amendments

• **Section 29  Expenditures Within Approved Budgets**

  • Currently:
    – Expenditures within budget authorized by majority vote of the Committee or Commission
    – No budget overruns; must have revised budget approved by the members
  
  • Proposed changes:
    – Clarifying that budget exceedance requires consent of all members of the Project Committee or the Agency, as the case may be
Proposed PA 24 Brine Line

- EMWD, IEUA, Valley, WMWD
- Agency rep can be Commissioner, Alt Commissioner, or GM
- Project Committee to be formed to provide policy direction and oversight previously provided by the Commission
- Project budget adoption by unanimous vote of committee
- “Consistent with Section 29 of the SAWPA Joint Powers Agreement, any expenditure or contractual commitment which exceeds the PA24 budget must be approved by a unanimous vote of the PA24 Committee.”
- “Budget and operating decisions” require unanimous consent of the PA24 Committee Members

9-4-2018 Commission Meeting

- Committee Representative:
  - Option 1: Commissioner, Alt Commissioner
  - Option 2: Commissioner, Alt Commissioner, Agency GM
- Concerns about unanimous voting, operating decisions
- No consensus
Other Options

• PA 24 Without JPAA Amendments
  o Commissioner, Alternate Commissioner, Agency GM
• Both Commissioner and Agency GM

Task Forces

• Basin Monitoring Program Task Force (PA 20)
• Emerging Constituents Program Task Force (Administration)
• Lake Elsinore and Canyon Lake TMDL Task Force (LESJWA Administration)
• Middle Santa Ana River Watershed TMDL Task Force (Administration)
• Regional Water Quality Monitoring Task Force (Administration)
Other Programs

- Arundo Habitat Management, Santa Ana River Mitigation Bank (Project)
- Forest First Program (Project, PA 10)
- Lake Elsinore/San Jacinto Watersheds Authority (Administration, PA 12)
- Imported Water Recharge Working Group (Administration, Transition to Task Force in FY 19)
- OWOW (Project, PA 18)
- Santa Ana Sucker Conservation Team (Project)
- Santa Ana River Trail & Parkway (Administration, Study, PA 10)
- Southern CA Salinity Coalition (Member, Study, PA 10)
- Water-Energy Community Action Network (Project, PA 10)

Other New Project Agreements

- PA 25 Task Forces
  - Administration of Task Forces, work groups, other
  - Task Forces include agencies other than SAWPA member agencies
- PA 26 OWOW
- Every activity except planning studies and administration under one PA
RECOMMENDATION

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(3) Consider approval of draft Project Agreement 24, only, without changes to the JPAA and/or provide direction to staff.
SANTA ANA WATERSHED PROJECT AUTHORITY

PROJECT AGREEMENT 24

INLAND EMPIRE BRINE LINE

THIS AGREEMENT is made on __________, 2018, by and between the SANTA ANA WATERSHED PROJECT AUTHORITY (“SAWPA”), a joint powers agency created pursuant to Government Code Section 6500 et seq., and the following Member Agencies of SAWPA, referred to hereinafter as Project Agreement 24 (“PA24”) Committee Members: EASTERN MUNICIPAL WATER DISTRICT (“EASTERN”); INLAND EMPIRE UTILITIES AGENCY (“IEUA”); SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT (“VALLEY”); and WESTERN MUNICIPAL WATER DISTRICT (“WESTERN”). The PA24 Committee members and SAWPA are jointly referred to herein as the “Parties.”

RECITALS

A. The PA24 Committee Members are all special districts with broad authority over water resources, including powers to develop, protect, and enhance water supply and reliability within the region and to protect and preserve the quality of the surface and subsurface water supplies within their respective boundaries.

B. The SAWPA Joint Powers Agreement, as amended, provides for SAWPA’s exercise of the shared powers of the Member Agencies, and recognizes SAWPA shall function through the identification and implementation of specific projects. The JPA establishes that such specific projects will be administered through individual project agreements and by project committees (“Project Committees”) when less than all of the SAWPA member agencies are participating.

C. SAWPA owns and operates the Inland Empire Brine Line (“BRINE LINE”). The BRINE LINE is a wastewater pipeline conveyance system and was constructed for the transmission of non-reclaimable wastewater. The pipeline extends from its connection to the Orange County Sanitation District’s (“OCSD”) Santa Ana River Interceptor (“SARI”) at the Riverside County-Orange County boundary into the upper Santa Ana River watershed. As of the date of this Agreement SAWPA owns a 30-million gallons per day capacity right in the SARI that is subject to certain payment obligations and other terms and conditions including a Waste Water Interceptor Capacity Agreement with OCSD dated April 12, 1972 and subsequently amended.

D. SAWPA member agencies formed a number of separate project agreements pursuant to Section 18 of the SAWPA Joint Powers Agreement for the study, design, or construction of parts of the BRINE LINE. Some of those project agreements also purported to address maintenance. In practice, SAWPA has operated the BRINE LINE as one infrastructure system as components were completed and added on, and currently none of the earlier project agreements or project committees related to BRINE LINE development remain active.
E. As of the date of this Agreement SAWPA also owns a treatment and disposal capacity right of 17 million gallons per day, with a right to purchase additional capacity, in certain wastewater treatment and disposal facilities owned by OCSD. This treatment and disposal right is subject to certain payment obligations and other terms and conditions including a Treatment and Disposal Capacity Agreement with OCSD dated July 24, 1996.

F. Since the early 1980s, SAWPA has entered into various written agreements with EASTERN, IEUA, VALLEY, WESTERN, and Orange County Water District regarding purchase and sale of pipeline capacity rights and treatment and disposal rights in the SARI and BRINE LINE.

G. BRINE LINE policies are established by Ordinances and Resolutions that have been adopted by the SAWPA Commission, including Ordinance No. 8: “An Ordinance of the Santa Ana Watershed Project Authority Establishing Regulations for the Use of the Inland Empire Brine Line.” Current Resolutions establish local limits on discharges, establish the purchase price for treatment and disposal capacity rights, and establish rates. SAWPA implements a comprehensive pretreatment program and issues or directly oversees issuance of permits to all dischargers. SAWPA complies with its agreements with OCSD through implementation of a 1991 MOU, which clarified roles and responsibilities in that relationship. In terms of water quality compliance, SAWPA’s program documents clearly recognize OCSD as the Control Authority for discharges to the BRINE LINE, and SAWPA as the Delegated Control Authority. SAWPA and OCSD formed a Joint Policy Committee in 2013 to provide a regular forum to discuss and coordinate policy positions and avoid or manage conflicts. Two SAWPA Commissioners are appointed by SAWPA to serve on the Joint Policy Committee.

H. SAWPA complies with the State Water Resources Control Board Order No. 2006-0003, a General Waste Discharge Requirement for all publicly owned sanitary sewer collection systems in California with more than one mile of sewer pipe. One component of Order No. 2006-0003 is the development and implementation of a Sewer System Management Plan (“SSMP”) that defines provisions for management of the system to limit Sanitary Sewer Overflows. SAWPA adopted its SSMP in April 2009 and has been implementing its provisions since then.

I. SAWPA maintains insurance policies covering BRINE LINE operations, including risks of wastewater spills and property damage.

J. Operating the BRINE LINE is complex, requiring short- and long-term planning regarding future use and flows, capital improvements, financial modeling, recurring and nonrecurring operations and maintenance, regulatory compliance, relations with OCSD, marketing and community relations, and other evolving issues. Consistent with the requirements of the SAWPA Joint Powers Agreement, a Project Committee is required to oversee the administration and implementation of these and other project-related activities for the BRINE LINE.
K. By this Agreement, the Parties wish to supersede and replace Project Agreement 21, originally executed on December 21, 2010, per Section 18 of the SAWPA Joint Powers Agreement. The Parties hereto desire to create Project Committee 24 to provide policy direction and oversight of the BRINE LINE.

**COVENANTS**

Based on the foregoing facts, and in consideration of the mutual covenants of the PA24 Committee Members and SAWPA, it is agreed that:

1. The PA24 Committee is hereby established for the purpose of establishing policy and providing oversight of the BRINE LINE operations, maintenance, planning, administration, implementation, and improvement of the BRINE LINE, including but not limited to rate-setting and revenue collection, permit issuance and enforcement, and usage of the Brine Line Enterprise Fund. The PA24 Committee shall consist of the Commissioners or Alternate Commissioners on the SAWPA Commission who represent each of the Parties, or their respective General Managers, at the sole discretion of the participating agencies. The PA24 Committee will appoint SAWPA’s two Commissioners to the Joint Policy Committee with OCSD.

2. Facilities constructed for the purposes of this Project Agreement will be owned by SAWPA for the benefit of the PA24 Committee. The PA24 Committee shall approve any necessary agreements that specify how existing BRINE LINE infrastructure and all future facility improvements will be financed, designed, constructed, operated, and maintained.

3. The PA24 Committee will be operated as a distinct account within SAWPA’s accounting system for the administration by SAWPA of Brine Line Enterprise Funds and for any other funds that may be made available to the PA24 Committee for actions within the Committee’s purpose.

4. The PA24 Committee will be constituted as set forth in Section 18 of the SAWPA Joint Powers Agreement. The PA24 Committee will constitute the executive authority through which SAWPA shall act for purposes of this Project Agreement.

5. All budget and operating decisions of the PA24 Committee will be made by unanimous consent of the PA24 Committee Members. The Parties agree that “operating decisions” are those that involve significant, system-wide decisions about how the BRINE LINE will function, including decisions concerning: physical repairs or alterations that could result in an impairment of use of the BRINE LINE. “Operating decisions” are not intended to include those involving day-to-day functioning or to matters mandated by law, regulation, or permits, or in response to emergencies.

6. The PA24 Committee will have, without further ratification by the PA24 Committee Members or SAWPA, such authority as may be necessary to implement the provisions of this Project Agreement so long as expenditures are within the PA24 budget. Consistent with Section 29 of the SAWPA Joint Powers Agreement, any expenditure or contractual commitment which exceeds the PA24 budget must be approved by a unanimous vote of the PA24 Committee. Any expenditures or contractual commitments within the designations and limitations of the approved PA24 budget shall be made on the authorization of a majority of the PA24 Committee.
This section does not limit the authority the SAWPA General Manager has to respond to emergencies. This section does not impact the unanimous vote requirements for operating decisions as set forth in Section 5.

7. SAWPA has funded all aspects of BRINE LINE operations, maintenance, planning, administration, and improvements through rates set by the Commission that are paid by the Parties and other contractual dischargers as a fee for service. SAWPA has used debt financing for some BRINE LINE improvements that is guaranteed by a pledge of rate revenue for repayment. Rates that are established by the PA24 Committee and adopted by SAWPA take effect upon adoption and are not dependent on the approval of the PA24 budget.

8. In conjunction with each SAWPA budget, SAWPA shall prepare a budget for the PA24 BRINE LINE project (PA24 budget) that shall address the sources and uses of funds and the respective financial obligations and functions of the PA24 Committee Members, including the matching funds included in any grant agreements. The budget shall include costs for SAWPA support of the PA24 Committee. If any PA24 Committee Member fails or refuses to approve any PA24 budget, said budget shall be returned to the PA24 Committee for restudy and revision. In the event a budget acceptable to all of the PA24 Committee members is not obtained prior to the start of the fiscal year, SAWPA shall continue to operate the BRINE LINE at the level of total expenditure authorized by the last approved PA24 budget for administrative, operations and maintenance activities, and shall continue with the construction of contractually authorized capital improvement projects included in the last approved PA24 budget. The PA24 Committee Members shall be obligated to fund such administrative, operations and maintenance activities to the same extent as in the previously approved budget, and to fund capital improvement projects under contract at previously authorized expenditure and contracting limits. The PA24 budget, unanimously adopted by the PA24 Committee, shall be included in the SAWPA budget for approval by the SAWPA member agencies’ governing boards per the SAWPA Joint Powers Agreement. Approval of the proposed PA24 budget shall not be unreasonably withheld by the SAWPA member agencies. SAWPA shall provide a quarterly report to the PA24 Committee of actual expenses relative to the approved budget.

9. The PA24 Committee Members shall be solely financially responsible for all liabilities and expenses, including administrative, consultant and legal expenses incurred in connection with PA24 activities, and to the extent necessary shall reimburse SAWPA for any and all such costs and expenses that are incurred on behalf of the PA24 Committee to the extent not otherwise covered by PA24 revenues or funds, or SAWPA’s liability insurance. Unless otherwise specified by unanimous Committee action, PA24 Committee Members shall have an equal share in such financial obligation.

10. The PA24 Committee Members will indemnify and hold harmless SAWPA and any SAWPA member agency not then participating as a member of the PA24 Committee from any and all financial liability, including claims or disputes, arising from or in connection with the operation, maintenance, or repair of the BRINE LINE and other PA24 facilities, and any project-related contracts or actions, to the extent such liability is not fully covered by budgeted PA24 revenues or funds, or SAWPA’s insurance.

11. PA24 Committee Members may withdraw from this Project Agreement at any time upon not less than 60 days written notice to the other members. Obligations of the withdrawing agency,
including any liabilities related to any grant agreement or other financing commitment associated with PA24, will be determined according to the PA24 budget then in effect or by the PA24 Committee. Pursuant to Section 8 of the SAWPA Joint Powers Agreement, no withdrawal shall relieve the withdrawing agency from financial obligations theretofore incurred by it under this Agreement.

12. No right, duty, or obligation of whatever kind or nature created herein will be assigned by any party to this Project Agreement without the prior written consent of SAWPA.

13. This Project Agreement shall inure to the benefit of and bind the successors and assigns of the parties hereto.

14. Each signatory hereto warrants that the execution of this Project Agreement represents the approval of that Agency’s board of directors of this Agreement.

15. This Project Agreement may be executed in counterparts.

16. The Recitals are incorporated herein and made an operative part of this Agreement.

17. Except as otherwise specifically provided for in this Agreement, the provisions of the SAWPA Joint Powers Agreement, as amended, shall be controlling in regard to the performance of this Agreement.

IN WITNESS WHEREOF, the signatories hereto have executed this Project Agreement to be effective as of the day and year first written above.

SANTA ANA WATERSHED PROJECT AUTHORITY

By _______________________________

Its _______________________________

EASTERN MUNICIPAL WATER DISTRICT

By _______________________________

Its _______________________________

INLAND EMPIRE UTILITIES AGENCY

By _______________________________

Its _______________________________
SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT

By ________________________________

Its ________________________________

WESTERN MUNICIPAL WATER DISTRICT

By ________________________________

Its ________________________________
Specific Projects. Except for preliminary studies and matters of general administration, the Agency shall function through the identification and implementation of specific projects. A project may involve all or less than all members of the Agency, provided that no member shall be involved without its approval. A separate budget and agreement of the parties shall be established for each such project, which shall determine the respective obligations, functions, and rights of the members involved and of the Agency. The initial projects of the agency are (1) construction and operation of the Santa Ana Regional Interceptor through Prado Dam, together with acquisition of and use of appropriate treatment facilities, and (2) control of water quality degradation caused by dairy wastes. Said projects shall be further defined in project agreements to be concluded between the participating members before they shall become obligated with respect thereto. To the extent that any specific project is undertaken which affects less than all members of the Agency, each participating member agency shall appoint its Commissioner, Alternate Commissioner, or General Manager to the Project Committee of the Commission for purposes of administration and implementation of such project. Notwithstanding anything to the contrary in this Agreement or in any agreement establishing a Project Committee, a member participating in a Project Committee may directly appoint any member of its governing board or its general manager as its representative and/or alternate to the Project Committee. All budget and operating decisions with regard to any project shall require the unanimous consent of the members of the Project Committee or the Agency, as the case may be. Consistent with Sections 7 and 26 of this Agreement, the budget of a Project Committee shall require the approval of the governing board of every member participating in the Project Committee, or of the Commission if there is not a Project Committee.

Project Budgets. The project budget or other is the expenditure and contractual commitment of funds for the study, implementation or design, permitting, construction, operation, and maintenance of any specific project or works to be constructed by the Agency. A project budget shall be adopted by the Project Committee of the Commission concerned with the specific project. Each such project budget must be approved by the unanimous consent of the members represented on the Project Committee of the Commission, or by all members of the Agency if all are involved in the specific project.

Expenditures Within Approved Budgets. All expenditures within the designations and limitations of approved general or project budgets shall be made on the authorization of a majority of the Commission or the Project Committee of the Commission which is supervising such expenditure. No expenditures in excess of those budgeted shall be made without the unanimous consent and approval of all members of the Agency, Project Committee or the Agency, as the case may be, to a revised or amended budget which may from time to time be submitted by the Commission.
Several aspects of the proposed PA24 reflect policy choices that the Commission should be aware of.

Committee representatives and current meetings and schedules. The Commission’s discussion during its October workshop reflected the view that the development of new project agreements was not intended to disrupt the current Commission meeting schedule or format, and that there would simply be agenda items on which only certain members would vote. Allowing committee representatives other than commissioners or alternate commissioners might not be consistent with that view. The JPA provides that representatives on the project committee may be any director from the member agency’s board or its general manager. Within these general rules, previous project agreements have made specific decisions about project committees and representation that suited the particular project. Project Agreement 22 specified that a project committee would be formed even though all five member agencies were participating. That agreement also specified that the committee representatives would be the member agency general managers. Project Agreement 23 also created a project committee even though all five member agencies were participating, but it left it to the member agencies to appoint representatives per Section 18 of the JPA. The proposed PA24 proposes simply to use the existing JPA provisions and allow committee representatives other than commissioners to be appointed.

What, if any, project decisions should require a unanimous vote? The JPA requires approval of SAWPA’s budget by all of the member agencies and of project budgets by all of the participating member agencies, and that expenditures that are within the budget are approved by the Commission or the project committee by majority vote. Section 18 of the JPA, however, states that, “All budget and operating decisions with regard to any project shall require the unanimous consent of the members of the Project Committee or the Agency, as the case may be.” Views have differed about what this provision means, whether it refers to unanimous committee decisions as opposed to approval of all of the participating agencies, and what constitutes an “operating decision.” The term “operating decision” appears nowhere else in the JPA and is not defined. A 2002 amendment to the JPA added another sentence reaffirming the JPA provisions about member agencies’ governing boards approving project budgets. One alternative to address the confusion this provision creates would be simply to remove the provision and require unanimous approval of the budget. The recommended action here takes a different approach. The proposed PA24 attempts to define what an operating decision is in the context of the Brine Line. The project agreement reiterates the requirement that budget and operating decisions get the unanimous consent of the members, meaning the member agencies. At the same time, the proposed JPA amendments would change Section 18 of the JPA to clearly require operating decisions for all projects to be by unanimous vote, rather than by unanimous consent of the member agencies. While this approach seeks to clarify what “operating decisions” are, it creates confusion between the project agreement and the JPA amendment about approval process. It does not clarify what a “budget decision” is, as opposed to actually approving the budget. And while “operating decision” would be better defined, the definition inevitably cannot be comprehensive, and questions may arise in the future about whether a decision is an “operating decision,” and therefore requires a unanimous vote, versus a normal decision within the approved budget, which would require a majority vote. PA24 would also specify that project budget adoption would require a unanimous vote of the project committee before sending the budget to the participating member agencies, which would be a straightforward procedural requirement applying only to this project budget.

Should the PA24 project committee be allowed to overrun the approved project budget? Currently, neither SAWPA nor any project committee may exceed its approved budget. The proposed PA24 would allow this project committee to overrun its budget with a unanimous committee vote. Allowing exceedance of the approved budget is a change in policy from the existing JPA, a central premise of which is that financial commitments require the consent of all of the participating agencies. Allowing more latitude for the Brine Line function may be appropriate since the Brine Line is funded from enterprise funds and State loans, and not member agency contributions. The proposed JPA amendments preserve the idea that “no expenditures in excess of those budgeted shall be made without the unanimous consent and approval of all members of the
Project Committee ….” It is staff’s view that this would require approval of the participating agencies to any project budget overrun, except where addressed differently in a project agreement, such as with PA24. However, the language of the proposed PA24, that budget overruns require a unanimous committee vote “consistent with Section 29” of the JPA, suggests an interpretation of the JPA that would apply to all SAWPA projects, and indeed to the general SAWPA budget, and not just the Brine Line. The Commission therefore should decide whether to allow the PA24 committee to authorize exceedances of the approved project budget, and may wish to clarify its policy views on budget overruns of all types.
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<th>Date</th>
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<tbody>
<tr>
<td>1/20/15</td>
<td>Authorize the General Manager to (1) Execute an agreement with Riverside County Flood Control and Water Conservation District for the construction, ownership and operation and maintenance of the Santa Ana Canyon – Below Prado, Inland Empire Brine Line Sheet Pile Protection Project; and Execute an agreement and Grant of Easement with the State of California, Department of Parks and Recreation for the Inland Empire Brine Line Sheet Pile Protection Project.</td>
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<tr>
<td>2/3/15</td>
<td>Approve Amendment No. 4 to the “SARI System Treatment and Disposal Capacity and Pipeline Capacity Agreements” between SAWPA and the IEUA, extending the end date for the Chino Preserve Development temporary domestic connection from March 2015 to March 2017 (2 years).</td>
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<tr>
<td>3/17/15</td>
<td>Direct staff to issue Request for Proposals (RFPs) for the Inland Empire Brine Line service contracts.</td>
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<tr>
<td>4/21/15</td>
<td>Direct staff to prepare a draft agreement relating to Inland Empire Brine Line lease and loan capacity pools for Commission/Member Agency consideration.</td>
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<td></td>
<td>Adopt Resolution No. 2015-03, establishing the new Inland Empire Brine Line rates to be effective July 1, 2015</td>
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<tr>
<td>6/16/15</td>
<td>Direct staff to file a claim against the California Department of Transportation (Caltrans) for an amount to be determined, relating to damage to MAS 4B-0850.</td>
<td>478,681.00</td>
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<td></td>
<td>Approve (1) a General Services Agreement and Task Order with Houston Harris Inc. for an amount not to exceed $318,120; (2) a General Services Agreement and Task Order with Haz Mat Trans Inc. for an amount not to exceed $98,215; and, (3) a General Services Agreement Task Order with E. S. Babcock Laboratories for an amount not to exceed $62,346.</td>
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<tr>
<td>8/4/15</td>
<td>Authorize the General Manager to execute Change Order No. 1 with Charles King Company in an amount not to exceed $5,381.74 for the Inland Empire Brine Line Reach V Rehabilitation and Improvement Project – Phase 1.</td>
<td>5,381.74</td>
</tr>
<tr>
<td>8/18/15</td>
<td>Authorize transfer of no more than $60,000 from Brine Line Reserves for the purchase of a trailer mounted vacuum excavator unit.</td>
<td>60,000.00</td>
</tr>
<tr>
<td>10/20/15</td>
<td>Authorize the General Manager to approve Change Order 1 to Task Order VALI326-02 with Vali Cooper and Associates for additional Construction Management and Inspection services for the Inland Empire Brine Line Reach 5 Rehabilitation and Improvement Project for an amount not-to-exceed $64,255.</td>
<td>64,255.00</td>
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<tr>
<td>11/17/15</td>
<td>Defer a revised monthly target TSS formation (TSSf) in the Inland Empire Brine Line TSS Formation Billing Formula until July 1, 2016, and authorize funding of additional TSS treatment costs from SAWPA reserves between now and June 30, 2016.</td>
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<td>Approve Resolution No. 2015-09 authorizing ownership of pipeline and treatment and disposal capacity rights by an indirect discharger utilizing a Collection Station as a point of discharge into the Brine Line.</td>
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<td>Authorize the General Manager to issue a Notice Inviting Bids for the Inland Empire Brine Line Reach V Rehabilitation and Improvement Project – Phase 2.</td>
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</tr>
<tr>
<td>12/15/15</td>
<td>Quitclaim an easement on Assessor’s Parcel Numbers 0260-221-02 and 0260-221-03 to AMB Holdco, LLC, located in the City of Colton, County of San Bernardino. (Note: related to construction of RIX facilities and is no longer needed.)</td>
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<tr>
<td>1/19/16</td>
<td>Authorize the General Manager to approve: 1. Change Order 2 to Task Order VALI326-02 with Vali Cooper and Associates for additional Construction Management and Inspection services for the Inland Empire Brine Line Reach 5 Rehabilitation and Improvement Project for an amount not to exceed $562,344; 2. Change Order 1 to Task Order DUDK326-02 with Dudek for additional Engineering Services during Construction for the Inland Empire Brine Line Reach 5 Rehabilitation and Improvement Project for an amount not to exceed $64,420; and, 3. Change Order No. 2 to Work Order No. 2016-16 with Ramtech Laboratories for additional CIPP Laboratory testing for the Inland Empire Brine Line Reach 5 Rehabilitation and improvement Project for an amount not to exceed $53,428.</td>
<td>680,192.00</td>
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| 2/16/16 | Authorize the General Manager to approve:  
1. Award a contract for public works construction to the lowest, responsive, responsible bidder (Schedule A), Weka Inc., for the Inland Empire Brine Line Reach V Rehabilitation and Improvement Project – Phase 2, in an amount not to exceed $1,941,967, and waive the minor irregularities;  
2. Execute Task Order No. VALI326-03 in an amount not-to-exceed $196,380 with Vali Cooper & Associates, Inc. to provide Construction Management Services for the Inland Empire Brine Line Reach V Rehabilitation and Improvement Project – Phase 2; and,  
3. Execute Task Order No. DUDK326-04 in an amount not-to-exceed $64,300 with Dudek, to provide Engineering Services during Construction for the Inland Empire Brine Line Reach V Rehabilitation and Improvement Project – Phase 2. | 2,202,647.00       |
<p>| 3/15/16 | Authorize the expenditure of up to $250,000 for the law firm of Hunt Ortmann Palffy Nieves Darling &amp; Mah, Inc. to provide legal services in connection with the Reach V Rehabilitation and Improvement Project construction contracts.                                                                                       | 250,000.00        |
| 4/19/16 | Adopt Resolution No. 2016-01, establishing the new Inland Empire Brine Line rates to be effective July 1, 2016 (Fiscal Year 2017).                                                                                                                                                                                                                 |                  |
| 6/21/16 | Approve Work Orders with E.S. Babcock Laboratories in the amount of $87,000 for water quality sampling and analysis services and Western Municipal Water District in the amount of $117,000 for Brine Line maintenance and operations activities; and approve the budget for Year Two of the existing Task Order with Houston Harris PCS, Inc. in the amount of $225,000 for pipeline cleaning.                   | 429,000.00        |
| 7/19/16 | Approve use of the new TSS Formation Billing Formula and approve a revised monthly target TSS formation (TSSf) amount of 196,000 lbs/month in the Inland Empire Brine Line TSS Formation Billing Formula, effective with the August 2016 invoices.                                                                                       |                  |
|         | Deny the June 10, 2016 Charles King Company, Inc., claim in its entirety; and, approve an increase in spending authority for legal fees for Hunt Ortmann of $500,000, to a total authorization of $750,000.                                                                                                                                               | 500,000.00        |</p>
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<tbody>
<tr>
<td>8/16/16</td>
<td>Find that the unfinished condition of the Reach V Rehabilitation and Improvement Project (the Project) after the termination for cause of the Project contractor continues to be an emergency that requires immediate action per the Commission’s prior action on August 2, 2016.</td>
<td></td>
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<tr>
<td>9/6/16</td>
<td>Find that the unfinished condition of the Reach V Rehabilitation and Improvement Project (the Project) after the termination for cause of the Project contractor continues to be an emergency that requires immediate action per the Commission’s prior action on August 2, 2016.</td>
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<tr>
<td>9/20/16</td>
<td>Find that the unfinished condition of the Reach V Rehabilitation and Improvement Project (the Project) after the termination for cause of the Project contractor continues to be an emergency that requires immediate action per the Commission’s prior action on August 2, 2016.</td>
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<td>Authorize the General Manager to accept the Weka Inc., work as complete and direct staff to file a Notice of Completion with the Riverside County Clerk upon the following: (a) Contractor has delivered all documents required by the Contract Documents; (b) Notice from Engineer accepting the work; (c) Receipt of Final Application for Payment from the Contractor; and (d) Notice from Construction Manager recommending final payment.</td>
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<tr>
<td>10/4/16</td>
<td>Find that the unfinished condition of the Reach V Rehabilitation and Improvement Project (the Project) after the termination for cause of the Project contractor continues to be an emergency that requires immediate action per the Commission’s prior action on August 2, 2016.</td>
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<tr>
<td>10/18/16</td>
<td>Find that the unfinished condition of the Reach V Rehabilitation and Improvement Project (the Project) after the termination for cause of the Project contractor continues to be an emergency that requires immediate action per the Commission’s prior action on August 2, 2016.</td>
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<td>Authorize the General Manager to approve Change Order 2 to Task Order DUDK326-02 with Dudek for additional Engineering Services during Construction of the Inland Empire Brine Line Reach 5 Rehabilitation and Improvement Project – Phase 1 Task 1 and 2 for an amount not to exceed $57,790.</td>
<td>$57,790.00</td>
</tr>
<tr>
<td>11/1/16</td>
<td>Find that the unfinished condition of the Reach V Rehabilitation and Improvement Project (the Project) after the termination for cause of the Project contractor continues to be an emergency that requires immediate action per the Commission’s prior action on August 2, 2016.</td>
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<tr>
<td>11/15/16</td>
<td>Find that the unfinished condition of the Reach V Rehabilitation and Improvement Project (the Project) after the termination for cause of the Project contractor continues to be an emergency that requires immediate action per the Commission’s prior action on August 2, 2016.</td>
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<td>Approve year two of the existing Task Order INN-240-02 with Innerline engineering, Inc., in the amount of $50,000 for pipeline cleaning and inspection.</td>
<td>50,000.00</td>
</tr>
<tr>
<td>12/6/16</td>
<td>Find that the unfinished condition of the Reach V Rehabilitation and Improvement Project (the Project) after the termination for cause of the Project contractor continues to be an emergency that requires immediate action per the Commission’s prior action on August 2, 2016.</td>
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<tr>
<td>12/20/16</td>
<td>Find that the unfinished condition of the Reach V Rehabilitation and Improvement Project (the Project) after the termination for cause of the Project contractor continues to be an emergency that requires immediate action per the Commission’s prior action on August 2, 2016.</td>
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<tr>
<td>1/3/17</td>
<td>Find that the unfinished condition of the Reach V Rehabilitation and Improvement Project (the Project) after the termination for cause of the Project contractor continues to be an emergency that requires immediate action per the Commission’s prior action on August 2, 2016.</td>
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</table>
| 1/10/17    | authorize the General Manager to:  
1. Award a contract on the Inland Empire Brine Line Reach V Rehabilitation and Improvement Project – Phase 1 to Weka Inc. for an amount not to exceed $12,950,113;  
2. Execute Task Order No. VALI326-04 in an amount not to exceed $1,252,400 with Vali Cooper & Associates, Inc. to provide Construction Management Services for the Inland Empire Brine Line Reach V Rehabilitation and Improvement Project – Phase 1; and,  
3. Execute Task Order No. DUDK326-06 in an amount not to exceed $134,900 with Dudek to provide Engineering Services during Construction for the Inland Empire Brine Line Reach V Rehabilitation and Improvement Project – Phase 1.                                                                                                                                                                                                                           | 14,337,413.00   |
<p>| 1/17/17    | Approve Amendment No. 5 to the “SARI System Treatment and Disposal Capacity and Pipeline Capacity Agreements” between SAWPA and the IEUA, extending the end date for the Chino Preserve Develop temporary domestic connection from March 2017 to March 2020 (3 years).                                                                                                                                                                                                                                                                                                                                                     |                 |</p>
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<tbody>
<tr>
<td>2/21/17</td>
<td>Endorse the City of Beaumont’s request to connect to the Brine Line, and direct staff to request approval from OCSD in accordance with the 1996 Agreement.</td>
<td></td>
</tr>
<tr>
<td>3/7/17</td>
<td>Direct the General Manager to file a CEQA Notice of Exemption with the Riverside County Clerk’s Office for the Brine Line Protection project as a result of recent storm caused erosion.</td>
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<td>Direct staff to provide the Commission with a financing report, including cash flow projections, on construction of the Inland Empire Brine Line Reach V Rehabilitation Project, at the next Commission meeting.</td>
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<tr>
<td>3/21/17</td>
<td>Approve Change Order No. 3 with Hammons Strategies in an amount not to exceed $22,500, increasing the total contract amount to $67,500 and extending the current Agreement for an additional six (6) months through September 2017.</td>
<td>90,000.00</td>
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<tr>
<td></td>
<td>Authorize the General Manager to sign a three-year lease agreement with Wilson Properties Inc. for a 1,800 square foot warehouse unit located at 11671 Sterling Avenue, Riverside, California.</td>
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<td></td>
<td>Increase the spending authorization for Hunt Ortmann by $750,000 to a total of $1.5 million.</td>
<td>750,000.00</td>
</tr>
<tr>
<td>4/4/17</td>
<td>(1) receive and file a report on the Brine Line Reach 4 protection project, (2) adopt Resolution No. 2017-06 approving Form Cal OES 130 designating the General Manager as the SAWPA authorized representative to execute an application for federal financial assistance under Public Law 93-228; and (3) direct the General Manager to submit a request for public assistance to seek reimbursement for a portion of the costs associated with the Reach 4 protection project.</td>
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<tr>
<td>4/18/17</td>
<td>Adopt Resolution No. 2017-07, establishing the purchase price for the Inland Empire Brine Line Treatment and Disposal Capacity.</td>
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<tr>
<td>5/16/17</td>
<td>Adopt the FYE 2018 and FYE 2019 Budget as presented, approve the hiring of the new Brine Line Pipeline Operator II position that is included in the budget, and direct each member agency to: (1) Notice the consideration of the FYE 2018 and 2019 SAWPA Budget on their next Board of Directors Meeting Agenda; (2) Approve by Board Resolution (pursuant to the Joint Powers Authority Agreement) the FYE 2018/19 SAWPA Budget; and, (3) Provide SAWPA with a certified copy of the signed Board Resolution.</td>
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<td>Adopt Resolution No. 2017.8 establishing the new Inland Empire Brine Line rates to be effective July 1, 2017 (Fiscal Year 2018).</td>
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<tr>
<td>6/6/17</td>
<td>Approve Work Order 2018-05 with E.S. Babcock Laboratories in the amount of $87,578 for water quality sampling and analysis services and Work Order 2018-01 with Western Municipal Water District in the amount of $90,000 for Brine Line water quality sample collection.</td>
<td>177,578.00</td>
</tr>
<tr>
<td>8/1/17</td>
<td>Direct staff to release, for public review and comment, draft Ordinance No. 8 and the draft Resolution Establishing Local Limits and Best Management Practices Requirements, establishing regulations for the use of the Inland Empire Brine Line and establish a Public Hearing date of September 19, 2017; direct staff to provide the adoption timetable to Commissioners and Alternates.</td>
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<td>Authorize the Interim General Manager to execute Change Order No. 5 with Weka Inc. in an amount not to exceed $71,605.33 for the Inland Empire Brine Line Reach V Rehabilitation and Improvement Project – Phase 1.</td>
<td>71,605.33</td>
</tr>
<tr>
<td>9/19/17</td>
<td>Approve Change Order No. 4 with Hammons Strategies in an amount not to exceed $11,250, increasing the total contract amount to $78,750 and extending the current Agreement for an additional three (3) months through December 2017.</td>
<td>90,000.00</td>
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<td>Issue a Request for Proposals (RFP) for professional services to prepare a Brine Line rate model.</td>
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<td>Adopt Ordinance No. 8 and Resolution No. 2017-11 establishing local limits and best management practices requirements for the Inland Empire Brine Line.</td>
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<tr>
<td>10/3/17</td>
<td>Change the methodology to calculate the monthly TSS formation amount to a 12-month rolling average effective September 1, 2017.</td>
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<tr>
<td>10/17/17</td>
<td>Increase the authorized expenditure for legal fees to Hunt Ortmann by $1,000,000, bringing the total authorized expenditure to $2.5 million.</td>
<td>1,000,000.00</td>
</tr>
<tr>
<td>11/7/17</td>
<td>Authorize the General Manager to issue a General Services Agreement and Task Order to Raftelis Financial Consultants, Inc., in an amount not to exceed $79,517 to prepare the Inland Empire Brine Line Rate Model.</td>
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<tr>
<td>12/19/17</td>
<td>Direct staff to release a Request for Proposes (RFP) for engineering services for the Inland Empire Brine Line Reach 4D Rehabilitation Work Plan.</td>
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## Commission Actions -- Inland Empire Brine Line
### January 2015 - May 2018

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<tr>
<th>Date</th>
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<td>Authorize the General Manager to accept the Weka, Inc. work as complete and direct staff to file a Notice of Completion with the Riverside County Clerk upon the following: 1) Contractor has delivered all documents required by the Contract Documents; 2) Notice from Engineer accepting the work; 3) Receipt of Final Application for Payment from the Contractor; and, 4) Notice from Construction Manager recommending final payment.</td>
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<td>Approve creation of a Business Analyst position at Classification 33, with a salary range of $66,679 - $81,049; approve the job description; and authorize the immediate and filling of the position.</td>
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<tr>
<td>1/16/18</td>
<td>1. Authorize staff to execute Task Order No. RMC504-401-03 with Woodard &amp; Curran in the amount of $34,992 to provide technical writing services in support of the SAWPA Roundtables and Prop 84 project support;... 3. Authorize transfer of $111,842 from labor and $40,570 from benefits budgeted for a full time staff position for FYE 2018 to technical/grant writing consultant support for the following funds: 100, 370-01, 370-02, 373, 374, 384-01, 386, 387, 392.</td>
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<td>Authorize the execution of Amendment No. 2 to the Waste Water Interceptor Capacity Agreement.</td>
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<td>Authorize staff to file a Notice of Exemption with the Riverside County Clerk’s Office for the proposed Reach 4B Upper Relocation project to comply with the California Environmental Quality Act (CEQA) requirements.</td>
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</tr>
<tr>
<td>3/6/18</td>
<td>Authorize staff to issue Requests for Proposals (RFPs for the Inland empire Brine Line service contracts.</td>
<td>$237,981.00</td>
</tr>
<tr>
<td></td>
<td>Authorize the General Manager to execute a General Services Agreement and Task Order No. W&amp;C327-01 with Woodard &amp; Curran in an amount not to exceed $237,981 to provide engineering design services for the Inland Empire Brine Line Reach 4D Rehabilitation Work Plan, including a 5% contingency for field investigation related changes ($11,332).</td>
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| 5/1/18  | Authorize the General Manager to issue the following Work Orders and Task Orders and extend the expiration date for the existing General Services Agreements with Houston & Harris, Innerline Engineering, and HazMat Trans:  
1. Work Order 2019-04 to E.S. Babcock Laboratories in the amount of $86,454 for sample collection and analysis services;  
2. Work Order 2019-01 to Western Municipal Water District in the amount of $80,000 for sample collection support;  
3. Task order HOU240-04 to Houston & Harris in the amount of $96,448 for On-Call CCTV Services;  
4. Task Order INN240-03 to Innerline Engineering in the amount of $151,020 for On-Call Pipeline Cleaning Services; and,  
5. Task Order HAZ240-09 to HazMat Trans in the amount of $96,665 for line draining and emergency response services. | 510,587.00      |
| 5/15/18 | Adopt Resolution No. 2018-04 approving Form Cal OES 130 designating the General Manager as the SAWPA authorized representative to accept Disaster Recovery funds under Public Law 93-228.  
Adopt Resolution No. 2018-05 establishing the new Inland Empire Brine Line rates to be effective July 1, 2018 (Fiscal Year 2019). |                |

Total Funding  

|                      | $ 22,043,111.07 |
SANTA ANA WATERSHED PROJECT AUTHORITY

PROJECT AGREEMENT 24

INLAND EMPIRE BRINE LINE

THIS AGREEMENT is made on __________, 2018, by and between the SANTA ANA WATERSHED PROJECT AUTHORITY ("SAWPA"), a joint powers agency created pursuant to Government Code Section 6500 et seq., and the following Member Agencies of SAWPA, referred to hereinafter as Project Agreement 24 ("PA24") Committee Members: EASTERN MUNICIPAL WATER DISTRICT ("EASTERN"); INLAND EMPIRE UTILITIES AGENCY ("IEUA"); SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT ("VALLEY"); and WESTERN MUNICIPAL WATER DISTRICT ("WESTERN"). The PA24 Committee members and SAWPA are jointly referred to herein as the "Parties."

RECITALS

A. The PA24 Committee Members are all special districts with broad authority over water resources, including powers to develop, protect, and enhance water supply and reliability within the region and to protect and preserve the quality of the surface and subsurface water supplies within their respective boundaries.

B. The SAWPA Joint Powers Agreement, as amended, provides for SAWPA’s exercise of the shared powers of the Member Agencies, and recognizes SAWPA shall function through the identification and implementation of specific projects. The JPA establishes that such specific projects will be administered through individual project agreements and by project committees ("Project Committees") when less than all of the SAWPA member agencies are participating.

C. SAWPA owns and operates the Inland Empire Brine Line ("BRINE LINE"). The BRINE LINE is a wastewater pipeline conveyance system and was constructed for the transmission of non-reclaimable wastewater. The pipeline extends from its connection to the Orange County Sanitation District’s ("OCSD") Santa Ana River Interceptor ("SARI") at the Riverside County-Orange County boundary into the upper Santa Ana River watershed. As of the date of this Agreement SAWPA owns a 30-million gallons per day capacity right in the SARI that is subject to certain payment obligations and other terms and conditions including a Waste Water Interceptor Capacity Agreement with OCSD dated April 12, 1972 and subsequently amended.

D. SAWPA member agencies formed a number of separate project agreements pursuant to Section 18 of the SAWPA Joint Powers Agreement for the study, design, or construction of parts of the BRINE LINE. Some of those project agreements also purported to address maintenance. In practice, SAWPA has operated the BRINE LINE as one infrastructure system as components were completed and added on, and currently none of the earlier project agreements or project committees related to BRINE LINE development remain active.
E. As of the date of this Agreement SAWPA also owns a treatment and disposal capacity right of 17 million gallons per day, with a right to purchase additional capacity, in certain wastewater treatment and disposal facilities owned by OCSD. This treatment and disposal right is subject to certain payment obligations and other terms and conditions including a Treatment and Disposal Capacity Agreement with OCSD dated July 24, 1996.

F. Since the early 1980s, SAWPA has entered into various written agreements with EASTERN, IEUA, VALLEY, WESTERN, and Orange County Water District regarding purchase and sale of pipeline capacity rights and treatment and disposal rights in the SARI and BRINE LINE.

G. BRINE LINE policies are established by Ordinances and Resolutions that have been adopted by the SAWPA Commission, including Ordinance No. 8: “An Ordinance of the Santa Ana Watershed Project Authority Establishing Regulations for the Use of the Inland Empire Brine Line.” Current Resolutions establish local limits on discharges, establish the purchase price for treatment and disposal capacity rights, and establish rates. SAWPA implements a comprehensive pretreatment program and issues or directly oversees issuance of permits to all dischargers. SAWPA complies with its agreements with OCSD through implementation of a 1991 MOU, which clarified roles and responsibilities in that relationship. In terms of water quality compliance, SAWPA’s program documents clearly recognize OCSD as the Control Authority for discharges to the BRINE LINE, and SAWPA as the Delegated Control Authority. SAWPA and OCSD formed a Joint Policy Committee in 2013 to provide a regular forum to discuss and coordinate policy positions and avoid or manage conflicts. Two SAWPA Commissioners are appointed by SAWPA to serve on the Joint Policy Committee.

H. SAWPA complies with the State Water Resources Control Board Order No. 2006-0003, a General Waste Discharge Requirement for all publicly owned sanitary sewer collection systems in California with more than one mile of sewer pipe. One component of Order No. 2006-0003 is the development and implementation of a Sewer System Management Plan (“SSMP”) that defines provisions for management of the system to limit Sanitary Sewer Overflows. SAWPA adopted its SSMP in April 2009 and has been implementing its provisions since then.

I. SAWPA maintains insurance policies covering BRINE LINE operations, including risks of wastewater spills and property damage.

J. Operating the BRINE LINE is complex, requiring short- and long-term planning regarding future use and flows, capital improvements, financial modeling, recurring and nonrecurring operations and maintenance, regulatory compliance, relations with OCSD, marketing and community relations, and other evolving issues. Consistent with the requirements of the SAWPA Joint Powers Agreement, a Project Committee is required to oversee the administration and implementation of these and other project-related activities for the BRINE LINE.
K. By this Agreement, the Parties wish to supersede and replace Project Agreement 21, originally executed on December 21, 2010, per Section 18 of the SAWPA Joint Powers Agreement. The Parties hereto desire to create Project Committee 24 to provide policy direction and oversight of the BRINE LINE.

COVENANTS

Based on the foregoing facts, and in consideration of the mutual covenants of the PA24 Committee Members and SAWPA, it is agreed that:

1. The PA24 Committee is hereby established for the purpose of establishing policy and providing oversight of the BRINE LINE operations, maintenance, planning, administration, implementation, and improvement of the BRINE LINE, including but not limited to rate-setting and revenue collection, permit issuance and enforcement, and usage of the Brine Line Enterprise Fund. In accordance with Section 18 of the SAWPA Joint Powers Agreement, The PA24 Committee Member may appoint at its sole discretion any member of its governing board or its general manager as its representative and/or alternate to the PA 24 Committee shall consist of the Commissioners or Alternate Commissioners on the SAWPA Commission who represent each of the Parties, or their respective General Managers, at the sole discretion of the participating agencies. The PA24 Committee will appoint SAWPA’s two Commissioners to the Joint Policy Committee with OCSD.

2. Facilities constructed for the purposes of this Project Agreement will be owned by SAWPA for the benefit of the PA24 Committee. The PA24 Committee shall approve any necessary agreements that specify how existing BRINE LINE infrastructure and all future facility improvements will be financed, designed, constructed, operated, and maintained.

3. The PA24 Committee will be operated as a distinct account within SAWPA’s accounting system for the administration by SAWPA of Brine Line Enterprise Funds and for any other funds that may be made available to the PA24 Committee for actions within the Committee’s purpose.

4. The PA24 Committee will be constituted as set forth in Section 18 of the SAWPA Joint Powers Agreement. The PA24 Committee will constitute the executive authority through which SAWPA shall act for purposes of this Project Agreement.

5. All budget and operating decisions of the PA24 Committee will be made by unanimous consent of the PA24 Committee Members. The Parties agree that “operating decisions” are those that involve significant, system-wide decisions about how the BRINE LINE will function, including decisions concerning: physical repairs or alterations that could result in an impairment of use of the BRINE LINE. “Operating decisions” are not intended to include those involving day-to-day functioning or to matters mandated by law, regulation, or permits, or in response to emergencies.

6. The PA24 Committee will have, without further ratification by the PA24 Committee Members or SAWPA, such authority as may be necessary to implement the provisions of this Project Agreement so long as expenditures are within the PA24 budget. Consistent with Section 296 of the SAWPA Joint Powers Agreement, any expenditure or contractual commitment which
exceeds the PA24 budget must be approved by a unanimous vote of the PA24 Committee. Any expenditures or contractual commitments within the designations and limitations of the approved PA24 budget shall be made on the authorization of a majority of the PA24 Committee. This section does not limit the authority the SAWPA General Manager has to respond to emergencies. This section does not impact the unanimous vote requirements for operating decisions as set forth in Section 5.

7. SAWPA has funded all aspects of BRINE LINE operations, maintenance, planning, administration, and improvements through rates set by the Commission that are paid by the Parties and other contractual dischargers as a fee for service. SAWPA has used debt financing for some BRINE LINE improvements that is guaranteed by a pledge of rate revenue for repayment. Rates that are established by the PA24 Committee and adopted by SAWPA take effect upon adoption and are not dependent on the approval of the PA24 budget.

8. In conjunction with each SAWPA budget, SAWPA shall prepare a budget for the PA24 BRINE LINE project (PA24 budget) that shall address the sources and uses of funds and the respective financial obligations and functions of the PA24 Committee Members, including the matching funds included in any grant agreements. The budget shall include costs for SAWPA support of the PA24 Committee. If any PA24 Committee Member fails or refuses to approve any PA24 budget, said budget shall be returned to the PA24 Committee for restudy and revision. In the event a budget acceptable to all of the PA24 Committee members is not obtained prior to the start of the fiscal year, SAWPA shall continue to operate the BRINE LINE at the level of total expenditure authorized by the last approved PA24 budget for administrative, operations and maintenance activities, and shall continue with the construction of contractually authorized capital improvement projects included in the last approved PA24 budget. The PA24 Committee Members shall be obligated to fund such administrative, operations and maintenance activities to the same extent as in the previously approved budget, and to fund capital improvement projects under contract at previously authorized expenditure and contracting limits. The PA24 budget, unanimously adopted by the PA24 Committee, shall be included in with the SAWPA budget for approval by the PA 24 Committee Members’ governing boards per the SAWPA Joint Powers Agreement. Approval of the proposed PA24 budget shall not be unreasonably withheld by the SAWPA PA 24 Committee Members. SAWPA shall provide a quarterly report to the PA24 Committee of actual expenses relative to the approved budget.

9. The PA24 Committee Members shall be solely financially responsible for all liabilities and expenses, including administrative, consultant and legal expenses incurred in connection with PA24 activities, and to the extent necessary shall reimburse SAWPA for any and all such costs and expenses that are incurred on behalf of the PA24 Committee to the extent not otherwise covered by PA24 revenues or funds, or SAWPA’s liability insurance. Unless otherwise specified by unanimous Committee action, PA24 Committee Members shall have an equal share in such financial obligation.

10. The PA24 Committee Members will indemnify and hold harmless SAWPA and any SAWPA member agency not then participating as a member of the PA24 Committee from any and all financial liability, including claims or disputes, arising from or in connection with the operation, maintenance, or repair of the BRINE LINE and other PA24 facilities, and any project-related
contracts or actions, to the extent such liability is not fully covered by budgeted PA24 revenues or funds, or SAWPA's insurance.

11. PA24 Committee Members may withdraw from this Project Agreement at any time upon not less than 60 days written notice to the other members. Obligations of the withdrawing agency, including any liabilities related to any grant agreement or other financing commitment associated with PA24, will be determined according to the PA24 budget then in effect or by the PA24 Committee. Pursuant to Section 8 of the SAWPA Joint Powers Agreement, no withdrawal shall relieve the withdrawing agency from financial obligations theretofore incurred by it under this Agreement.

12. No right, duty, or obligation of whatever kind or nature created herein will be assigned by any party to this Project Agreement without the prior written consent of SAWPA.

13. This Project Agreement shall inure to the benefit of and bind the successors and assigns of the parties hereto.

14. Each signatory hereto warrants that the execution of this Project Agreement represents the approval of that Agency's board of directors of this Agreement.

15. This Project Agreement may be executed in counterparts.

16. The Recitals are incorporated herein and made an operative part of this Agreement.

17. Except as otherwise specifically provided for in this Agreement, the provisions of the SAWPA Joint Powers Agreement, as amended, shall be controlling in regard to the performance of this Agreement.

IN WITNESS WHEREOF, the signatories hereto have executed this Project Agreement to be effective as of the day and year first written above.

SANTA ANA WATERSHED PROJECT AUTHORITY

By _________________________________

Its _________________________________

EASTERN MUNICIPAL WATER DISTRICT

By _________________________________

Its _________________________________

INLAND EMPIRE UTILITIES AGENCY

By _________________________________

Its _________________________________
SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT

By _________________________________
Its _________________________________

WESTERN MUNICIPAL WATER DISTRICT

By _________________________________
Its _________________________________
JPAA Amendment: 
Section 18 – Specific Projects

As stated in JPA: 
(as amended by Amendment No. 4)

Member Agency Board Members (may be other than SAWPA Commission Appointees) OR General Managers may be appointed to Project Committees as representatives or alternates 
(Footnote 4)

Requires unanimous consent of the Project Committee members for “budget and operating decisions”

Proposed Amendments:

SAWPA Commissioners, Alternate SAWPA Commissioners, and Member Agency General Managers may be Project Committee representatives 
(Footnote 3)

Requires unanimous consent of the Project Committee or SAWPA Commission for “budget and operating decisions” 
(Footnote 7)

Deletes provision describing SAWPA’s initial projects 
(Footnote 1)

Deletes budget approval provision that was added by JPA Amendment No. 4 
(Footnote 6)
JPAA Amendment: Section 26 – Project Budgets

As stated in JPA:

Defines project budget adoption and approval process, including unanimous consent of the Project Committee

Proposed Amendments:

Adds statement that budget is expenditure or contractual commitment
(Footnote 12)

Expands budget elements for projects
(Footnotes 15 and 16)
JPAA Amendment:
Section 29 – Expenditures within Approved Budgets

As stated in JPA:

Expenditures within budget authorized by majority of the Project Committee or SAWPA Commission

Proposed Amendment:

No budget overruns without the unanimous consent by the SAWPA Commission of a revised budget

Clarifying that budget exceedance requires unanimous consent of members of the Project Committee or SAWPA Commission, as the case may be

(Footnotes 20 and 21)
Project Agreement 24: Budget Approvals

As stated in JPA:
(as amended by Amendment No. 4)

General Budget Approvals (Sections 18, 24, and 25):
Approved by majority vote of SAWPA Commission and approval of Member Agencies’ Boards

Upon approval of PA 24:

Project Budget Approvals (Sections 26 and 27):
Approved by unanimous consent of Project Committee and approval of participating Member Agencies’ Boards

Project Budget Approvals:
Approved by unanimous vote of Project Committee,

Expenditures (Section 29):
*Within budget*: Approved by majority vote of SAWPA Commission OR Project Committee
*In excess of budget*: Approved by unanimous consent of SAWPA Commission

Expenditures:
*Within budget*: Approved by majority consent of Project Committee
*In excess of budget*: Approved by unanimous vote of Project Committee
Proposed JPAA Amendments

Section 18
Specific Projects.
Except for preliminary studies and matters of general administration, the Agency shall function through the identification and implementation of specific projects. A project may involve all or less than all members of the Agency, provided that no member shall be involved without its approval. A separate budget and agreement of the parties shall be established for each such project, which shall determine the respective obligations, functions, and rights of the members involved and of the Agency. The initial projects of the Agency are (1) construction and operation of the Santa Ana Regional Interceptor through Prado Dam, together with acquisition of and use of appropriate treatment facilities, and (2) control of water quality degradation caused by dairy wastes. Said projects shall be further defined in project agreements to be concluded between the participating members before they shall become obligated with respect thereto. To the extent that any specific project is undertaken which affects less than all members of the Agency, each participating member agency shall appoint its Commissioner, Alternate Commissioner, or General Manager to the Project Committee of the Commission for purposes of administration and implementation of such project. Notwithstanding anything to the contrary in this Agreement or in any agreement establishing a Project Committee, a member participating in a Project Committee may directly appoint any member of its governing board or its general manager as its representative and/or alternate to the Project Committee. All budget and operating decisions with regard to any project shall require the unanimous consent of the members of the Project Committee or the Agency, as the case may be. Consistent with Sections 7 and 26 of this Agreement, the budget of a Project Committee shall require the approval of the governing board of every member participating in the Project Committee, or of the Commission if there is not a Project Committee.

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1 Proposed removal, June 5, 2018 [green strikethrough]
2 Proposed removal, June 5, 2018 [green strikethrough]
3 Proposed addition, June 5, 2018 [green underlined]
4 Added by Amendment No. 4, November 25, 2002 [blue underlined]; Proposed removal, June 5, 2018 [blue strikethrough]
5 Proposed removal, June 5, 2018 [green strikethrough]
6 Proposed removal, June 5, 2018 [blue strikethrough]
7 Proposed addition, June 5, 2018 [green underlined]
8 Added by Amendment No. 4, November 25, 2002 [blue underlined]; Proposed removal, June 5, 2018 [green strikethrough]
Proposed JPAA Amendments

Section 24. General Budget.
Annually at the May meeting of the Commission, a general budget shall be adopted for the ensuing fiscal year. The budget shall be prepared in sufficient detail to constitute an operating outline for contributions to be made by members and expenditures to be made during the ensuing year for those administrative and study matters of general benefit to all members of the Agency. Said budget shall be adopted by a majority of the Commissioners in attendance, subject to the approval of the members of the Agency.

Section 25. Approval of General Budget.
Each general budget adopted by the Commission must be approved and shall be deemed effective upon the receipt by the Agency of certified copies of approving resolutions or minute orders by the governing bodies of each of the members of the Agency. Until such time as said formal approval has been received from each and every member of the Agency, said budget shall constitute merely a proposed budget, subject to consideration or revisions.

Section 26 Project Budgets.
The project budget or other commitment of funds for the study, implementation or design, permitting, construction, operation, and maintenance of any specific project or works to be constructed by the Agency. A project budget shall be adopted by the Project Committee of the Commission concerned with the specific project. Each such project budget must be approved by the unanimous consent of the members represented on the Project Committee of the Commission, or by all members of the Agency if all are involved in the specific project.

Section 27. Approval of Project Budgets.
Each project budget or commitment must be approved and shall be deemed operative only upon express approval by the members participating in the project budget as evidenced by a certified copy of a resolution or minute order of the governing boards of such participating members.

Section 28. Failure to Approve General Budget.
If any member fails or refuses to approve any general budget of the Agency, said budget shall be returned to the Commission for restudy and revision. In the event a budget acceptable to all of the members is not obtained prior to the start of the fiscal year, the Agency may continue to operate at the level of expenditure authorized by the last approved general budget and the members shall be obligated to fund such operations.

9 Proposed removal, June 5, 2018 [green strikethrough]
10 Proposed addition, June 5, 2018 [green underlined]
11 Proposed removal, June 5, 2018 [green strikethrough]
12 Proposed addition, June 5, 2018 [green underlined]
13 Proposed removal, June 5, 2018 [green strikethrough]
14 Proposed removal, June 5, 2018 [green strikethrough]
15 Proposed addition, June 5, 2018 [green underlined]
16 Proposed addition, June 5, 2018 [green underlined]
17 Proposed removal, June 5, 2018 [green strikethrough]
18 Proposed addition, June 5, 2018 [green underlined]
19 Proposed removal, June 5, 2018 [green strikethrough]
Section 29

Expenditures Within Approved Budgets

All expenditures within the designations and limitations of approved general or project budgets shall be made on the authorization of a majority of the Commission or the Project Committee of the Commission which is supervising such expenditure. No expenditures in excess of those budgeted shall be made without the unanimous consent and approval of all members of the Project Committee or the Agency, as the case may be, to a revised or amended budget which may from time to time be submitted by the Commission.

20 Proposed addition, June 5, 2018 [green underlined]

21 Proposed addition, June 5, 2018 [green underlined]