



PROJECT AGREEMENT 22 COMMITTEE
Interregional Landscape Water Demand Reduction Program
REGULAR MEETING MINUTES
January 23, 2020

COMMITTEE MEMBERS PRESENT

Paul D. Jones, General Manager, Eastern Municipal Water District [Chair]
Michael Markus, General Manager, Orange County Water District [Vice Chair]
Shivaji Deshmukh, General Manager, Inland Empire Utilities Agency
Heather Dyer, General Manager, San Bernardino Valley Municipal Water District
Craig Miller, General Manager, Western Municipal Water District

COMMITTEE MEMBERS ABSENT

None.

STAFF PRESENT

Dean Unger, Karen Williams, Kelly Berry, Ian Achimore, Marie Jauregui, Mark Norton,
Zyanya Ramirez

OTHERS PRESENT

Andrew D. Turner, Lagerlof, LLP

1. CALL TO ORDER

The PA22 Committee meeting was called to order at 8:01 a.m. by Chair Jones 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: JUNE 27, 2019 AND NOVEMBER 21, 2019

Chair Jones stated he was not present at the June 27, 2019 and November 21, 2019 meetings and would accordingly abstain from voting.

MOVED, approve the June 27, 2019 and November 21, 2019 meeting minutes.

Result:	Adopted (Passed)
Motion/Second:	Markus/Miller
Ayes	Markus, Deshmukh, Dyer, Miller
Nays:	None
Abstentions:	Jones
Absent:	None

4. COMMITTEE DISCUSSION ITEMS

A. ADOPTION OF BUREAU OF RECLAMATION AGREEMENT (PA22#2020.1)

Ian Achimore provided the PowerPoint presentation contained in the agenda packet on pages 13-24. A revised Scope of Work for Agenda Item No. 4.A. Handout was provided to the Committee and the public; revised handout replaces pages 31-33 of the original agenda packet.

On March 28, 2019, the Committee approved SAWPA staff to submit a proposal to the Bureau of Reclamation (Reclamation) WaterSMART Water Management Options Pilot Program. The Program would award in-kind Reclamation staff time and resources to implement a water supply focused project. SAWPA was successful in receiving the full amount of in-kind resources requested for its Watershed-Wide Water Budget Decision Support Tool Project (Project). SAWPA will take lead in acquiring aerial imagery while the Reclamation will lead the analysis and quality control of the acquired imagery. To establish the terms, a Memorandum of Agreement between the Reclamation and SAWPA (MOA) will need to be executed.

The Project will create water budgets based on efficiency at the customer and retail water agency scale; budgets will be shared with retail water agencies through a web-based tool. This will assist retail water agencies in complying with 2018 water conservation legislation requirements; Assembly Bill 1668 and Senate Bill 606.

The estimated total cost of the project is \$1,465,000. This was determined by a similar project developed during the Proposition 84 Integrated Regional Water Management Drought Grant - SAWPA's Web-Based Information Tool.

Based on expected cost of the Project, the cost share is estimated to be \$367,500. On November 1, 2019, SAWPA submitted the Project for \$500,000 in Proposition 1 Round 1 Integrated Regional Water Management Grant funding (Prop 1). A draft funding award announcement is expected winter of 2020 by the Department of Water Resources.

SAWPA will utilize the Reclamation staff time and resources, cost shares, and Prop 1 grant funds to fully fund the Project. The Project is scheduled to be completed in the third quarter of the year 2022.

Committee Member Markus asked if the aerial imagery replaces the images collected from the Web-Based Information Tool and if the resolution will be the same. Mr. Achimore stated staff will be acquiring new data sets and is currently working on determining the resolution. The aerial imagery resolution is dependent on the preference of the other agencies working with the Reclamation.

Chair Jones noted that several water retail agencies have allocation-based rates structures and have detailed imagery where others don't. He asked what is SAWPA's approach to recognizing each agency's scope. Achimore stated SAWPA continues to work with the member agency staff to ensure continuity with each agency and their subagencies set up.

Committee Member Dyer encouraged staff to coordinate efforts in order to plan a longer-term solution to the need of updating imagery. She recommended that flights be a reoccurring activity where the whole Santa Ana River Watershed would benefit for various projects.

Chair Jones noted that based on the projected budget, the estimated total cost share of \$367,500 is contingent on SAWPA receiving funds from Prop 1. He asked if by approving the motion, is the Committee pledging to covering the \$500,000 from Prop 1 if SAWPA is not awarded the funds. Legal Counsel Turner stated that in *Section II.3. Financial Obligations* of the MOA, it states that it is not a funding document and does not authorize the obligation or transfer of funds. Chair Jones then requested that staff provide a more defined cost share at a future PA22 Committee meeting.

It was clarified that the Reclamation will not commence work until after they receive the aerial imagery from SAWPA. Achimore stated that he'll be meeting with the agencies in the upcoming months to set aerial imagery specifications.

MOVED, authorize the General Manager to execute the Memorandum of Agreement by and between the Department of Interior, Bureau of Reclamation (BOR) and the Santa Ana Watershed Project Authority (SAWPA) for the Santa Ana River Watershed-Wide Water Budget Decision Support Tool.

Result: **Adopted (Passed)**
Motion/Second: Deshmukh/Dyer
Ayes Jones, Markus, Deshmukh, Dyer, Miller
Nays: None
Abstentions: None
Absent: None

B. STATE AERIAL IMAGERY FOR RETAIL WIDE WATER BUDGET – STATUS (PA22#2020.2)

Ian Achimore provided the PowerPoint presentation contained in the agenda packet on pages 37-44. He gave a status report on the Department of Water Resources (DWR) and State Water Board efforts to comply with Assembly Bill 1668 and Senate Bill 606 (legislation) through their Aerial Imagery for Retail Wide Water Budget Project (Project).

DWR continues to work on their Project. They have contracted with Eagle Aerial and Quantum in order to produce a state-wide dataset of irrigable area measurements for each water agency by January 1, 2021. DWR convened a workgroup of water agencies and environmental representatives to provide feedback on the imagery process.

The State Water Board, in collaboration with DWR, is also working on a rulemaking to adopt standards that will help set the budgets for each of the following categories:

- a. Indoor residential.
- b. Outdoor residential.
- c. Outdoor dedicated irrigation meters.
- d. Efficient water losses (pipe leaks).
- e. Approved variances (water use by horse corrals).

The State Water Board will begin formal rulemaking in 2021. State Water Board staff and their consultant team will communicate results and allow members of the public to explore conservation scenarios through a tool.

Committee Member Deshmukh questioned the reliability of the aerial imagery collected by DWR. Achimore noted that DWR is currently using two firms for its aerial imagery; Eagle Aerial collects the imagery and Quantum performs the QA/QC. The majority of DWR's cost is being allocated to the QA/QC process.

Chair Jones encouraged continued participation in the development of the Project. He stated that there are concerns that the rulemaking process is an attempt by the State Water Board to tighten up the standards.

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

C. CONSERVATION-BASED WATER RATES UPDATE (PA22#2020.4)

Ian Achimore provided the PowerPoint presentation contained in the agenda packet on pages 47-53.

Through the Proposition 84 Integrated Regional Water Management Drought Grant (Prop 84 Grant), SAWPA implemented the Conservation-Based Water Rates Program (Program) by

entering into sub-grantee agreements with nine retail water agencies within the Santa Ana River Watershed. The sub-grantee agreements allow SAWPA to reimburse the retail agencies using funds provided by the Prop 84 Grant. Currently, there are two agencies remaining in the Program:

- City of Chino – Implemented rates on December 1, 2019
- City of Chino Hills – Implemented rates on October 1, 2018

Recently, the City of Hemet decided to not move forward with the Program as they are not bringing their final rate study to their council within the Department of Water Resources grant timeline. SAWPA staff awaits invoices from the remaining agencies to finalize the Program.

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

D. SMARTSCAPE UPDATE (PA22#2020.3)

Ian Achimore provided the PowerPoint presentation contained in the agenda packet on pages 57-63. Smartscape is a Program (Smartscape Program) developed by the Santa Ana River Conservation and Conjunctive Use Program (SARCCUP), which was funded by the Proposition 84 Integrated Regional Water Management Drought Grant (Prop 84 Grant).

The Smartscape Program was designed to continue the various turf removal rebates that were offered by the Prop 84 Grant and train water agency customers to maintain their drought-tolerant landscape. The awarded funds were allocated to four of the five participating agencies.

As of December 31, 2019, the Smartscape Program is currently 79% implemented. Eastern Municipal Water District and the Inland Empire Utilities Agency have completed their portion. SAWPA continues to work with San Bernardino Valley Municipal Water District and Western Municipal Water District to complete their projects. SAWPA staff set an internal deadline to complete work by March 2020.

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

E. RECONSIDER PROJECT AGREEMENT 22 COMMITTEE REGULAR MEETING SCHEDULE

Karen Williams indicated the need to reconsider the Committee meeting schedule and move the regular meetings to the second Tuesday of every month following the SAWPA General Managers meeting. The Committee agreed that the recommended meeting schedule was feasible. SAWPA Staff confirmed the PA22 Committee regular meetings occur monthly.

MOVED, effective March 2020, regular meetings of the Project Agreement (PA) 22 Committee will be held at 8:30 a.m. on the second Tuesday of every month, at 11615 Sterling Avenue, Riverside, California; and, the February 27, 2020 regular meeting is cancelled.

Result:	Adopted (Passed)
Motion/Second:	Miller/Markus
Ayes	Jones, Markus, Deshmukh, Dyer, Miller
Nays:	None
Abstentions:	None
Absent:	None

5. FUTURE AGENDA ITEMS

Chair Jones invited the committee members and staff to attend the Southern California Affordability Symposium on Friday, February 7, 2020 at the University of California, Riverside (UCR). He requested a future agenda item to discuss what was presented and the findings from a study done by Eastern Municipal Water District in collaboration with UCR, exploring water affordability issues at a retail level. He encouraged the Committee to think of ways to expand water affordability policies through the PA22 Committee.

6. ADJOURNMENT

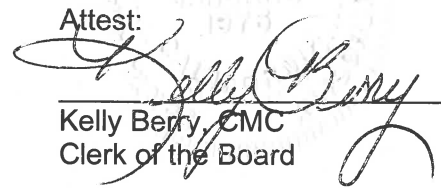
There being no further business for review, the meeting ended at 9:10 a.m.

**Approved at a Regular Meeting of the Project Agreement 22 Committee on Tuesday,
March 10, 2020,**



Michael Markus, Vice Chair

Attest:



Kelly Berry, CMC
Clerk of the Board