



**SAWPA COMMISSION
REGULAR MEETING MINUTES
APRIL 16, 2019**

COMMISSIONERS PRESENT

Ronald W. Sullivan, Chair, Eastern Municipal Water District
Kati Parker, Vice Chair, Inland Empire Utilities Agency
Denis R. Bilodeau, Secretary-Treasurer, Orange County Water District
Brenda Dennstedt, Western Municipal Water District
T. Milford Harrison, San Bernardino Valley Municipal Water District

COMMISSIONERS ABSENT

**ALTERNATE COMMISSIONERS
PRESENT; NON-VOTING**

Jasmin A Hall, Alternate, Inland Empire Utilities Agency

STAFF PRESENT

Rich Haller, Larry McKenney, Karen Williams, Mark Norton, Dean Unger,
David Ruhl, Ian Achimore, Matt Howard, Kelly Berry

The Regular Commission Meeting of the Santa Ana Watershed Project Authority was called to order at 9:31 a.m. by Chair Sullivan at the Santa Ana Watershed Project Authority, 11615 Sterling Avenue, Riverside, California.

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE

2. ROLL CALL

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

3. PUBLIC COMMENTS

There were no public comments.

4. CONSENT CALENDAR

A. APPROVAL OF MEETING MINUTES: APRIL 2, 2019

Recommendation: Approve as posted.

B. TREASURER'S REPORT – MARCH 2019

Recommendation: Approve as posted.

MOVED, approve the Consent Calendar.

Result:	Adopted (Unanimously)
Motion/Second:	Dennstedt/Harrison
Ayes:	Bilodeau, Dennstedt, Harrison, Parker, Sullivan
Nays:	None
Abstentions:	None
Absent:	None

5. NEW BUSINESS

A. ACKNOWLEDGE OCWD ACTION | SECRETARY-TREASURER APPOINTMENT | OWOW STEERING COMMITTEE APPOINTMENT (CM#2019.40)

On January 15, 2019, the SAWPA Commission acted to elect Commissioner Bruce Whitaker as Secretary-Treasurer of the Commission and, as such, appointed Commissioner Whitaker to the OWOW Steering Committee for the next two years. Subsequent to that action, Bruce Whitaker was not re-appointed to the OCWD Board.

On April 3, 2019, the OCWD Board elected Denis R. Bilodeau as their SAWPA Commissioner and Dina L. Nguyen as their Alternate SAWPA Commissioner. Accordingly, staff recommended the SAWPA Commission acknowledge the action taken by the OCWD Board, appoint Commissioner Bilodeau as SAWPA Commission Secretary-Treasurer, and affirm the appointment of Commissioner Bilodeau to the OWOW Steering Committee for the next two years.

MOVED, (1) Acknowledge action taken by the Orange County Water District (OCWD) Board electing Denis R. Bilodeau as the SAWPA Commissioner and Dina L. Nguyen as the Alternate SAWPA Commissioner; (2) Appoint Denis R. Bilodeau as SAWPA Commission Secretary-Treasurer; and, (3) Affirm the appointment of Denis R. Bilodeau as a SAWPA representative to the One Water One Watershed (OWOW) Steering Committee as set forth in Resolution No. 2018-1.

Result: **Adopted (Unanimously)**
 Motion/Second: Harrison/Dennstedt
 Ayes: Bilodeau, Dennstedt, Harrison, Parker, Sullivan
 Nays: None
 Abstentions: None
 Absent: None

B. INLAND EMPIRE BRINE LINE RATE RESOLUTION (CM#2019.41)

Carlos Quintero provided a PowerPoint presentation on FYE 2019-2020 Brine Line Rates. Due to recent information received from the Orange County Sanitation District (OCSD) after the posting of the agenda for this meeting, staff recommended deferring adoption of Resolution No. 2019-5 until the May 21, 2019 meeting.

Inland Empire Brine Line rates are comprised of three components: (1) Flow (charged on a per-million gallon basis – MGD); (2) BOD (biochemical oxygen demand – charged on a per 1,000 pound basis); and (3) TSS (total suspended solids – charged on a per 1,000 pound basis). BOD and TSS are pass-through charges from OCSD. Below is a table outlining rates based on information provided by OCSD in April of 2018 for FYE 2018-2019 and FYE 2019-2020, as well as proposed rate increases based on information provided by OCSD in April of 2019:

Inland Empire Brine Line Rates				
FYE 2018-2019 OCSD Increases		FYE 2019-2020 Proposed OCSD Increases		
	April 2018		As of April 2018	As of April 2019
BOD	2.5%	BOD	5.8%	12.2%
TSS	5.5%	TSS	5.6%	15.0%
Flow	6.5%	Flow	6.0%	18.0%

Staff will meet with OCSD staff in order to determine the basis for these increases. Staff will also discuss the possibility of phasing in the increases over a certain period of time. Chair Sullivan requested staff determine if cities within OCSD would also be charged the same proposed increases and suggested staff obtain copies of their Proposition 218 notices. Haller noted that the brine line rate is published separately by resolution as requested by SAWPA; typical property owner rates and brine line rates are calculated using different formulas since we do not pay property taxes.

The brine line rates normally include a slight buffer over the OCSD charges due to uncertainty and to ensure all costs are covered; a discussion ensued, and staff was encouraged to clearly note the percentage of OCSD charges separate and apart from any proposed buffer over those charges. Chair Sullivan requested a relative comparison showing how much of their rate is paid by property taxes, how much is based on flow, BOD, TSS, so we have a relative comparison on the rates. EMWD does this as a comparison with other water districts; we should be doing the same at SAWPA to ensure we are in the same ballpark. Commissioner Bilodeau requested staff include definitive numbers during the next presentation; break out what OCSD is charging and then include a separate line with SAWPA's costs to maintain and operate the brine line.

No action taken on Agenda Item No. 5.B.

C. ASSET TAGGING POLICY UPDATE (CM#2019.42)

The current Asset Tagging Policy, in effect since the 1980's, requires all items with a value over \$50 to be tagged and kept in inventory. The proposed asset tagging policy increases the threshold value for items to be added to inventory to \$500; other items costing less than \$500, such as computer monitors, portable hard drives with a capacity of 1 gigabyte or greater, or various tools for Brine Line operations would be added to inventory but would not require Commission approval when they become non-functional and need to be disposed. A discussion ensued regarding the classification of assets in terms of value and type. Rich Haller noted that all assets will continue to be tracked; this policy will not change that practice but would increase the dollar amount from \$50 to \$500 for inventory tagged and managed by the Commission.

MOVED, adopt Asset Tagging Policy 2019-01.

Result:	Adopted (Unanimously)
Motion/Second:	Bilodeau/Dennstedt
Ayes	Bilodeau, Dennstedt, Harrison, Parker, Sullivan
Nays:	None
Abstentions:	None
Absent:	None

D. UPDATE ON DISCUSSIONS WITH ORANGE COUNTY STAKEHOLDERS

Rich Haller provided an update on discussions with the Orange County Stakeholders. It had been anticipated that the MOU would be brought before the Commission on April 16 for consideration. A proposed contract has been reviewed and comments provided; final details include some differences. Staff will bring the matter back before the Commission at the May 21 meeting. Mike Markus, OCWD General Manager, suggested the longer the process takes the more difficult it will become, particularly with the state, and encouraged the parties remain engaged and committed to the process.

6. INFORMATIONAL REPORTS

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

A. CASH TRANSACTIONS REPORT – FEBRUARY 2019

B. INTER-FUND BORROWING – FEBRUARY 2019 (CM#2019.37)

C. PERFORMANCE INDICATORS/FINANCIAL REPORTING – FEBRUARY 2019 (CM#2019.38)

D. GENERAL MANAGER REPORT

General Manager Haller reviewed his report.

E. STATE LEGISLATIVE REPORT

F. SAWPA GENERAL MANAGERS MEETING NOTES

- April 9, 2019

G. CHAIR'S COMMENTS/REPORT

The OWOW 2019 conference at Cal State University Fullerton was very successful; all panels were very well received. Chair Sullivan thanked Rich Haller, Water Education Foundation and SAWPA staff for the efforts.

H. COMMISSIONERS' COMMENTS

There were no Commissioner comments.

I. COMMISSIONERS' REQUEST FOR FUTURE AGENDA ITEMS


7. CLOSED SESSION

There was no Closed Session.

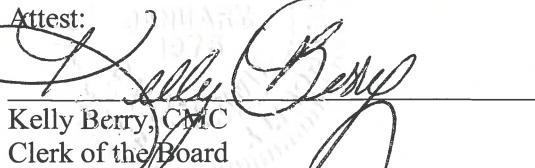
8. ADJOURNMENT

There being no further business for review, Chair Sullivan adjourned the meeting at 10:01 a.m.

Approved at a Regular Meeting of the Santa Ana Watershed Project Authority Commission on Tuesday, May 21, 2019.



Ronald W. Sullivan, Chair

Attest:


Kelly Berry, CMC
Clerk of the Board