AGENDA

REGULAR MEETING OF THE
PROJECT AGREEMENT 23 COMMITTEE
Santa Ana River Conservation and Conjunctive Use Program (SARCCUP)

Committee Members:
Kati Parker, Chair, Inland Empire Utilities Agency Governing Board
Brenda Dennstedt, Vice Chair, Western Municipal Water District Governing Board
Susan Lien Longville, San Bernardino Valley Municipal Water District Governing Board
Paul D. Jones, Eastern Municipal Water District General Manager
Michael Mark, Orange County Water District General Manager

TUESDAY, JUNE 4, 2019 – 8:30 A.M.

1. CALL TO ORDER (Kati Parker, Chair)

2. PUBLIC COMMENTS
   Members of the public may address the Committee on items within the jurisdiction of the Committee; 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).

3. APPROVAL OF MEETING MINUTES: April 2, 2019 .................................................................3
   Recommendation: Approve as posted.

4. COMMITTEE DISCUSSION ITEMS
   A. WOODARD & CURRAN TASK ORDER (PA23#2019.3) ......................................................7
      Presenter: SAWPA | Ian Achimore
      Recommendation: Authorize the approval of Task Order No. 4 in the amount not-to-exceed $229,046 with Woodard & Curran (formerly named RMC Water & Environment Inc.) for project management services to support the Santa Ana River Conservation and Conjunctive Use Program (SARCCUP).

5. INFORMATIONAL REPORTS
   Recommendation: Receive and file the following oral/written reports/updates.
   A. SARCCUP DETAILED SCHEDULE ........................................................................31
      Presenter: Woodard & Curran
   B. DWR GRANT AGREEMENT AND SAWPA SUB-GRANTEE AGREEMENT UPDATES
      Presenter: SAWPA
C. METROPOLITAN WATER DISTRICT OPERATING AGREEMENT TERM SHEET AND SARCCUP OPERATIONAL SCENARIOS

Presenter: EMWD

6. COMMITTEE MEMBER REQUESTS FOR FUTURE AGENDA ITEMS

7. ADJOURNMENT

PLEASE NOTE:
In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Clerk of the Board at (951) 354-4230. Notification at least 48 hours prior to the meeting will enable staff to make reasonable arrangements to ensure accessibility to this meeting.

Materials related to an item on this agenda submitted to the Committee 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 Thursday, May 30, 2019, a copy of this agenda has been uploaded to the SAWPA website at www.sawpa.org and posted at SAWPA's office, 11615 Sterling Avenue, Riverside, California.

/s/
Kelly Berry, CMC

2019 Project Agreement 23 Committee Regular Meetings
First Tuesday of Every Other Month (February, April, June, August, October, December)
(Note: All meetings will be held at 8:30 a.m., unless otherwise noticed, and are held at SAWPA.)

<table>
<thead>
<tr>
<th>Month</th>
<th>Date</th>
<th>Type of Meeting</th>
</tr>
</thead>
<tbody>
<tr>
<td>February</td>
<td>2/5/19</td>
<td>Regular Committee Meeting</td>
</tr>
<tr>
<td>June</td>
<td>6/4/19</td>
<td>Regular Committee Meeting</td>
</tr>
<tr>
<td>October</td>
<td>10/1/19</td>
<td>Regular Committee Meeting</td>
</tr>
<tr>
<td>April</td>
<td>4/2/19</td>
<td>Regular Committee Meeting</td>
</tr>
<tr>
<td>August</td>
<td>8/6/19</td>
<td>Regular Committee Meeting</td>
</tr>
<tr>
<td>December</td>
<td>12/3/19</td>
<td>Regular Committee Meeting</td>
</tr>
</tbody>
</table>
1. CALL TO ORDER
The regular meeting of the PA 23 Committee was called to order at 8:34 a.m. by Chair Parker at the Santa Ana Watershed Project Authority, 11615 Sterling Avenue, Riverside, California.

2. PUBLIC COMMENTS
There were no public comments.
3. **APPROVAL OF MEETING MINUTES: February 5, 2019**

**MOVED**, approve the February 5, 2019 meeting minutes.

**Result:** Adopted (Unanimously)

**Motion/Second:** Markus/Dennstedt

**Ayes:** Dennstedt, Markus, Parker

**Nays:** None

**Abstentions:** None

**Absent:** Harrison, Jones

4. **COMMITTEE DISCUSSION ITEMS**

A. **SARCCUP CONJUNCTIVE USE PROJECT CHANGES (PA23#2019.1)**

Ian Achimore provided a PowerPoint presentation outlining the SARCCUP project changes; Brian Powell, EMWD, Ryan Shaw, WMWD, and Adam Hutchinson, OCWD, reviewed their existing projects. T. Milford Harrison arrived at 8:42 a.m., during the presentation of Agenda Item No. 4.A. It was noted that Jurupa Community Services District (JCSD) has elected to wait until they hire a General Manager to determine if they still want to participate in the program. Should JCSD elect not to participate, it will not result in a delay of the overall project.

**MOVED**, approve the following, (1) Changes in SARCCUP project facilities, associated groundwater basin storage amounts, the total SARCCUP storage amount, and other related changes; and, (2) Execution of a Grant Agreement Amendment No. 2 with DWR as well as Sub-Grantee agreement amendments with the SAWPA member agencies that incorporate these changes.

**Result:** Adopted (Unanimously)

**Motion/Second:** Markus/Dennstedt

**Ayes:** Dennstedt, Harrison, Markus, Parker

**Nays:** None

**Abstentions:** None

**Absent:** Jones

B. **PROJECT AGREEMENT 23 COMMITTEE BUDGET FOR FISCAL YEARS ENDING 2020 and 2021 (PA23#2019.2)**

Ian Achimore provided a PowerPoint presentation on the budget for fiscal years ending 2020 and 2021. Committee Member Markus noted that once all projects have been completed, SARCCUP will be managed by an operations committee comprised of representatives from the five member agencies. At that point, much of the work will shift from the PA 23 Committee to that operations committee so these expenditures should not go beyond 2021.

**MOVED**, adopt the PA 23 Committee Budget for Fiscal Years ending 2020 and 2021.

**Result:** Adopted (Unanimously)

**Motion/Second:** Markus/Dennstedt

**Ayes:** Dennstedt, Harrison, Markus, Parker

**Nays:** None

**Abstentions:** None

**Absent:** Jones
5. INFORMATIONAL REPORTS

A. SARCCUP DETAILED SCHEDULE
   Brian Dietrick, Woodard & Curran referenced the SARCCUP detailed scheduled contained in the agenda packet (pages 15-22). There was no discussion.

   This item was for informational and discussion purposes; no action was taken on Agenda Item No. 5.A.

B. METROPOLITAN WATER DISTRICT OPERATING AGREEMENT TERM SHEET AND SARCCUP OPERATIONAL SCENARIOS
   The presentation on Agenda No. 5.B. was postponed to the next meeting due to time limitations.

6. COMMITTEE MEMBER REQUESTS FOR FUTURE AGENDA ITEMS
   There were no requests for future agenda items.

7. ADJOURNMENT
   There being no further business for review, Chair Parker adjourned the meeting at 9:11 a.m.

Approved at a Regular Meeting of the Project Agreement 23 Committee on Tuesday, June 4, 2019.

__________________________________________
Kati Parker, Chair

Attest:

__________________________________________
Kelly Berry, CMC
Clerk of the Board
DATE: June 4, 2019

TO: SAWPA Project Agreement 23 Committee

SUBJECT: SARCCUP Project Management Services – Consultant Support

PREPARED BY: Ian Achimore, Senior Watershed Manager

**RECOMMENDATION**

It is recommended that the Committee authorize the approval of Task Order No. 4 in the amount not-to-exceed $229,046 with Woodard & Curran (formerly named RMC Water & Environment Inc.) for project management services to support the Santa Ana River Conservation and Conjunctive Use Program (SARCCUP).

**DISCUSSION**

For the past three fiscal years, the Project Agreement (PA) 23 Committee has approved annual task orders with Woodard & Curran (W&C) to conduct the project management services to support the SARCCUP project. The task orders have been funded by a combination of contributions from the five SARCCUP agencies as well as the Proposition 84 Integrated Regional Water Management (IRWM) Grant Agreement administered by SAWPA. The SARCCUP project is scheduled to take five years to design and construct with an end date, which is listed in the Proposition 84 IRWM Grant Agreement, of 2021. W&C was initially selected for SARCCUP program management through a Request for Proposal (RFP) process approved by the Commission that took place during summer 2016. Along with the approved initial Task Order, the annual funding amount for the five year construction timeline of SARCCUP was approved. Those annual funding amounts, that total $1,284,490, are shown in the table below in Column C.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2017</td>
<td>$310,429</td>
<td>Not applicable</td>
<td>$307,210</td>
</tr>
<tr>
<td>2</td>
<td>2018</td>
<td>$260,515</td>
<td>Not applicable</td>
<td>$140,885</td>
</tr>
<tr>
<td>3</td>
<td>2019</td>
<td>$240,927</td>
<td>$224,485</td>
<td>$87,226</td>
</tr>
<tr>
<td>4</td>
<td>2020</td>
<td>$257,114</td>
<td>$229,046</td>
<td>Not applicable</td>
</tr>
<tr>
<td>5</td>
<td>2021</td>
<td>$215,505</td>
<td>Not applicable</td>
<td>Not applicable</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>$1,284,490</td>
<td></td>
<td>$535,321</td>
</tr>
</tbody>
</table>

Recognizing that W&C has experienced cost savings in the past three fiscal years, SAWPA worked with the firm to determine a modified contract amount for this fourth task order that better reflects the estimated workload. As shown in Column D above, the modified contract amount of $229,046 amount is $28,068 less than the proposed amount provided in W&C’s RFP response. W&C has experienced cost savings in the past three years due to some of the project management workload being less than originally anticipated. Scoped in 2016, the W&C workload originally anticipated more involvement in facilitating the completion of construction activities and State-required signage at construction sites, but some of those duties have been assumed by the SARCCUP agencies.
Going forward, if W&C performs well under contract and if the SARCCUP project is delayed beyond fiscal year 2021 for other reasons besides project management, the saved costs from the recent task orders could be utilized for future W&C project management task orders beyond the five year timeline.

BACKGROUND
The SARCCUP member agencies agreed that in order to effectively manage the SARCCUP project, bringing on additional assistance for managing the project as a whole was important and necessary. W&C’s tasks include managing a web-based database to track and compile grant-required quarterly progress reports and invoices, developing a grant-required project monitoring plan, leading bi-monthly coordination meetings with the SARCCUP agencies and SAWPA, and providing construction support related to permitting. SAWPA staff serves as the as the contract administrator of W&C as well as the administrator for the PA 23 Committee.

At this stage, only two no-cost change orders were approved by SAWPA. They were ratified for W&C to conduct some additional upgrades to their web-based grant management tool and to increase the schedule for the task related to preparation of the grant-required project monitoring plan.

CRITICAL SUCCESS FACTORS
Administration of the OWOW process and plan in a highly efficient and cost-effective manner.

RESOURCE IMPACTS
Funding for the fourth Task Order for SARCCUP project management services will come from the local contributions of the five SARCCUP agencies. The first year costs were funded by the Proposition 84 2015 IRWM grant funds.

Attachment:
1. Woodard and Curran Task Order
2. PA 23 Committee Meeting Presentation
I. PROJECT NAME OR DESCRIPTION
SARCCUP Program Management Services

II. SCOPE OF WORK / TASKS TO BE PERFORMED
Consultant shall provide all labor, materials and equipment for the Project, and the scope of work of the Program Manager shall address the implementation of program management responsibilities for the SARCCUP as a whole. For all tasks associated with the scope of work, the Program Manager shall be responsible to ensure the timely provision of all defined Program Manager deliverables and the Sub-Grantee project deliverables to the SAWPA grant administrator. The Program Manager shall also assist SAWPA staff in coordinating with the Department of Water Resources (DWR). Actual grant reporting is not included in the scope of work as thoroughly described in Attachment A.

III. PERFORMANCE TIME FRAME
Consultant shall begin work July 1, 2019 and shall complete performance of such services by or before June 30, 2020.

IV. SAWPA LIAISON
Ian Achimore and/or Mark Norton shall serve as liaison between SAWPA and Consultant.
V. COMPENSATION
For all services rendered by Consultant pursuant to this Task Order, Consultant shall receive a total not-to-exceed sum of $229,046.00. Payment for such services shall be made within 30 days upon receipt of timely and proper invoices from Consultant, as required by the above-mentioned Agreement. Each such invoice shall be provided to SAWPA by Consultant within 15 days after the end of the month in which the services were performed.

VI. CONTRACT DOCUMENTS PRECEDENCE
In the event of a conflict in terms between and among the contract documents herein, the document item highest in precedence shall control. The precedence shall be:

a. The Agreement for Services by Independent Consultant/Contractor.
b. The Task Order or Orders issued pursuant to the Agreement, in numerical order.
c. Exhibits attached to each Task Order, which may describe, among other things, the Scope of Work and compensation therefore.
e. Drawings incorporated by reference.

In witness whereof, the parties have executed this Task Order on the date indicated below.

SANTA ANA WATERSHED PROJECT AUTHORITY

Richard E. Haller, P.E., General Manager Date

WOODARD & CURRAN

(Signature) Date Print/Type Name and Title
SARCCUP Project Management Services – Consultant Support
Brief Overview of SARCCUP

- Five year timeline in Grant Agreement
- Timeline includes task completion for
  - Conjunctive use modeling,
  - Land acquisition
  - Engineering,
  - CEQA and permitting,
  - Construction
- Five project proponents (SAWPA member agencies)
- Support services needed to assist in project management
Project Management RFP

- W&C selected through a 2016 Request for Proposals (RFP) coordinated by SAWPA with member agencies
- Their proposal provided contract amounts per fiscal year

<table>
<thead>
<tr>
<th>Task Order No.</th>
<th>Fiscal Year Ending</th>
<th>W&amp;C 2016 RFP Proposal</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2017</td>
<td>$ 310,429</td>
</tr>
<tr>
<td>2</td>
<td>2018</td>
<td>$ 260,515</td>
</tr>
<tr>
<td>3</td>
<td>2019</td>
<td>$ 240,927</td>
</tr>
<tr>
<td>4</td>
<td>2020</td>
<td>$ 257,114</td>
</tr>
<tr>
<td>5</td>
<td>2021</td>
<td>$ 215,505</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$ 1,284,490</strong></td>
</tr>
</tbody>
</table>
W&C’s Ongoing SARCCUP Project Management

- **Scope Includes:**
  - Web-based database to track and compile quarterly progress reports and invoices that are required by the Grant Agreement,
  - Develop a grant-required project monitoring plan,
  - Lead bi-monthly coordination meetings.
## Status of Funding

<table>
<thead>
<tr>
<th>Task Order No.</th>
<th>Fiscal Year Ending</th>
<th>W&amp;C 2016 RFP Proposal</th>
<th>Invoiced As Of 22-Feb-19</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2017</td>
<td>$310,429</td>
<td>$307,210</td>
</tr>
<tr>
<td>2</td>
<td>2018</td>
<td>$260,515</td>
<td>$140,885</td>
</tr>
<tr>
<td>3</td>
<td>2019</td>
<td>$240,927</td>
<td>$87,226</td>
</tr>
<tr>
<td>4</td>
<td>2020</td>
<td>$257,114</td>
<td>Not applicable</td>
</tr>
<tr>
<td>5</td>
<td>2021</td>
<td>$215,505</td>
<td>Not applicable</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$1,284,489</strong></td>
<td><strong>$535,321 (42%)</strong></td>
</tr>
</tbody>
</table>

Scoped in 2016, the W&C workload originally anticipated more involvement in facilitating the completion of construction activities and State-required signage at construction sites, but some of those duties have been assumed by the SARCCUP agencies.
# Proposed Task Order for Fiscal Year Ending 2020

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2017</td>
<td>$310,429</td>
<td>Not applicable</td>
<td>$307,210</td>
</tr>
<tr>
<td>2</td>
<td>2018</td>
<td>$260,515</td>
<td>Not applicable</td>
<td>$140,885</td>
</tr>
<tr>
<td>3</td>
<td>2019</td>
<td>$240,927</td>
<td>$224,485</td>
<td>$87,226</td>
</tr>
<tr>
<td>4</td>
<td>2020</td>
<td>$257,114</td>
<td>$229,046</td>
<td>Not applicable</td>
</tr>
<tr>
<td>5</td>
<td>2021</td>
<td>$215,505</td>
<td>Not applicable</td>
<td>Not applicable</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>$1,284,490</td>
<td></td>
<td>$535,321</td>
</tr>
</tbody>
</table>

- Note if SARCCUP Delayed Beyond Five Years: If W&C performs well under contract, the saved costs from the recent task orders could be utilized for future W&C project management task orders beyond the five year timeline.
Recommendation

It is recommended that the Commission authorize the approval of Task Order No. 4 in the amount not-to-exceed $229,046 with Woodard & Curran (formerly named RMC Water & Environment Inc.) for project management services to support SARCCUP.
SCOPE OF WORK

The scope of work of the Program Manager shall address the implementation of program management responsibilities for the SARCCUP as a whole. For all tasks associated with the scope of work, the Program Manager shall be responsible to ensure the timely provision of all defined Program Manager deliverables and the Sub-Grantee project deliverables to the SAWPA grant administrator. Program Manager shall also assist SAWPA staff in coordination with the Department of Water Resources (DWR) grant reporting processes. Actual grant reporting is not included in this scope of work.

TASK 1 – PROVIDE PROGRAM STATUS REPORTS TO SAWPA STAFF, SAWPA MEMBER AGENCIES PLANNING MANAGERS, SAWPA PROJECT COMMITTEE AND SAWPA COMMISSION

The Program Manager shall prepare and make quarterly presentations to the SAWPA Project Committee and SAWPA Commission regarding the status of the SARCCUP implementation including status of work progress, schedule and budget.

The Program Manager shall meet a minimum of twice each month with the SAWPA staff, Sub-Grantee representatives and other SAWPA member agency staff to coordinate all activities including tracking, communicating, and defining responsibilities toward scope, schedule, budgets and deliverables. The Program Manager shall perform the following administrative activities as needed:

1) Coordinate meeting scheduling
2) Complete agenda preparation
3) Prepare and design presentation material
4) Transcribe meeting notes

The Program Manager shall ensure compliance of all contract requirements, and immediately report deviations or anticipated deviations to the Sub-Grantees and SAWPA staff with suggested corrective actions.

In addition, four hours of meetings per month at the SAWPA headquarters are budgeted for the duration of the program schedule.

TASK 2 – LABOR COMPLIANCE PROGRAM - DEPARTMENT OF INDUSTRIAL RELATIONS

This task is not included in the scope of the Program Manager.
Task 3 – CEQA Compliance

Program Manager shall work with Sub-Grantees to achieve compliance with all applicable requirements of the California Environmental Quality Act (CEQA) and, if applicable, the National Environmental Policy Act (NEPA). Program Manager shall work with responsible Sub-Grantees to achieve CEQA compliance and submittal to SAWPA of all documents necessary to satisfy the CEQA and NEPA process, including any mitigation agreements and environmental permits. If a mitigation monitoring plan is required for any project mitigation, Program Manager shall work with Sub-Grantees to submit the plan to SAWPA grant administrator for review and acceptance prior to its adoption by the responsible Sub-Grantee agency.

Task 4 – Prepare Project Monitoring Plan

Program Manager shall coordinate work by the Sub-Grantees and SAWPA to prepare a Project Monitoring Plan (PMP) for SARCCUP that incorporates each of the eight tasks in the IRWM Grant Agreement scope of work. The PMP will be prepared consistent with DWR guidelines and grant requirements and will provide assessment and performance measures to demonstrate that the Program meets its intended goals, achieves measurable outcomes, and provides value to the State of California. The PMP shall describe the task-specific performance measures that will be used to quantify and verify project performance. It will also discuss the monitoring tools and methods to be used to verify performance with respect to the program benefits or objectives identified in the Grant Agreement.

Program Manager shall assure that the monitoring described in the monitoring plan fulfills all mandated requirements, including but not limited to the following:

1) All groundwater projects and projects that include groundwater monitoring requirements are consistent with the Groundwater Quality Monitoring Act of 2001.

2) Projects that affect water quality shall include a monitoring component that allows the integration of data into statewide monitoring efforts, including where applicable, the Surface Water Ambient Monitoring Program administered by the State Water Resources Control Board.

3) Groundwater quality and ambient surface water quality monitoring data that include chemical, physical, or biological data shall be submitted to SAWPA with a narrative description of data submittal activities (included in project reports) as described below:

   a. Surface water quality monitoring data shall be prepared for submission to the California Environmental Data Exchange Network (CEDEN). Data shall be submitted in CEDEN data templates that are available on the CEDEN website (http://www.ceden.org). Inclusion of additional data elements described on the data templates is desirable. Data ready for submission shall be uploaded to the CEDEN Regional Data Center via the CEDEN website and a copy shall be given to SAWPA.

   b. Groundwater quality monitoring data shall be submitted to the State for inclusion in the State
Water Resources Control Board’s Groundwater Ambient Monitoring and Assessment (GAMA) Program. If groundwater level data are collected, the data shall be submitted to DWR’s Water Data Library (WDL) with a narrative description of data submittal activities (included in project reports). Information regarding the WDL and the format to submit the data in can be found at: http://wdl.water.ca.gov/. In the near future, DWR’s WDL will be replaced by the California Statewide Groundwater Elevation Monitoring program (CASGEM). Once this program comes online, Program Manager will then submit groundwater level data to CASGEM. A copy of all local project data to be submitted shall be given to SAWPA.

**TASK 5 - COORDINATE APPROPRIATE PERMITTING EFFORTS**

Program Manager shall work with all Sub-Grantees to assure that all necessary permits have been secured for the Program and are or have been submitted to SAWPA grant administrators. Permits may include 1602 Streambed Alteration Agreements from the California Department of Fish and Wildlife, 2081 Incidental Take Permits from CDFG, 404 Nationwide Permits from the ACOE, Rights of Entry from the ACOE, and 401 Certifications from the Regional Water Quality Control Board.

Program Manager shall incorporate all permit activities into the Program schedule (Task 6). Program Manager shall coordinate permit applications and coordinate meetings with each of the Sub-Grantees and the responsible permitting agencies to ensure consistency of permit applications, conditions of approval, and other related permitting processes. In addition, and upon approval by SAWPA, Program Manager shall assign individuals experienced in any specific permit that requires additional effort to correct or address deficiencies in either completeness or timeliness in order to maintain the individual permit schedule.

**TASK 6 - SCHEDULE INFORMATION**

Program Manager shall coordinate with Sub-Grantees and SAWPA to ensure that the Program and each of the projects are progressing according to schedule. Program Manager shall prepare an initial comprehensive program schedule by task and subtask and provide monthly updates. Program Manager shall coordinate with each of the Sub-Grantees to obtain monthly schedule updates for each of the identified projects.

Program Manager shall review the schedules and identify any departures and shall work with the Sub-Grantees to develop appropriate strategies to recover schedule, if possible. When departures from the schedule develop, Program Manager, working with the Sub-Grantees shall seek to obtain approval from SAWPA and have any schedule departures approved in accordance with the IRWM Grant Agreement.
**Task 7 - Construction Activities and Notification**

Program Manager shall coordinate with SAWPA grant administrators and Sub-Grantees regarding required inspection of all construction facilities regularly and coordinate all implementation activities, holding a bi-weekly conference call. Program Manager will, if requested, coordinate with SAWPA and Sub-Grantees to schedule and conduct project site visits with DWR staff. Program Manager shall work with Sub-Grantees to ensure that they notify SAWPA in writing of:

- Any substantial change in scope of the Program that may be undertaken until written notice of the proposed change has been provided to SAWPA, and written approval for such a change has been received by the Sub-Grantees;
- Any public or media event publicizing the accomplishments and/or results of the Grant Agreement and provide the opportunity for attendance and participation. Notification of the event must be at least 20 calendar days prior to the event.
- Unscheduled cessation of major construction work on a project where such cessation of work is expected to last or does continue to last for a period of 5 business days or more; any circumstance, combination of circumstances, or condition which is expected to delay project completion for a period of 90 calendar days or more beyond the initial estimated date of completion of the Project previously provided to SAWPA;  
- Any significant change in expected project benefits, significant quality or safety issues, contractor claims, lawsuits or other significant positive or negative events;
- Completion of construction of the projects and provide SAWPA the opportunity to participate in the inspection. Notification must be pursued at least 20 calendar days prior to inspection.

This scope of work does not include construction inspection activities.

**Task 8 - Acknowledgement of Credit/Signage Requirements**

Program Manager shall work with Sub-Grantees to ensure appropriate acknowledgement of credit to the State, SAWPA and to all cost-sharing partners for their support when promoting the Program or using any data and/or information developed during any aspect of SARCCUP. During construction, Program Manager shall coordinate with each Sub-Grantee to ensure that multiple signs are installed and measure at least four feet tall by eight feet wide made of ¼ inch thick exterior grade plywood or other approved material in a prominent location on the Project site, which shall include a statement that the Project is financed under the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Proposition 84), administered by the State of California, Department of Water Resources and by the Santa Ana Watershed Project Authority. The sign shall include the One Water One Watershed logo, the SAWPA logo, and the logos of SAWPA member agencies (available from SAWPA). Before the signs are constructed, the Program Manager shall work with each Sub-Grantee to ensure that a draft design layout of the sign is provided to SAWPA for approval. Program Manager shall notify SAWPA that the signs have been erected erected by providing them with a site map with the sign location noted and a photograph of the signs.
Task 9 - Benefit Assessment

Program Manager shall prepare a benefit assessment report for the SARCCUP that summarizes the regional priorities, objectives and water management strategies of the One Water One Watershed 2.0 Plan (www.sawpa.org/owow). This report shall provide a brief comparison of work proposed in the SARCCUP and actual work done; contain a brief description of the projects completed and how the projects will further the goals identified in SAWPA's final approved OWOW Plan; describe how the implemented projects will meet the regional priorities identified in the final adopted OWOW Plan and how the projects contribute to regional integrations; identify remaining work and mechanism for their implementation; provide a short discussion, if applicable, on how the OWOW Plan with the implementation of the grant funded Program will assist in reducing dependence on Delta water supplies.

Additional information shall be prepared to include benefits derived from the Program with quantification of such benefits provided (if applicable), a final project schedule that compares actual progress versus planned progress as shown in the IRWM Grant Agreement and referenced in the Sub-Grantee agreements, certification by each of the Sub-Grantees and Program Manager that each project was conducted in accordance with the approved work plan and any approved modifications thereto, and a submittal schedule.

Task 10 - Report Submittals

Program Manager shall institute a document management, tracking, and retrieval system that provides access to all Program Documents. Program Manager shall utilize a cloud-based system such as Opti that provides for access by SAWPA and each Sub-Grantee of all relevant documents, including invoices, schedules, reports, disbursements, etc.

Program Manager shall work with Sub-Grantees to coordinate the preparation and submittal of quarterly, annual and final reports as specified in the SARCCUP and following DWR requirements and the IRWM Grant Agreement guidelines.

Program Manager shall work with Sub-Grantees to ensure that the following is accomplished for each project contained in the Program scope of work:

1) Establish an official Project file that documents all significant actions relative to the Project;

2) Establish separate accounts that adequately and accurately itemize and describe all amounts received and expended on the Project, including local expenditures and grant funds received under the IRWM Grant Agreement;

3) Establish separate accounts that adequately and accurately itemizes and describes all income received which is attributable to the Project, specifically including any income attributable to grant funds disbursed and income attributable to each Sub-Grantee.
4) Establish an accounting system that adequately and accurately itemizes and describes final total costs of the Project, including both direct and indirect costs;

5) Establish such accounts and maintain such records as may be necessary for the State, DWR and SAWPA to fulfill federal reporting requirements, including any and all reporting requirements under federal tax statutes or regulations; and

6) If Force Account is used by any Sub-Grantee for any phase of the Program, Program Manager shall establish an account that adequately and accurately itemizes and describes all employee hours, and associated tasks charged to the Program per employee.

Program Manager shall also coordinate with Sub-Grantees to ensure that all local project contractors and subcontractors maintain books, records, and other material relative to the project in accordance with generally accepted accounting standards, and to require that such contractors and subcontractors retain such books, records, and other material for a minimum of five (5) years after project completion. All such books, records, and other material shall be subject, at all reasonable times, to inspection, copying, and audit by SAWPA, DWR or its authorized representatives.

Program Manager working with the Sub-Grantees shall ensure that each Sub-Grantee maintain books, records and other material concerning the Program in accordance with generally accepted government accounting standards and as required by the SAWPA Sub-Grantee Agreements.

Program Manager working with the Sub-Grantees shall expeditiously provide, during work on the Program and as a Program Manager Scoping Option, for three years after completion of the Program construction, such reports, data, information and certifications as may be reasonably required by SAWPA. Such documents and information shall be provided in electronic format.

**TASK 11 – QUARTERLY PROGRESS REPORTS**

Program Manager shall work with the Sub-Grantees in compiling, evaluating and combining the local project component quarterly progress reports into a Program Quarterly Report which shall be submitted to the SAWPA grant administrator. The Sub-Grantee Quarterly Progress Reports shall provide a brief description of the work performed, activities, milestones achieved, any accomplishments as well as any problems encountered in the performance of the work. The first quarterly report (tentatively scheduled) shall cover the period between 07/01/2016 and 09/30/2016 and be submitted no later than 10/15/2016, with future reports due on successive three month increments. Future quarterly reports shall cover the periods Oct-Dec (due Jan 15, 2017), Jan-Mar (due Apr 15), and Apr-Jun (due July 15). This pattern will continue through the end of the Program term.
Report Format:

Progress reports shall generally use the following format, organized by groundwater basin banks and other project components, and which may be modified as needed to effectively communicate information. For each project, describe the work performed including:

- Project Status
- Describe the work performed during the time period covered by the report, tasks/subtasks/categories, including but not limited to:
- Updates on all ongoing tasks.
- Estimates of the percent (%) complete by task and the overall Program.
- Discussion of any project related work completed this reporting period.
- Milestones or deliverables completed/submitted.
- Impediments to completion of any task.
- Photos documenting progress.

COST INFORMATION

For each project, provide the following:

- A comparison of project task(s) percent complete with percent invoiced.
- A list of any changes approved by the PA-23 committee to the budget in accordance with Grant Agreement and a revised budget, by task, if changed from latest budget in the Overall Work Plan.

TASK 12 – PROJECT INVOICE OVERSIGHT

Program Manager shall facilitate program budget compliance by obtaining copies of all project invoices and tracking the invoices submitted by the Sub-Grantees to the SAWPA grant administrator, as well as the documentation of the distribution of grant funding to the Sub-Grantees following State reimbursement. Using this documentation, Program Manager shall conduct an accounting of funds expended to complete the program including the tracking cost share obligation of the overall SARCCUP Program under Sub-Grantee agreements with SAWPA. Program Manager will compile a copy of all invoices from the SAWPA member agencies on a monthly basis and prepare a list of all invoices based on submittal of all SAWPA member agencies implementing the project elements. Information to be included for each invoice will be the date of submittal, the amount, the date a reimbursement check was received, and the amount of the check. A summary of payments made by all the SAWPA member agencies for local SARCCUP implementation projects will be compiled by the Program Manager and submitted to meet the cost share obligations of the Grant Agreement.

Program Manager will prepare a summary of final funds disbursed including labor cost of personnel of the agency and the consultant, including hours, rates, types of professionals and
reasons for consultant (design, CEQA, etc.); project cost information, shown by material, labor costs, and any change orders; details of any other costs incurred; and a statement verifying separate accounting of funding disbursements.

Invoices shall be completed in the following format requirements:

- Invoices shall contain the date of the invoice, the time period covered by the invoice, and the total amount due.
- Invoices shall be itemized. The amount claimed for salaries/wages/consultant fees must include a calculation formula (i.e. hours or days worked times the hourly or daily rate = the total amount claimed).
- Sufficient evidence (i.e. receipts, copies of checks, timesheets) must be provided for all costs included in the invoice.
- Each invoice shall clearly delineate those costs claimed for reimbursement from the State’s grant amount and those costs that represent the project’s share as applicable.
- Invoices also shall include the following information:
  - Costs incurred for work performed in implementing the project contracts during the period identified in the particular invoice.
  - Costs incurred for any interests in real property (land or easements) that have been necessarily acquired for a project during the period identified in the particular invoice for the construction, operation, or maintenance of a project.
  - Appropriate receipts and reports for all costs incurred.

**Task 13 – Project Review and Evaluation; Final Reports and Audit**

Program Manager, working with the Sub-Grantees, shall obtain copies of all final project completion reports submitted to the SAWPA grant administrators to ensure that the overall Program is in compliance with the respective Sub-Grantee agreements with SAWPA for construction and implementation of project components and to ensure full completion of the program.

Program Manager shall be available to engage with SAWPA Audit if called, and will support SAWPA Grant Administrators if the California Departments of Finance or Water Resources conduct an audit of the program, which may occur during or following program completion.

In addition to the documents and deliverables required to be provided by the IRWM Grant Agreement, within 90 days after completion of Program but no later than 14 days prior to the due date indicated in the IRWM Grant Agreement, the Program Manager will support the Sub-Grantees providing to SAWPA grant administrators a final Project summary report on the Program. The summary shall include, at a minimum, all of the following:
A description of the completed projects including purpose, goals, activities completed and participants, the general performance characteristics (e.g. the delivery rate and quantity of water pumped) of the constructed facilities, a description of the water quality benefits attained from the construction of the project (consistent with the Project Management Plan), any goals not achieved or only partially achieved, lessons learned, public outreach conducted, a summary of the construction program, a summary of all documents submitted to SAWPA in compliance with the IRWM Grant Agreement, and copies of any final documents or reports generated or utilized during a project. The summary shall also contain a description of startup activities, problems encountered, corrective measures completed as well as any changes or amendments to the project.

A final cost summary listing the total project costs, total project costs eligible for grant funding under the IRWM grant agreement, total amount of grant funds received, and other financial information as may be reasonably required by the DWR to verify entitlement to grant funds, to assure program integrity, and to comply with federal requirements. The report shall be accompanied by such other financial information as may be required by SAWPA or DWR to verify the SAWPA entitlement to grant funds, to assure program integrity, and to comply with any federal or state requirements. Program Manager in coordination with SAWPA member agencies shall certify the report as correct.

A final schedule showing actual progress versus planned progress.

If applicable, certification of final project by a registered civil engineer, consistent with Standard Condition D-15, “Final Inspection and Certification of Registered Civil Engineer”.

A DWR “Certification of Project Completion”.

PROJECT COMPLETION REPORT

Program Manager will support Sub-Grantees with the compilation and submission of a Program completion report using the following format:

Executive Summary

Provide a brief summary of project information and include the following items:

- Brief description of work proposed to be done in the IRWM Grant application.
- Description of actual work completed and any deviations from Exhibit A. List any official amendments to this Sub-Grantee Agreement, with a short description of the amendment.
- Reports and/or Products
- Final Evaluation report
- Electronic copies of any data collected, not previously submitted
- As-built drawings
- Final geodetic survey information
• Self-Certification that each Project meets the stated goal of the IRWM Grant Agreement (e.g. 100-year level of flood protection, HMP standard, PI-84-99, etc.)
• Project photos
• Discussion of problems that occurred during the work and how those problems were resolved
• A final project schedule showing actual progress versus planned progress
• Costs and Dispositions of Funds

A list showing the following:

• The date each invoice was submitted to SAWP
• The amount of the invoice
• The date the check was received from SAWP
• The amount of the check (If a check has not been received for the final invoice, then state this in this section.)
• A summary of the payments made by the Grantee for meeting its cost sharing obligations under this Sub-Grantee Agreement.

A summary of final funds disbursement including:

• Labor cost of personnel of agency/ major consultant/sub-consultants. Indicate personnel, hours, rates, type of profession and reason for consultant, i.e., design, CEQA work, etc.
• Project cost information, shown by material, equipment, labor costs, and any change orders
• Any other incurred cost detail
• A statement verifying separate accounting of funding disbursements
• Summary of project cost including the following items:
  • Accounting of the cost of project expenditure;
  • Include all internal and external costs not previously disclosed; and
  • A discussion of factors that positively or negatively affected the project cost and any deviation from the original project cost estimate.
• Additional Information
• Benefits derived from the project, with quantification of such benefits provided, if applicable.
• A final project schedule showing actual progress verse planned progress.
• Certification from a California Registered Professional (Civil Engineer or Geologist, as appropriate) that the project was conducted in accordance with the approved work plan and any approved modifications thereto.
• Submittal schedule for the Post Performance Report and an outline of the proposed reporting format.

**Task 14 – Project Closeout Documentation**

Program Manager shall support the Sub-Grantees to ensure that the Program is closed out in a manner that provides an auditable file. Program Manager working with Sub-Grantees shall follow a close-out procedure that includes payment of all subcontracts, completion of all punch lists, defects correction, and satisfaction of warranty or guarantee issues, and any other
requirements for the completion of the scope of work. Such close-out procedures shall include those procedures contained in the IRWM Grant Agreement or otherwise required by SAWPA and DWR.
### Exhibit B

#### Fee Schedule

<table>
<thead>
<tr>
<th>Task</th>
<th>Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 – Program Status Reports</td>
<td>$129,688</td>
</tr>
<tr>
<td>2 – Labor Compliance (NOT USED)</td>
<td>$0</td>
</tr>
<tr>
<td>3 – CEQA</td>
<td>$5,971</td>
</tr>
<tr>
<td>4 – PMP</td>
<td>$2,614</td>
</tr>
<tr>
<td>5 – Procurement of Permits</td>
<td>$7,042</td>
</tr>
<tr>
<td>6 – Schedule</td>
<td>$11,329</td>
</tr>
<tr>
<td>7 – Construction Activities</td>
<td>$11,447</td>
</tr>
<tr>
<td>8 – Credit/Signage</td>
<td>$3,993</td>
</tr>
<tr>
<td>9 – Benefit Assessment</td>
<td>$0</td>
</tr>
<tr>
<td>10 – Report Submittals (Opti PM)</td>
<td>$30,509</td>
</tr>
<tr>
<td>11 – Progress Reports</td>
<td>$8,021</td>
</tr>
<tr>
<td>12 – Invoice Oversight</td>
<td>$18,432</td>
</tr>
<tr>
<td>13 – Final Reports/Audit</td>
<td>$0</td>
</tr>
<tr>
<td>14 – Project Closeout</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>$229,046</strong></td>
</tr>
</tbody>
</table>
Santa Ana River Conservation and Conjunctive Use Program – Project Schedule Updates

Presenter: Brian Dietrick, Woodard & Curran

June 4, 2019
<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grant Contract</td>
<td>Master Plan - Decision Support Model</td>
<td>Joint CEQA</td>
<td>San Jacinto CEQA</td>
<td>Key Agreements:</td>
<td>Projects:</td>
</tr>
<tr>
<td></td>
<td>Habitat CEQA</td>
<td></td>
<td></td>
<td></td>
<td>SAWPA: Implementation – Smartscape and Conservation-Based Rates</td>
</tr>
<tr>
<td></td>
<td>San Jacinto Watermaster</td>
<td>MWD Operating Agreements (2)*</td>
<td>DWR Grant Amendment No. 1</td>
<td>Amend. No. 2</td>
<td>Capital Funding</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Sub-Grantee Agreements (5)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>SARCCUP Agencies Operating Agreement (Between SBVMWD/OCWD/EMWD/WMWD/IEUA)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>EMWD: Planning/Permits/Design</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>OCWD: Arundo Removal Study/Permits/Design</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>SBVMWD: Design/Bio Surveys/Agency Review/Engineering</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>WMWD: Planning/Design/Well Siting/Permits</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Construction - Sterling, La Sierra Pipeline</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Construction – Water Bank</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Construction – Arundo Removal</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>OCWD: Design/Construction of New Wells</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Construction - Habitat</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Construction: Well Drilling, PS, CRA Crossing, JCSD</td>
</tr>
</tbody>
</table>

*Agreement 1 between: MWDSC and SBVMWD; Agreement 2 between: MWDSC and EMWD/WMWD/IEUA/MWDOC

New Projected Construction Completion Date - Sept 2023

Current Deadline Sept. 2021

June PA-23 Mtg
SAWPA Water Use Efficiency Project

Key Agreements and Grant Deliverables:

- State-SAWPA Grant Agreement Amendment No. 1
- Amendment No. 2
- Retail Agency Sub-Agreements for Water Rates

SAWPA-OCCK Sub-Agreement
Project Monitoring Plans

SAWPA Water Use Efficiency Project

Implementation

- Conservation Rates - Outreach
- Conservation Rates - Implementation
- OCCK Smartscape - Implementation

Reporting extends through 2024

Current Construction Deadline: Sept. 2021
<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>Grant Contract</td>
</tr>
<tr>
<td>2018</td>
<td>EMWD Conjunctive Use Project</td>
</tr>
<tr>
<td></td>
<td>Sub-Agreement</td>
</tr>
<tr>
<td></td>
<td>EMWD San Jacinto WM Agreement</td>
</tr>
<tr>
<td></td>
<td>Right-of-Way Acquisition</td>
</tr>
<tr>
<td></td>
<td>San Jacinto CEQA</td>
</tr>
<tr>
<td></td>
<td>Design</td>
</tr>
<tr>
<td></td>
<td>Mt. Ave – Prelim.</td>
</tr>
<tr>
<td></td>
<td>Mt. Ave - Final</td>
</tr>
<tr>
<td></td>
<td>Drilling – Prelim.</td>
</tr>
<tr>
<td></td>
<td>Equipping – Prelim.</td>
</tr>
<tr>
<td>2019</td>
<td>Equipping - Final</td>
</tr>
<tr>
<td></td>
<td>Construction</td>
</tr>
<tr>
<td></td>
<td>Well Drilling</td>
</tr>
<tr>
<td></td>
<td>Mountain Avenue West</td>
</tr>
<tr>
<td></td>
<td>Well Equipping</td>
</tr>
<tr>
<td>2020</td>
<td>Reporting extends through 2024</td>
</tr>
<tr>
<td></td>
<td>Current Construction Deadline: Sept. 2021</td>
</tr>
<tr>
<td>2021</td>
<td>34</td>
</tr>
</tbody>
</table>

5/23/2019
OCWD Arundo Removal Project

SAWPA-OCWD Sub-Agreement

Joint CEQA

Arundo Removal Study

Permitting

Design

Construction – Arundo Removal

Construction – OC Wells

Reporting extends through 2024

Current Construction Deadline: Sept. 2021

Retreatment
### WMWD Conjunctive Use Project

<table>
<thead>
<tr>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Grant Contract</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>WMWD-EVMWD Agreement</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SAWPA-WMWD Sub-Agreement</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Land Purchase</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Joint CEQA</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Permitting</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Design</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Drilling – Prelim.</td>
<td></td>
<td>Drilling - Final</td>
<td>Equipping – Prelim.</td>
<td>Equipping - Final</td>
</tr>
<tr>
<td>Elsinore Basin - Wells</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>La Sierra Pipeline/Sterling Pump Station</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Riverside Basin – Wells/Cannon Campbell Pump Station/Colorado River Aqueduct (PS/CRA) Crossing</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Construction</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-SARCCUP CEQA</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Well Drilling</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Elsinore Basin - Wells</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>La Sierra Pipeline/Sterling PS</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Riverside Basin – Wells/Cannon Campbell PS/ CRA Crossing</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Capital Funding</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **Reporting extends through 2024**
- **Current Construction Deadline Sept. 2021**
- **WR-23 5/23/2019**

---

**Western Municipal Water District**
<table>
<thead>
<tr>
<th>Year</th>
<th>Grant Contract</th>
<th>IEUA Conjunctive Use Project</th>
<th>SAWPA-IEUA Sub-Agreement</th>
<th>Joint CEQA</th>
<th>Reporting extends through 2024</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2021</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Current Construction Deadline</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Sept. 2021</td>
</tr>
</tbody>
</table>
Meeting Agenda

- SARCCUP Background
- Purpose of Agreement, SARCCUP Operational Principles and Major Terms and Conditions with MWD
- SARCCUP Operational Scenarios and Examples
  - Example I  Put: Direct MWD Delivery
                Take: Pump and Use Locally
  - Example II Put: Indirect MWD Delivery
                Take: Direct Local Delivery
  - Example III Put: Indirect MWD Delivery
                Take: In-lieu MWD Delivery
  - Example IV Put: Delivery to Valley Bank (50% to MWD/50% to SARCCUP)
                Take: Direct Local Delivery
- SARCCUP Operating & Finance Committee
- Next Steps
SARCCUP Background

Background and Status:
• Watershed-scale program that will bank imported water to enhance water supply reliability and increase available dry-year supplies in the Santa Ana River Watershed
• $150 million plus program developed by the five regional water agencies in a collaborative effort to secure Proposition 84 funding
• Successfully received over $55 million in grant funding in the last round of Proposition 84 funding

SARCCUP Background (continued)

SARCCUP elements:
• Water Use Efficiency: Assistance for agencies to develop conservation-based rates
• Habitat Creation: Establish habitat for Santa Ana Sucker fish and water-consuming non-native arundo donax removal along the Santa Ana River
• Watershed-Scale Cooperative Water Banking Program: Water banking facilities in four locations with coordinated operations to store water in wet years and provides a new extraordinary supply during droughts and emergencies resulting in additional regional Dry-Year Yield (DYY)
SARCCUP Background (continued)

Storage by Location

- San Jacinto (19,500 AF)
- Chino (14,000 AF)
- Orange County (36,000 AF)
- Riverside (6,000 AF)
- Elsinore (4,500 AF)

Total = 136-144,000 AF

Anticipated Storage Allocation by Agency

- EMWD (36,000 AF)
- Valley (36,000 AF)
- WMWD (36,000 AF)
- OCWD/MWD (36,000 AF)

Total = 136-144,000 AF

SARCCUP Background

Storage by Location

- San Bernardino Area Basin* (64,000 AF)
- Chino Basin (0-14,000 AF)
- Riverside Basin (6,000 AF)
- Orange County Basin (36,000 AF)
- San Jacinto Basin (19,500 AF)
- Bedford-Coldwater (Elsinore) (4,500 AF)

* Not a MWD Member Agency; Valley is a SWP Contractor
Purpose of Agreement

SARCCUP Operational Principles

Major Terms and Conditions with MWD

- Establish Terms and Conditions for the purchase, delivery and use of surplus Valley State Water Project (SWP) water pursuant to MWD’s Administrative Code.
- Describe relationship with SARCCUP-MWD member agencies, MWD and Valley.
- Document rate for surplus Valley water and financial arrangements.
- Determine processes for water deliveries and exchanges for the “Put” and “Take” scenarios.
- Document consistency with MWD’s policy regarding Extraordinary Supply designation.
SARCCUP Operational Principles

• In all cases, MWD pays for surplus Valley SWP water and SARCCUP-MWD member agencies pay MWD full-service Tier 1 rate at time of delivery.
• All deliveries are through MWD facilities or MWD “virtual meter”.
• No banked groundwater introduced into MWD system - in-lieu deliveries.
• Put Scenarios (Storage):
  – **Put Scenario A (Direct MWD Delivery)** – MWD water purchased by a SARCCUP-MWD member agency for direct delivery to its SARCCUP storage facilities.
  – **Put Scenario B (Indirect MWD Delivery)** – MWD water purchased for one SARCCUP-MWD member agency for delivery to another SARCCUP-MWD member agency’s storage facilities.
  – **Put Scenario C (Delivery to Valley)** – Delivery of a SARCCUP-MWD member agency’s water to Valley’s SARCCUP recharge facilities (MWD “virtual meter”) for storage in the SBBA bank (outside the MWD service area).

SARCCUP Operational Principles (continued)

• Take Scenarios (Recovery) involving MWD:
  – **Take Scenario 1 (Direct Local Delivery)** – Pumping and direct conveyance of stored water between SARCCUP-MWD member agencies using local interagency conveyance facilities.
  – **Take Scenario 2 (In-lieu MWD Delivery)** – Pumping and local use of water by a SARCCUP-MWD member agency (pumping agency) that was previously stored on behalf of another SARCCUP-MWD member agency (benefitting agency), accompanied by an equivalent reduction in the pumping agency’s MWD deliveries and an equivalent increase in the benefiting agency’s MWD purchases.
• SARCCUP operations as described are consistent with MWD’s Administrative Code and MWD’s Water Supply Allocation Plan.
Major Terms and Conditions

- MWD to purchase surplus water from Valley.
- MWD makes available an amount equivalent to 50% of the amount purchased to SARCCUP-MWD member agencies at the full-service Tier 1 rate.
- MWD/Valley have a separate agreement for purchase of water.

Major Terms and Conditions (continued)

- Agencies may purchase more than 50% equivalent if MWD does not take all water offered by Valley.
- All water purchased by agencies from MWD equivalent to amounts made available by Valley to MWD can be designated as Extraordinary Supply.
### SARCCUP Operational Scenarios and Examples

#### Examples with Put and Take Scenarios

<table>
<thead>
<tr>
<th>Examples</th>
<th>Put Scenarios¹</th>
<th>Take Scenarios¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>A – Direct MWD Delivery</td>
<td>Pump and Use Locally</td>
</tr>
<tr>
<td>II</td>
<td>B – Indirect MWD Delivery</td>
<td>1 – Direct Local Delivery</td>
</tr>
<tr>
<td>III</td>
<td>B – Indirect MWD Delivery</td>
<td>2 – In-Lieu MWD Delivery</td>
</tr>
<tr>
<td>IV</td>
<td>C – Delivery to Valley</td>
<td>1 – Direct Local Delivery</td>
</tr>
</tbody>
</table>

¹ Based on Operational Term Sheet for MWD and SARCCUP-MWD Member Agencies' Agreement
Example I
Put Scenario A (Direct MWD Delivery)
Take Scenario (Pump and Use Locally)

Example I (Water) – Put Scenario A (Direct MWD Delivery)
MWD purchases available surplus Valley water for MWD and WMWD for storage
• WMWD banks 1,000 AF in its own basins

MWD Member Agencies
1,000 AF
Valley Surplus
2,000 AF
Start Here

State Water Project

Valley
SBBA

MWDOC (OCWD)
Orange County

WMWD
Elsinore & Riverside

EMWD
San Jacinto
Example I (Payment) – Put Scenario A (Direct MWD Delivery)

MWD purchases available surplus Valley water for MWD and WMWD for storage
  • WMWD banks 1,000 AF in its own basins

MWD Member Agencies
- 1,000 AF

State Water Project
- 2,000 AF

Valley
- Valley Surplus

EMWD

WMWD

Elsinore & Riverside

MWDOC (OCWD)
Orange County

Example I (Water) – Take Scenario (Pump and Use Locally)

WMWD pumps the stored water and uses it locally

MWD Member Agencies
- 1,000 AF

State Water Project
- Valley Surplus

Valley
- SBBA

EMWD

San Jacinto

WMWD

Elsinore & Riverside

MWDOC (OCWD)
Orange County

Start Here

Start Here
Example II
Put Scenario B (Indirect MWD Delivery)
Take Scenario 1 (Direct Local Delivery)

MWD purchases available surplus Valley water for MWD and EMWD for storage in WMWD's Bank
- WMWD banks 1,000 AF in Elsinore/ Riverside basins for EMWD

MWD Member Agencies
- 1,000 AF

State Water Project
- Valley
  - SBBA
- Valley Surplus
- 2,000 AF

Start Here

WMWD
1,000 AF Recharged

EMWD
San Jacinto

Orange County

Elsinore & Riverside
Example II (Payment) – Put Scenario B (Indirect MWD Delivery)

MWD purchases available surplus Valley water for MWD and EMWD for storage in WMWD’s Bank
- EMWD pays WMWD the MWD cost and recharge cost for the delivered water
- WMWD passes through the MWD cost to pay MWD for the delivered water
- WMWD keeps the recharge cost

Example II (Water/Payment) – Take Scenario 1 (Direct Local Delivery)

EMWD calls on its banked supply from WMWD’s Bank
- WMWD directly delivers 1,000 AF to EMWD
- EMWD pays WMWD extraction cost
Example III
Put Scenario B (Indirect MWD Delivery)
Take Scenario 2 (In-Lieu MWD Delivery)

Example III (Water) – Put Scenario B (Indirect MWD Delivery)

MWD purchases available surplus Valley water for MWD and EMWD for storage in WMWD's Bank
- WMWD banks 1,000 AF in Elsinore/Riverside basins for EMWD

MWD Member Agencies

1,000 AF

State Water Project

Start Here

2,000 AF

Valley Surplus

MWDOC (OCWD)

Orange County

1,000 AF Recharged

WMWD

Elsinore & Riverside

EMWD

San Jacinto

Valley

SBBA
Example III (Payment) – Put Scenario B (Indirect MWD Delivery)

MWD purchases available surplus Valley water for MWD and EMWD for storage in WMWD’s Bank
- EMWD pays WMWD the MWD cost and recharge cost for the delivered water
- WMWD passes through the MWD cost to pay MWD for the delivered water
- WMWD keeps the recharge cost

Example III (Water) – Take Scenario 2 (In-lieu MWD Delivery)

EMWD calls on banked water from WMWD’s bank and delivery is in-lieu via MWD
- EMWD receives additional supply from MWD
- WMWD extracts the water from its basin and uses it locally in-lieu of imported water from MWD
Example III (Payment) – Take Scenario 2 (In-lieu MWD Delivery)

EMWD calls on banked water from WMWD’s bank and delivery is in-lieu via MWD
- WMWD pays MWD for normal imported water deliveries less the same amount of extracted water
- WMWD pays MWD cost to EMWD
- EMWD pays MWD for normal imported water deliveries plus the same amount of extracted water
- EMWD pays WMWD extraction cost

Examples using the SARCCUP Valley Bank
SARCCUP Valley Bank

Goals and Objectives

• The Valley Bank (SBBA) is critical to SARCCUP program success and DWR Prop 84 funding requirements.

• While location is outside of the MWD service area, SARCCUP-MWD member agencies are paying MWD the current full-service Tier 1 rate for surplus Valley water that MWD purchases.

• SARCCUP-MWD member agencies pay the MWD full-service Tier 1 rate at time of “Put,” consistent with deliveries to SARCCUP storage facilities within MWD service area.

Example IV: Storage in SARCCUP Valley Bank
(50% MWD, 50% SARCCUP-MWD Member Agencies)

Put Scenario C (Delivery to Valley)
Take Scenario 1 (Direct Local Delivery)
Example IV (Water) – Put Scenario C (Delivery to Valley)

- MWD purchases available surplus Valley water for MWD & SARCCUP-MWD member agencies to store in Valley Bank
  - Valley declares surplus of 6,000 AF
  - 50% is delivered to MWD
  - 50% is delivered through a MWD "virtual meter" (VM) for recharge in Valley's Bank for benefit of SARCCUP-MWD member agencies
  - Banked water is purchased through MWD at time of "Put"

- MWD Member Agencies
  - State Water Project
    - Valley
      - Valley Surplus
      - Valley Recharged

- SARCCUP Operating & Finance Committee
- Valley Declared Surplus
  - SARCCUP-MWD member agencies pay MWD full-service Tier 1 rate at time of "Put" for 50% (3,000 AF)
  - SARCCUP-MWD member agencies pay Valley to recharge the 3,000 AF at time of "Put"

Example IV (Payment) – Put Scenario C (Delivery to Valley)

- MWD purchases available surplus Valley water for MWD & SARCCUP-MWD member agencies to store in Valley Bank
  - MWD pays Valley ($Commodity + $Energy) for the full 6,000 AF
  - SARCCUP-MWD member agencies pay MWD full-service Tier 1 rate at time of "Put" for 50% (3,000 AF)
  - SARCCUP-MWD member agencies pay Valley to recharge the 3,000 AF at time of "Put"

- MWD Member Agencies
  - State Water Project
    - Valley
      - Valley Surplus
      - Valley Recharged

- SARCCUP Operating & Finance Committee
- Valley Declared Surplus
  - SARCCUP-MWD member agencies pay $Commodity + $Energy for the full 6,000 AF
  - SARCCUP-MWD member agencies pay Valley to recharge the 3,000 AF at time of "Put"
Example IV (Water/Payment) – Take Scenario 1 (Direct Local Delivery)

SARCCUP-MWD member agencies call on their banked supply from Valley Bank
- WMWD extracts and delivers banked water to SARCCUP-MWD member agencies through WMWD/SARCCUP facilities
- SARCCUP-MWD member agencies pay WMWD to extract and deliver the banked water

MWD Member Agencies

State Water Project

SARCCUP Operating & Finance Committee

Valley

EMWD
MWDOC (OCWD)

San Jacinto
Orange County
(2,000 AF)

WMWD

Elsinore & Riverside
(1,000 AF)

SBBA
3,000 AF Bank

Start Here

33 | emwd.org

SARCCUP Operating & Finance Committee

34
SARCCUP Operating & Finance Committee

1. To be formed prior to project operations
2. Committee Members
   - Representatives from SARCCUP Member Agencies
3. Purpose of Committee
   - To coordinate purchases, delivery and extractions of water for water banking facilities
   - Manage and oversee related activities (consultant?)
     • Track transactions among MWD, Valley and SARCCUP-MWD Member Agencies
     • Prepare annual reports and other reports as needed
     • Prepare, maintain and periodically update financial and operational model
   - Prepare recommendations for SARCCUP member agencies’ governing boards as needed

Next Steps
Proposed Next Steps

1. Receive input from MWD staff on draft Operational Term Sheet
2. Update draft Operational Term Sheet
3. Obtain final concurrence from MWD staff on terms and conditions in Operational Term Sheet
4. Prepare Draft MWD-SARCCUP Agreement based upon Operational Term Sheet and circulate for review/comment
5. Obtain concurrence from MWD staff and legal and finalize MWD-SARCCUP Agreement
6. Obtain Valley-MWD Agreement approval by MWD Board
7. Administratively execute the MWD-SARCCUP Agreement

Thank you!

Presented on behalf of the SARCCUP Agencies
Example V: MWD Declines to Participate
(0% MWD, 100% SARCCUP-MWD Member Agencies)
Put Scenario C (Delivery to Valley)
Take Scenario 1 (Direct Local Delivery)
Example V (Water) – Put Scenario C (Delivery to Valley)

MWD declines to participate in available surplus Valley water but purchases surplus water for benefit of SARCCUP-MWD member agencies to store in Valley Bank
- Valley declares surplus of 6,000 AF
- MWD declines to participate
- SARCCUP-MWD member agencies choose to participate (100% share)
- 6,000 AF is delivered through a MWD “virtual meter” (VM) for recharge in Valley’s Bank for the benefit of SARCCUP-MWD member agencies
- Banked water is purchased through MWD at time of “Put”

Example V (Payment) – Put Scenario C (Delivery to Valley)

MWD declines to participate in available surplus Valley water but purchases surplus water for benefit of SARCCUP-MWD member agencies to store in Valley Bank
- MWD pays Valley ($Commodity + $Energy) for the full 6,000 AF recharged
- SARCCUP-MWD member agencies pay MWD the full service Tier 1 rate at time of “Put”
- SARCCUP-MWD member agencies pay Valley to recharge the 6,000 AF at time of “Put”
Example V (Water/Payment) – Take Scenario 1 (Direct Local Delivery)

SARCCUP-MWD Member Agencies call on their banked supply from Valley Bank
- Call for 6,000 AF of banked supply
- WMWD extracts and delivers banked water to SARCCUP-MWD member agencies through WMWD/SARCCUP facilities
- SARCCUP-MWD member agencies pay WMWD to extract and deliver their portion of the banked water

MWD Member Agencies

State Water Project

EMWD

MWDOC

(OCWD)

San Jacinto
Orange County

(4,000 AF)

MWD

Valley

WMWD

Elsinore & Riverside

(2,000 AF)

SARCCUP

Operating & Finance Committee

Valley

SBBA

6,000 AF Bank

EXAMPLE I: WMWD Purchases Water, Pumps and Uses it Locally

<table>
<thead>
<tr>
<th>Description</th>
<th>PUT - Direct MWD Delivery</th>
<th>TAKE - Pump and Use Locally</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>MWD</td>
<td>Valley</td>
</tr>
<tr>
<td>Commodity and Energy Rates</td>
<td>-$</td>
<td>$</td>
</tr>
<tr>
<td>MWD Full-Service Tier 1 Rate</td>
<td>$</td>
<td>-$</td>
</tr>
<tr>
<td>Recharge Rate</td>
<td>NA</td>
<td></td>
</tr>
<tr>
<td>Extraction Rate</td>
<td>NA</td>
<td></td>
</tr>
</tbody>
</table>

LEGEND

$ Money Paid
$ Money Received
### EXAMPLE II: WMWD Stores Water for EMWD

**Reads across rows**

<table>
<thead>
<tr>
<th>Description</th>
<th>PUT - Indirect MWD Delivery</th>
<th>TAKE - Direct Local Delivery</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>MWD</td>
<td>Valley</td>
</tr>
<tr>
<td>Commodity and Energy Rates</td>
<td>-$</td>
<td>$</td>
</tr>
<tr>
<td>MWD Full-Service Tier 1 Rate</td>
<td>$</td>
<td>+/-</td>
</tr>
<tr>
<td>Recharge Rate</td>
<td></td>
<td>$</td>
</tr>
<tr>
<td>Extraction Rate</td>
<td></td>
<td>$</td>
</tr>
</tbody>
</table>

**LEGEND**
- $ Money Paid
- $ Money Received

### EXAMPLE III: EMWD Stores Water in WMWD Bank and Purchases MWD Water In-lieu of Pumping

**Reads across rows**

<table>
<thead>
<tr>
<th>Description</th>
<th>PUT - Indirect MWD Delivery</th>
<th>TAKE - In-Lieu MWD Delivery</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>MWD</td>
<td>Valley</td>
</tr>
<tr>
<td>Commodity and Energy Rates</td>
<td>-$</td>
<td>$</td>
</tr>
<tr>
<td>MWD Full-Service Tier 1 Rate</td>
<td>$</td>
<td>+/-</td>
</tr>
<tr>
<td>Recharge Rate</td>
<td></td>
<td>$</td>
</tr>
<tr>
<td>Extraction Rate</td>
<td></td>
<td>$</td>
</tr>
</tbody>
</table>

**LEGEND**
- $ Money Paid
- $ Money Received
- $ Pass-through funds to MWD
EXAMPLES IV/V: Water is Stored in Valley's Bank

Reads across rows

<table>
<thead>
<tr>
<th>Description</th>
<th>PJT - Delivery to Valley</th>
<th>TAKE - Direct Local Delivery</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>MWD</td>
<td>Valley</td>
</tr>
<tr>
<td>Commodity and Energy Rates</td>
<td>-$</td>
<td>$</td>
</tr>
<tr>
<td>MWD Full-Service Tier 1 Rate</td>
<td>$</td>
<td>-¾$</td>
</tr>
<tr>
<td>Recharge Rate</td>
<td>$</td>
<td>-¾$</td>
</tr>
<tr>
<td>Extraction Rate*</td>
<td></td>
<td>¾½$/-¾$</td>
</tr>
</tbody>
</table>

* Western funds the extraction costs for water pumped and is reimbursed by Eastern and MWDOC (OCWD) for their share.

** LEGEND **

- $ Money Paid
- $ Money Received
Operational Term Sheet for
MWD-SARCCUP Member Agencies Agreement

Background

- The Santa Ana River Conservation and Conjunctive Use Program (SARCCUP) is a multi-agency, watershed wide groundwater storage and recovery project involving multiple basins in the Santa Ana Watershed. The goal is to store available and potentially lower-cost water during wet years in local groundwater basins throughout the watershed and extract the stored water during dry years to reduce the impacts from multi-year droughts.

- Eastern Municipal Water District (EMWD), Inland Empire Utilities Agency (IEUA), Municipal Water District of Orange County (MWDOC) acting on behalf of Orange County Water District (OCWD), and Western Municipal Water District (WMWD) are all member agencies of Metropolitan Water District of Southern California (MWD), herein referred to as “SARCCUP-MWD member agencies”.

- SARCCUP participants include the SARCCUP-MWD member agencies, OCWD and San Bernardino Valley Municipal Water District (Valley), herein referred to as the “SARCCUP member agencies”.

- Valley is a State Water Project (SWP) Contractor. Valley recharges SWP water into the San Bernardino Basin Area (SBBA) groundwater basin for the benefit of its member agencies.

- MWD is the regional imported water wholesaler that delivers water to 26-member agencies in Southern California and is also a SWP Contractor.

- As specified in a separate agreement between MWD and Valley, MWD will be given the right to purchase surplus SWP water made available by Valley. In that agreement, Valley requires that MWD make 50% of the surplus SWP water available to the SARCCUP-MWD member agencies.

- A SARCCUP Operations & Finance (O&F) Committee will be established consisting of the SARCCUP member agencies. The O&F Committee will analyze transactions proposed by the SARCCUP member agencies resulting in storage location and transfer recommendations that minimize costs in delivering water supplies.

- Individual SARCCUP-MWD member agencies, for which the water will be delivered, will be financially responsible for MWD’s full-service Tier 1 rate and charges including commodity rate, capacity charge, and readiness-to-serve charge, for any purchases of water through the SARCCUP program, at the time of delivery.
Supplies

- MWD will make available for sale to the SARCCUP-MWD member agencies, at MWD’s full-service Tier 1 rate, an amount equivalent to 50% of the portion of Valley’s surplus SWP water acquired by MWD for storage in SARCCUP banking facilities.

- Should MWD choose to purchase less than 100% of the surplus SWP water made available by Valley in a given year, the SARCCUP-MWD member agencies will have the option to purchase from MWD, at the full-service Tier 1 rate, the base amount plus an additional amount equivalent to the remaining portion of the surplus SWP water that MWD chooses not to purchase (residual amount) for storage in SARCCUP banking facilities.

- If a SARCCUP-MWD member agency so chooses, any base amount and any residual amount of water purchased from MWD and stored under the program could qualify as Extraordinary Supply provided that it meets all of the MWD Board Principles for Extraordinary Supply (Appendix H of the MWD Water Supply Allocation Plan), as amended from time to time.

- If a SARCCUP-MWD member agency so chooses, the base amount and any residual amount stored under the program shall be designated as Extraordinary Supply at time of purchase and delivery. If the water delivered under the program is pumped from storage during a non-allocation year, such water shall be considered a Local Supply, as described in Appendix H of the MWD Water Supply Allocation Plan.

Put Scenarios (Storage)

- Any surplus Valley water sold by MWD under the program and delivered to the SARCCUP-MWD member agencies falls into three put scenarios. One or more of these scenarios may be used separately or in combination, and may involve more than one SARCCUP-MWD member agency:
  
  ▪ **Put Scenario A (Direct MWD Delivery)** – MWD water purchased by a SARCCUP-MWD member agency for direct delivery to its SARCCUP storage facilities.
  
  ▪ **Put Scenario B (Indirect MWD Delivery)** – MWD water purchased for one SARCCUP-MWD member agency for delivery to another SARCCUP-MWD member agency’s storage facilities.
  
  ▪ **Put Scenario C (Delivery to Valley)** – Delivery of a SARCCUP-MWD member agency’s water to Valley’s SARCCUP recharge facilities (MWD “virtual meter”) for storage in the SBBA bank (outside the MWD service area).

- Payment for the surplus Valley water purchased by MWD shall be to Valley pursuant to the separate agreement between MWD and Valley.

- All deliveries are through MWD facilities or an agreed upon MWD virtual meter.
Take Scenarios (Recovery)

- Stored water recovered from a SARCCUP groundwater bank falls into two take scenarios. One or more of these scenarios may be used separately or in combination, and may involve more than one SARCCUP-MWD member agency:
  - **Take Scenario 1 (Direct Local Delivery)** – Pumping and direct conveyance of stored water between SARCCUP-MWD member agencies using local interagency conveyance facilities.
  - **Take Scenario 2 (In-lieu MWD Delivery)** – Pumping and local use of water by a SARCCUP-MWD member agency (pumping agency) that was previously stored on behalf of another SARCCUP-MWD member agency (benefitting agency), accompanied by an equivalent reduction in the pumping agency’s MWD deliveries and an equivalent increase in the benefitting agency’s MWD purchases.

Additional Terms

- The accounting and financial reconciliation for costs of recovering supplies would be between the SARCCUP-MWD member agencies, under a separate agreement.

- No banked water is conveyed through the MWD system. Recovery of stored water is either in-lieu or direct deliveries using local conveyance between SARCCUP-MWD member agencies.

- For purposes of accounting, the SARCCUP-MWD member agencies will provide regular updates to MWD for certification of Extraordinary Supply.