

PUENTE BASIN WATER AGENCY
BOARD OF COMMISSIONERS
MEETING AGENDA

Rowland Water District
3021 S. Fullerton Road
Rowland Heights, CA 91748

Thursday, May 5, 2016
To begin at 7:00 A.M.

Each item on the agenda shall be deemed to include any appropriate motion, resolution, or ordinance, to take action on any item.

Materials related to an item on this agenda submitted after distribution of the agenda packet are available for public review during regular business hours at the Walnut Valley Water District office, located at 271 S. Brea Canyon Road, Walnut, California.

- I. Welcome and Introductions Vice-Chairman Wu
- II. Roll Call

Chairman Lewis	_____	Vice-Chair Wu	_____
Commissioner Lima	_____	Commissioner Ebenkamp	_____
- III. Public Comment
The Chair may impose reasonable limitations on public comments to assure an orderly and timely meeting.
- IV. Approval of Minutes for April 7, 2016 (attachment) Vice-Chairman Wu
 - a. Discussion
 - b. Action Taken
- V. Review of Financial Statements: Third Quarter FY 2015-16 (attachment) Mr. Teuber
 - a. Discussion
 - b. Action Taken
- VI. Regional Water Supply Reliability Program Update/Status: Mr. Holmes/Mr. Coleman
 - (1) California Domestic Water Company
 - a. Construction Update (verbal)
 - (2) Pomona Basin Regional Groundwater Project
 - a. Project Update (verbal)
 - b. Update: Proposition 84: Round 3A, Integrated Regional Water Management Grant (attachment)
 - c. Update: Proposition 1 (attachment)
 - d. Update: Water Resource Development Act (attachment)
 - (3) Puente Valley Operable Unit (verbal)
- VII. Commission Follow-Up (attachment)
 - a. Discussion
 - b. Action Taken
- VIII. Commissioner Comments
 - a. Discussion
 - b. Action Taken
- IX. Items for Future Discussion Vice-Chairman Wu
 - a. Discussion
 - b. Action Taken
- X. Review of PBWA's Upcoming Meeting Schedule Vice-Chairman Wu
 - Thursday, June 9, 2016 at Walnut Valley Water District
 - Thursday, July 7, 2016 at Rowland Water District
 - Thursday, August 11, 2016 at Walnut Valley Water District

- Thursday, September 1, 2016 at Rowland Water District
- a. Discussion
- b. Action Taken

XI. Legislative Report

XII. Attorney's Report

- a. Legal Counsel will report on matters of interest or having an effect on the Agency

XIII. Public Comment on Closed Session

Vice-Chairman Wu

XIV. Closed Session

- (1) CONFERENCE WITH REAL PROPERTY NEGOTIATOR [§54956.8]
Property: Acquisition and/or Lease of Central Basin and Main San Gabriel Basin Water Rights
Negotiators: Tom Coleman, Michael Holmes
Negotiating Parties: Various Water Rights Holders
Under Negotiations: Price and Payment Term
- (2) CONFERENCE WITH REAL PROPERTY NEGOTIATOR [§54956.8]
Property: Acquisition and/or Lease
Negotiators: Tom Coleman, Michael Holmes
Negotiating Parties: Various Property Owners
Under Negotiations: Price and Payment Term
- (3) CONFERENCE WITH LEGAL COUNSEL- PENDING LITIGATION [§54956.9(d)(4)]
Initiation of Litigation – Two Potential Cases including one case under Los Angeles County
Superior Court Case No. 786,656

XV. Reconvene in Open Session

Report of action, if any, taken in Closed Session

- Next Commission Meeting: Thursday, June 9, 2016 at Walnut Valley Water District

Adjournment

**MINUTES OF MEETING
OF THE BOARD OF COMMISSIONERS OF
PUENTE BASIN WATER AGENCY**

DRAFT

**April 7, 2016
At the Offices of the
Walnut Valley Water District**

COMMISSIONERS PRESENT:

Robert Lewis, Chair
Dr. Allen Wu, Vice Chair
Theodore L. Ebenkamp, Commissioner
Anthony Lima, Commissioner
Theresa Lee, Alternate Commissioner

STAFF PRESENT:

Mike Holmes, Administrative Officer
James Ciampa, Legal Counsel
Carmen Fleming, Secretary
Brian Teuber, Treasurer

Staff, guests and others in attendance: Mr. Tom Coleman, Mr. Dave Warren, and Mr. Sean Henry, Rowland Water District, and Mr. Erik Hitchman, Walnut Valley Water District.

The meeting was called to order at 7:00 a.m. with Chairman Lewis presiding.

Item III: Public Comment

None.

Item IV: Approval of Minutes for March 3, 2016

Upon consideration thereof, it was moved by Commissioner Ebenkamp, seconded by Commissioner Lima and unanimously carried (4-0) to approve the minutes of the Commission meeting held on March 3, 2016.

Chair Lewis indicated that the motion was approved by a 4-0 vote

Item V: Discussion and Approval of the Annual PBWA Budget for FY 2016-17

- ♦ Mr. Teuber presented the proposed PBWA Fiscal Year 2016-2017 Budget. He highlighted various elements of the budget and noted some increases in expenses projected over last year's budget.
- ♦ Staff then requested that the Commission consider approval of the Proposed FY 2016-17 Budget and indicated that the budget would be presented to the Member Agencies' Boards of Directors for approval as well.

Upon consideration thereof, it was moved by Commissioner Wu, seconded by Commissioner Lima and unanimously carried (4-0), to approve the PBWA Budget for Fiscal Year 2016-2017, and to present that proposed Budget to the Rowland Water District and Walnut Valley Water District Boards for approval.

Chair Lewis indicated that the motion was approved by a 4-0 vote

Item VI: Regional Water Supply Reliability Program Update/Status

- (1) *California Domestic Water Company –*
Construction Update: Mr. Coleman stated that construction is progressing and nearing completion.
- (2) *Pomona Basin Regional Groundwater Project -*
 - a. *Project Update:* Mr. Hitchman reported that the project is moving along. Staff will be setting a meeting with the City of La Verne to review plan specifications.
 - b. *Proposition 84: Round 3A Integrated Regional Water Management Grant:* Staff received notice that the check for the first quarter report will be released in the coming weeks.
 - c. *Proposition 1 Update:* Mr. Holmes reported that the Prop 1 guidelines will be out by early 2017. Staff is working with our consultant on potential projects for which grant funding may be sought.
 - d. *Water Resource Development Act:* Mr. Holmes reported that there has been no change regarding the WRRDA process in Congress.

(3) *Puente Valley Operable Unit* –

Mr. Coleman stated that the EPA held a PVOU stakeholder meeting in which Northrup Grumman attended to give a project update. Northrup Grumman has hired a consultant to install a brine line. They are also working on the modeling and specifics on installing a toe well.

Item VII: Commission Follow-Up

- ♦ The Commission received a follow-up report on prior actions.

Item VIII: Commissioner Comments

Commissioner Lewis stated that he will not be in attendance at the May 5, 2016 meeting, he will be attending the ACWA Conference.

Item IX: Items for Future Discussion

None.

Item X: Review of PBWA's Upcoming Meeting Schedule

- ♦ The Commissioners confirmed the following dates for the upcoming PBWA meetings:
 - Thursday, May 5, 2016, 7:00 a.m., at Rowland Water District
 - Thursday, June 9, 2016, 7:00 a.m., at Walnut Valley Water District
 - Thursday, July 7, 2016, 7:00 a.m., at Rowland Water District
 - Thursday, August 11, 2016, 7:00 a.m., at Walnut Valley Water District

Item XI: Legislative Report

Mr. Ciampa updated the Commission that the Central Basin Municipal Water District has two pending bills related to changing their governance structure.

Item XII: Attorney's Report

Mr. Ciampa updated the Commission on the upcoming Water Replenishment District meeting on the proposed increase to the water replenishment assessment. An increase of 6.7% has been proposed. He also updated the Commission that the ACWA's (including other entities) proposed amendment to Article X of the California Constitution appears to be at a "stand-still".

Item XIII: Public Comment on Closed Session

There were no requests to comment on closed session.

Item XIV: Closed Session – 7:34 a.m.

- (1) The Commission met in closed session in accordance with Government Code (§54956.8) to discuss one real property matter pertaining to the acquisition of Central Basin and Main San Gabriel water rights. The negotiators are Mr. Tom Coleman and Mr. Michael Holmes. The negotiating parties are various water rights holders. Under negotiations are the price and terms of payment.
 - The Commission directed staff to proceed with the potential leasing of surplus water rights in the Central Basin. Staff will proceed in accord with that direction.
- (2) The Commission met in closed session in accordance with Government Code (§54956.8) to discuss one real property matter. The negotiators are Mr. Tom Coleman and Mr. Michael Holmes. The negotiating parties are various water rights holders. Under negotiations are the price and terms of payment.
 - The Commission was briefed on the current status of those negotiations and no reportable action under the Brown Act was taken on item.
- (3) The Commission was briefed on the facts and circumstances of anticipated litigation under Government Code Section 54956.9(d)(4); and no reportable action under the Brown Act was taken.

Item XV: Reconvene in Open Session – 7:55 a.m.

Next Commission Meeting

- ♦ The next meeting will be held at 7:00 a.m., Thursday, May 5, 2016, at Rowland Water District.

Adjournment – 7:56 a.m.

There being no further business to discuss, upon consideration thereof, it was moved by Commissioner Wu, seconded by Commissioner Lima and unanimously carried (4-0), to adjourn the Commission meeting.

Chair Lewis indicated that the motion was approved by a 4-0 vote

**PUENTE BASIN WATER AGENCY
FY 2015-16 OPERATING RESULTS**

	Budget					Actual					
	Administrative	TVMWD	LHHCWD	CDWC	Total Budget	09/30/15	12/31/15	03/31/16	06/30/16	Year to Date	Remaining Budget
REVENUES:											
Administrative Assessment - RWD	\$ 128,550	\$ -	\$ -	\$ -	\$ 128,550	\$ 21,655	\$ 17,939	\$ 20,561		\$ 60,156	\$ 68,394
Administrative Assessment - WVWD	128,550				128,550	\$ 21,655	\$ 17,939	\$ 20,561		60,156	68,394
Other - TVMWD	40,400				40,400	10,057	8,862			18,918	21,482
Water Sales - Project - RWD			640,695	1,029,981	1,670,676	1,781	54,250	106,218		162,249	1,508,427
Water Sales - Project - WVWD			640,695	1,029,981	1,670,676	1,781	54,250	106,218		162,249	1,508,426
Water Sales - TVMWD - RWD		5,083,566	-		5,083,566	985,401	888,922	882,713		2,757,035	2,326,531
Water Sales - TVMWD - WVWD		8,798,473			8,798,473	2,340,612	3,823,413	1,880,955		8,044,980	753,493
Project Maintenance Reserve - RWD			834	62,500	63,334	-	-	-	-	-	63,334
Project Maintenance Reserve - WVWD			834	62,500	63,334	-	-	-	-	-	63,334
Total Revenues	297,500	13,882,039	1,283,057	2,184,962	17,647,558	3,382,941	4,865,575	3,017,226	-	11,265,743	6,381,815
EXPENSES:											
<u>Source of Supply</u>											
Purchased Water - TVMWD		13,072,900			13,072,900	3,126,149	4,514,532	2,568,717		10,209,397	2,863,503
Purchased Water - LHHCWD			746,816		746,816	1,897	76,311	101,146		179,354	567,462
Purchased Water - CDWC				1,734,962	1,734,962	-				-	1,734,962
Surcharge - Orchard Dale			18,037		18,037	44	2,029	2,795		4,869	13,168
Assessments - WRD			471,761		471,761	839	26,061	101,475		128,375	343,386
Subtotal	-	13,072,900	1,236,614	1,734,962	16,044,476	3,128,929	4,618,933	2,774,133	-	10,521,995	5,522,481
<u>Fixed Charges</u>											
TVMWD Equivalent Small Meters		60,916			60,916	14,930	14,930	15,438		45,299	15,617
TVMWD Water Use Charge		52,042			52,042	12,755	12,755	15,134		40,645	11,397
TVMWD Connected Capacity		62,701			62,701	15,368	15,368	15,535		46,271	16,430
MWD Capacity Reservation Charge		631,380			631,380	154,750	154,750	148,843		458,343	173,037
Subtotal	-	807,039	-	-	807,039	197,804	197,804	194,951	-	590,558	216,481
<u>Other Costs</u>											
Energy - Pumping and Treatment			1,800	200,000	201,800	-	-	-	-	-	201,800
Materials & Supplies - Chemicals			41,675	125,000	166,675	781	3,840	7,020		11,641	155,034
Materials & Supplies - Others			500		500	-	260			260	240
Permits & Fees		2,100	800		2,900	2,060	-			2,060	840
Subtotal	-	2,100	44,775	325,000	371,875	2,841	4,100	7,020	-	13,961	357,914
<u>Administrative & General</u>											
Legal	50,000				50,000	7,635	4,314	6,439		18,388	31,613
Engineering	5,000				5,000	540	700	525		1,765	3,235
Professional Services- Other	225,000				225,000	43,049	29,436	31,925		104,410	120,590
Insurance - Property & Liability	2,800				2,800	2,139		2,010		4,149	(1,349)
Accounting	7,500				7,500	-	7,500	-		7,500	-
Administrative Expenses - Other	7,200				7,200	4	2,790	224		3,018	4,182
Subtotal	297,500	-	-	-	297,500	53,368	44,739	41,123	-	139,229	158,271
Total Expenses	\$ 297,500	\$ 13,882,039	\$ 1,281,389	\$ 2,059,962	\$ 17,520,890	\$ 3,382,941	\$ 4,865,575	\$ 3,017,226	\$ -	\$ 11,265,743	\$ 6,255,147

Net Income (Loss) Before Transfers	\$ -	\$ -	\$ 1,668	\$ 125,000	\$ 126,668							
Transfers In: Maint. Reserve Funds Used			-		-						-	126,668
Transfers Out: Maint. Reserve Funds Collected	-	-	(1,668)	(125,000)	(126,668)						-	-
Net Income (Loss) After Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PBWA Maintenance Reserve	Administrative	TVMWD	LHHCWD	CDWC	Total							
Beginning Balance July 1, 2014	\$ -	\$ -	\$ -	\$ -	\$ 20,590	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers In	-	-	1,668	125,000	126,668						-	126,668
Transfers Out					-						-	-
Ending Balance June 30, 2015	\$ -	\$ -	\$ 1,668	\$ 125,000	\$ 147,258	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 126,668

Capital Projects

PBWA Capital Project: Pomona Basin Regional Groundwater ¹	09/30/15	12/31/15	03/31/16	06/30/16	Year to Date	Life to Date
REVENUES:						
Member Assessment - RWD	\$ 100,171	\$ 8,269	\$ 19,267		\$ 127,707	\$ 922,680
Member Assessment - WVWD	100,171	8,269	\$ 19,267		127,707	922,681
Other - TVMWD	-	-		-	-	186,283
Total Revenues	200,342	16,538	38,534	-	255,414	2,031,643
EXPENSES:						
Professional Services - RMC Invoices	200,342	14,038	38,459		252,839	1,036,188
Materials & Supplies		2,500	75		2,575	995,455
Total Expenses	\$ 200,342	\$ 16,538	\$ 38,534	\$ -	\$ 255,414	\$ 2,031,643

1. Includes professional fees for preliminary investigation work and feasibility assessment that was expensed by the Agency in the amount of \$457,439

PBWA Capital Project: Cal Domestic Water Company ²	09/30/15	12/31/15	03/31/16	06/30/16	Year to Date	Life to Date
REVENUES:						
Member Assessment - RWD	\$ 2,235		\$ 278,274		\$ 280,509	\$ 3,626,126
Member Assessment - WVWD	\$ 2,235		278,274		280,509	3,626,126
Total Revenues	4,470	-	556,547	-	561,017	7,252,252
EXPENSES:						
CDWC Pump Station and Pipeline	4,470		556,547		561,017	7,252,252
Total Expenses	\$ 4,470	\$ -	\$ 556,547	\$ -	\$ 561,017	\$ 7,252,252

2. Excludes \$2 million capital improvement fee paid to CDWC directly by the WVWD and RWD.

PBWA Capital Project: Purchased Water Rights	09/30/15	12/31/15	03/31/16	06/30/16	Year to Date	Life to Date
REVENUES:						
Member Assessment - RWD	\$ -	\$ -		\$ -	\$ -	\$ 5,201,477
Member Assessment - WVWD	-	-		-	-	5,201,477
Total Revenues	-	-	-	-	-	10,402,954
EXPENSES:						
Water Rights	-	-		-	-	10,402,954
Total Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,402,954

PBWA Capital Project: Purchased Cyclic Storage Water	09/30/15	12/31/15	03/31/16	06/30/16	Year to Date	Life to Date
REVENUES:						
Member Assessment - RWD	\$ -	\$ -	\$ 481,047		481,047	481,047
Member Assessment - WVWD	\$ -	\$ -	\$ 481,047		481,047	481,047
Other - CDWC Purchased Water	1,746,000	-		-	1,746,000	1,746,000
Total Revenues	1,746,000	-	962,093	-	2,708,093	2,708,093
EXPENSES:						
Cyclic Storage Water	1,241,090	505,409	962,093	-	2,708,592	2,708,592
Total Expenses	\$ 1,241,090	\$ 505,409	\$ 962,093	\$ -	\$ 2,708,592	\$ 2,708,592

PUENTE BASIN WATER AGENCY
STATEMENT OF CASH FLOWS
FY 2015-16

		BEGINNING BALANCE JULY 1, 2015		\$ 25,533.64
<u>Deposits:</u>				
		Rowland	\$ 3,661,121.69	
		WVWD	9,154,106.64	
		Bellflower	31,250.00	
		Cal-Domestic Water	1,746,000.00	
		TVMWD	25,640.00	14,618,118.33
		Total Deposits		14,643,651.97
<u>Disbursements</u>				
<u>Date</u>	<u>Check #</u>	<u>Payee</u>		
07/14/15	1016	RMC Water & Environment	(48,518.58)	
07/14/15	1017	TVMWD	(969,405.81)	
08/05/15	1018	RMC Water & Environment	(71,758.63)	
08/05/15	1019	Rowland Water District	(18,210.49)	
08/05/15	1020	Hill Brothers Chemical Co.	(948.80)	
08/05/15	1021	Lagerlof, Senecal, Gosney & Kruse	(1,170.00)	
08/05/15	1022	Inland Water Works	(3,388.81)	
08/05/15	1023	LASER LLC	(1,231.36)	
08/05/15	1024	The Furman Group	(10,080.00)	
08/05/15	1025	Steve-D Services	(1,690.00)	
08/05/15	1026	Bank of America	(243.16)	
08/05/15	1027	WVWD-Admin fees	(4,200.52)	
08/12/15	1028	Doty Bros. Equipment	(191,818.01)	
08/12/15	1029	TVMWD	(988,703.31)	
09/15/15	1030	TVMWD	(959,229.21)	
09/15/15	1031	RMC Water & Environment	(47,124.04)	
09/15/15	1032	LASER LLC	(3,317.92)	
09/15/15	1033	The Furman Group	(20,170.00)	
09/15/15	1034	Civiltec Engineering	(2,160.00)	
09/15/15	1035	Rowland Water District	(419.42)	
09/15/15	1036	Lagerlof, Senecal, Gosney & Kruse	(3,465.00)	
09/15/15	1037	Univar USA Inc	(781.27)	
10/07/15	1038	Rowland Water District	(22.24)	
10/07/15	1039	Lagerlof, Senecal, Gosney & Kruse	(2,340.00)	
10/07/15	1040	RMC Water & Environment	(45,840.50)	
10/07/15	1041	ACWA/JPIA	(2,139.00)	
10/07/15	1042	TVMWD-Cyclic	(1,241,089.70)	
10/07/15	1043	Doty Bros. Equipment	(574,375.92)	
10/07/15	1044	TVMWD	(1,169,277.21)	
10/08/15	1045	Inland Engineering Tech	(2,850.00)	
10/08/15	1046	Rowland Water District	(948.49)	
10/13/15	1047	So. Calif. Regional Rail Authority	(2,500.00)	
10/23/15	1048	LASER LLC	(2,232.20)	
10/23/15	1049	The Furman Group	(10,000.00)	

**PUENTE BASIN WATER AGENCY
STATEMENT OF CASH FLOWS
FY 2015-16**

10/23/15	1050	Lagerlof, Senecal, Gosney & Kruse	(1,830.00)	
10/23/15	1051	Bank of America	(4.42)	
11/16/15	1052	TVMWD	(1,197,505.81)	
12/07/15	1053	RMC Water & Environment	(120,434.21)	
12/07/15	1054	RWD - VOID	-	
12/07/15	1055	The Furman Group	(10,080.00)	
12/07/15	1056	Hill Brothers Chemical Co.	(948.80)	
12/07/15	1057	Lagerlof, Senecal, Gosney & Kruse	(1,365.00)	
12/07/15	1058	Civiltec Engineering	(700.00)	
12/07/15	1059	DavisFarr	(4,000.00)	
12/07/15	1060	Steve-D Services	(260.00)	
12/09/15	1061	Rowland Water District	(5,067.75)	
12/09/15	1062	TVMWD	(1,638,914.81)	
01/07/16	1063	TVMWD	(2,222,683.11)	
01/07/16	1064	Rowland Water District	(16,240.65)	
01/07/16	1065	Hill Brothers Chemical Co.	(948.80)	
01/07/16	1066	ACWA - Dues	(2,790.00)	
01/07/16	1067	LASER LLC	(2,850.60)	
01/07/16	1068	Lagerlof, Senecal, Gosney & Kruse	(1,568.75)	
01/07/16	1069	Univar USA Inc	(993.14)	
01/07/16	1070	Water Replenishmnt Dist. of So.Calif.	(686.92)	
02/11/16	1071	The Furman Group	(16,505.00)	
02/11/16	1072	Hill Brothers Chemical Co.	(2,129.80)	
02/11/16	1073	DavisFarr	(3,500.00)	
02/11/16	1074	Rowland Water District	(43,607.86)	
02/11/16	1075	Lagerlof, Senecal, Gosney & Kruse	(2,926.25)	
02/11/16	1076	RMC Water & Environment	(9,514.51)	
02/11/16	1077	LASER LLC	(3,865.88)	
02/11/16	1078	TVMWD	(1,356,146.01)	
02/22/16	1079	LA County Register/County Clerk	(75.00)	
03/02/16	1080	Civiltec Engineering	(210.00)	
03/02/16	1081	John Robinson Consulting	(600.00)	
03/02/16	1082	Pacific Hydrotech Corporation	(5,678.61)	
03/02/16	1083	Inland Water Works	(4,481.54)	
03/02/16	1084	LASER LLC	(1,823.00)	
03/02/16	1085	Univar USA Inc	(1,158.66)	
03/02/16	1086	West Coast Pipe	(29,672.86)	
03/15/16	1087	TVMWD	(1,083,045.53)	
03/15/16	1088	RMC Water & Environment	(12,925.25)	
03/15/16	1089	Univar USA Inc	(1,160.70)	
03/15/16	1090	Civiltec Engineering	(315.00)	
03/15/16	1091	ACWA/JPIA	(2,010.00)	
03/15/16	1092	Rowland Water District	(47,497.05)	
03/15/16	1093	Platinum Consulting Grp	(5,516.25)	
03/29/16	1094	Doty Bros. Equipment	(293,610.42)	
03/29/16	1095	Lagerlof, Senecal, Gosney & Kruse	(2,792.50)	
03/29/16	1096	LASER LLC	(2,309.72)	
03/29/16	1097	Civiltec Engineering	(720.00)	

PUENTE BASIN WATER AGENCY
STATEMENT OF CASH FLOWS
FY 2015-16

03/29/16	1098	Uline	(1,912.64)	
03/29/16	1099	Hill Brothers Chemical Co.	(3,519.60)	
			-	
		Total Disbursements		(14,570,752.01)
		ENDING BALANCE MARCH 31, 2016		\$ 72,899.96

PUENTE BASIN WATER AGENCY

May 5, 2016

TO: Board of Commissioners
FROM: Michael Holmes
RE: Update - Proposition 84: Round 3A, Integrated Regional Water Management (IRWM) Grants

Recommendation

It is recommended that the Commission of the Puente Basin Water Agency receive the updates provided below.

Background

Proposition 84, Round 3A: As a part of the State's drought response, in January 2014, the Governor and Legislature directed Department of Water Resources (DWR) to expedite the solicitation and award of \$200 million (of the \$472.5 million) in available *Integrated Regional Water Management* (IRWM) funding to support projects and programs that provide immediate regional drought preparedness, increase local water supply reliability and the delivery of safe drinking water, assist water suppliers and regions to implement conservation programs and measures that are locally cost-effective, and/or reduce water quality conflicts or ecosystem conflicts created by the drought. PBWA applied for and received a \$3 million, Prop. 84, grant.

Prop 84, Round 3A

Date	Item
July 21, 2014	Applications Due
Dec 2014	<ul style="list-style-type: none">Received the "Award Letter" from DWR, along with a list of documents required within 30 days to finalize the IRWM Drought Grant Award.
2015	<ul style="list-style-type: none">The DWR Prop 84 2014 Drought Round Grant Agreement was fully executed with Los Angeles County (<i>our comments were not utilized</i>).Kick off Meeting: July 14, 2015, at LA County Public Works headquarters (Tom Coleman and Erik Hitchman attended on behalf of the PBWA)The DWR conducted a site visit to our project, on July 14.August 18, First Project Report and Invoice due for the period from project inception through July 31, 2015Second Quarterly Report were due November 16th for the period August 1, 2015- October 31, 2015
2016	<ul style="list-style-type: none">April 2016: The DWR check for grant reimbursement for Invoice 1 has been received in the amount of \$ 307,941.
Work Progress	<ul style="list-style-type: none">Staff continues planning and working with La Verne on the design and planning of facilities and sites (a verbal report will be provided at the meeting).

PUENTE BASIN WATER AGENCY

May 5, 2016

TO: Board of Commissioners
FROM: Michael Holmes
RE: Update - Proposition 1 (2014 Bond Funding), Integrated Regional Water Management (IRWM) Grants¹

Recommendation

It is recommended that the Commissioners receive the updates provided below.

Background

The following is a summary of our April 21 Proposition 1 Project Update Meeting with Ms. Wendy La, of LASER Consulting PBWA staff.

- Discussion of the timetable and possible PBWA projects for Proposition 1 IRWM Projects and Recycled water projects.
 - ✓ Disadvantaged Community Coordinator (DAC) /Contract and Scope-of-Work (SOW): A draft DAC SOW will be presented to the Planning Committee, Sub regions, and Leadership Committee in May. The Greater Los Angeles County Region (of which we are a member) will 'take the lead' on this relative to the \$9.8 million Proposition 1 DAC Involvement Grant Funding. There is also a "zero match" for the \$9.8 million grant funding. This funding can go towards planning, etc.
 - ✓ PBWA will participate in the DAC Committee or Working Group in order to stay current with the DAC requirements.
 - ✓ There will be an additional "minimum" of \$9.8 million for construction projects during the "Prop 1 IRWM Implementation Grant" phase (tentatively scheduled for early 2017).
- Governor Brown is proposing additional appropriations from Proposition 1 in the 2016-2017 state budget. The four new proposed expenditures include appropriations for the Klamath Hydroelectric Settlement Agreement; the Central Valley Project Improvement Act; the San Joaquin River Settlement Agreement that includes a portion to the Department of Fish and Wildlife; and a proposal to protect the habitat for the Salton Sea.

Attachments:

- DRAFT Prop 1 Program Development Schedule (as of March 29, 2016)
- Upcoming Schedules

¹ Proposition 1, the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Assembly Bill 1471, Rendon) Prop 1 authorizes \$7.545 billion in general obligation bonds for water projects including surface and groundwater storage, ecosystem and watershed protection and restoration, and drinking water protection.

DRAFT Prop 1 Program Development Schedule

DRAFT document will continue to be updated as timelines are finalized and appropriations are approved.

Administering Agency/Dept/Board/Council/Conservancy	Name of Program	Water Code Section	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	
State Water Resources Control Board	Small Community Wastewater	79723	Continuous solicitation												
State Water Resources Control Board	Clean, Safe and Reliable Drinking Water	79724 (a)(1)	Continuous solicitation												
Baldwin Hills Conservancy	Baldwin Creek/Baldwin Hills Watershed Program	79731 (a)	Grant Round Solicitation #3			Grant Round Solicitation #4			FY 16-17: Solicitation Round 1			FY 16-17: Solicitation Round 2			
Tahoe Conservancy	Proposition 1 Grant Program	79731 (b)			Recommendations for Board Approval: Round 1		Possible additional Recommendations for Board Approval: Round 1		Possible Additional Recommendations for Board Approval: Round 1						
Coachella Valley Mountains Conservancy	Coachella Valley Multibenefit Ecosystem and Watershed Protection and Restoration Projects Grant Program	79731 (c)			Solicitation #2		Proposals Due Solicitation #2					Solicitation #3			
Ocean Protection Council	Proposition 1 Grant Program	79731 (d)		Full Proposals Due			Recommendation presented to council								
San Diego River Conservancy	Water Quality and Supply, Watershed Restoration and Habitat Enhancement Program	79731 (e)	Recommendations for Board Approval: Round 1		Recommendations for Board Approval: Round 1		Round 2 Concept Proposals Due				Round 2 Full Application Due		Recommendations for Board Approval: Round 2		
San Gabriel and Lower LA Rivers and Mountains Conservancy	Multibenefit Water Quality, Water Supply, and Watershed Protection and Restoration Program	79731 (f)	Applications Due				Recommendations for Board Approval								
San Joaquin River Conservancy	San Joaquin River Conservancy Multi-Benefit Watershed Protection and Restoration Program	79731 (g)	Applications Reviewed		SJRC Board Approval of Grants			SJRC Grants to Wildlife Conservation Board for Approval	Grants executed, notices to proceed		Anticipated release of Proposal Solicitation Package for 2016/17 cycle			Anticipated due date for Proposal Solicitation Package for 2016/17 cycle	
Santa Monica Mountains Conservancy	Multibenefit Water Quality, Water Supply, and Watershed Protection and Restoration Program	79731 (h)	Round 2 Grants Solicitation Open	Round 2 Applications Due	Recommendations for Board Approval: Round 2	Round 3 Grants Solicitation Open	Round 3 Applications Due	Recommendations for Board Approval: Round 3	Round 4 Grants Solicitation Open	Round 4 Applications Due	Recommendations for Board Approval: Round 4	Round 5 Grants Solicitation Open	Round 5 Applications Due	Recommendations for Board Approval: Round 5	
Sierra Nevada Conservancy	Sierra Nevada Watershed Improvement Program	79731 (i)	Round 1 Grants Reviewed		Round 2 Applications Due; Recommendations for Board Approval Round 1	Round 2 Grants Reviewed		Recommendations for Board Approval: Round 2	Round 2 Grants Reviewed		Round 3 Applications Due; Recommendations for Board Approval Round 2	Round 3 Grants Reviewed		Recommendations for Board Approval Round 3	
Coastal Conservancy	Proposition 1 Grant Program	79731 (j)		Round 3 Grants Solicitation Open	Recommendations for Board Approval: Round 1; Round 3 Proposals Due		Recommendations for Board Approval: Round 2; Round 4 Grants Solicitation Open	Round 4 Proposals Due		Round 5 Solicitation Open	Recommendations for Board Approval: Round 5 proposals Due		Round 5 Recommendations, Round 6 Solicitation Open	Recommendations for Board Approval: Round 6 Proposals Due	
Sacramento-San Joaquin Delta Conservancy	Proposition 1 Grant Program	79731 (k)	Concept Proposals for Board Approval		Full Proposals Due		Recommendations for Board Approval				Round 2 Grant Solicitation Open		Concept Proposals Due		
Wildlife Conservation Board	Stream Flow Enhancement Program	79733		Recommendations for Board Approval	Round 2 Solicitation Development		Draft Solicitation Public Review	Solicitation to WCB Board for Approval	Solicitation Open until August 30		Proposal Review Period		Selection Panel Recommendations		
Santa Monica Mountains Conservancy and San Gabriel and Lower LA Rivers and Mountains Conservancy	An Urban Creek	79735 (a)	In Process of Being Developed												
Natural Resources Agency	Watershed and Urban River Enhancements Program	79735 (b)(1)	Develop Guidelines		Submit to Agency for approval	Release Draft Guidelines for public comment	Public Hearings	Finalize Guidelines for Secretary approval	Technical Workshops	Technical Workshops/Solicitation			Applications Due		
Natural Resources Agency	State Obligations	79736	Governor's Budget Proposal Released	Programs/Projects in Development											
Department of Fish and Wildlife	Watershed Restoration and Delta Water Quality and Ecosystem Restoration Grant Programs	79737 (a) and 79738 (b)	FY 2015-16 Awards Announced		Anticipated Release of Draft FY 2016-17 Solicitation for Public Comment	Public Meeting for Draft Solicitation / Anticipated Release of Final FY 2016-17 Solicitation	Anticipate Proposals Due	Anticipate Proposals Reviewed			Anticipated Selection Panel and Final Award Approval		Anticipated FY 2016-17 Awards Announced		
Department of Water Resources	Integrated Regional Water Management	79744 (a)	Public comment period - Draft Guidelines, Planning Grant PSP, and Disadvantaged Communities (DAC) Involvement RFP				Release Final Guidelines, Planning Grant PSP, and DAC Involvement RFP	Planning Grant Solicitation and awards (June-September) DAC Involvement RFP and awards (June-November)							
Department of Water Resources	Water Use and Efficiency Grants - Urban and Ag	79746 (a)	Release Final Ag WUE PSP	Accept Proposals for Ag WUE Grants		Review Proposals for Ag WUE Grants / Release Final Guidelines and PSP for CalConserve Loans	Review Ag WUE Proposals / Accept Proposals for CalConserve Loans	Release Draft Funding Awards for the Ag WUE PSP	Release Final Funding Awards for Ag WUE Grants / Release Draft Funding Awards for CalConserve Loans	Release Final Funding Awards for Ag WUE Grants / Release Draft Funding Awards for CalConserve Loan Program	Develop Grant agreements for the Ag WUE PSP and Loan agreements for the CalConserve Program				
State Water Resources Control Board	Stormwater	79747	Solicitation opens		Applications Due: Planning			Applications Due: Implementation							
Water Commission	Water Storage Investment Program	79750 (b)	Submit First Regulation Package to OAL upon Commission Approval	Formal Rulemaking Process for First Regulation Package. Development of other regulation packages.										Upon adoption of regulations, applications will be evaluated.	
Department of Water Resources	Water Desalination Grant Program	79765		Staff Program Development		Final Program Development and Internal Review		Final Approval to Post Public Draft	Post draft guidelines/ public workshops		Post final PSP/ open application period		Review applications/ announce draft grant awards		
State Water Resources Control Board	Water Recycling	79765	Continuous solicitation												
State Water Resources Control Board	Groundwater Sustainability	79771	Pre-application open	Draft Guidelines	Public Workshops on Draft Guidelines		Final Guidelines	Solicitation opens			1st round awards				
Department of Water Resources	Sustainable Groundwater Planning	79775		Award Grants for Counties with Stressed Basins						Sustainable GW Plan - Development of Draft Proposal Solicitation Package for Grants					
Department of Water Resources and Central Valley Flood Protection Board	Flood Management	79780	In Process of Being Developed												

Draft as of 3/29/16. DRAFT. Document will continue to be updated as timelines are finalized and appropriations are approved.

UPCOMING SCHEDULES

GRANTS

Planning Grant Proposal Solicitation Package (PSP)

Event	Schedule
Release of Draft Planning PSP	January 22, 2016
Public Workshops on Draft PSP	February & March 2016
Public Comment Period Closes	April 8, 2016 5:00 p.m.
Release of Final Planning PSP	April 2016
Applicant Workshops (Webcast Available)	May 2016
Approve Final Awards	September 2016

Disadvantaged Community Involvement Request for Proposals (RFP)

Event	Schedule
Release of Draft DAC Involvement RFP	January 22, 2016
Public Workshops on Draft DAC Involvement RFP	February & March 2016
Public Comment Period Closes	April 8, 2016 5:00 p.m.
Release of Final DAC Involvement RFP	April 2016
Approve Final Awards	September 2016

Implementation Grant Program/DAC Project funding - TBD

CONSULTANT SERVICES

On-Call Consultant Support Services

Event	Schedule
Subcommittee finalizes RFP	April
Release of RFP on West Basin's Network Bid System	Late-April
Qualifications Due	Late-May
Subcommittee Reviews/Interviews Candidates	Mid-June
West Basin Board Consideration	July 2016

Disadvantaged Community Coordinator Services

Event	Schedule
Steering Committees Review Draft Scope of Work	April
Leadership Committee Approves Final SOW	May
RFP Released	Early June
Proposals Due	Early July
Subcommittee Reviews/Interviews Candidates	Mid-July
Candidate(s) Selected	<i>July/August 2016</i>

PUENTE BASIN WATER AGENCY

May 5, 2016

TO: Board of Commissioners
FROM: Michael Holmes
RE: Update – Water Resource Development Act

Recommendation

That the Commission review and discuss the information provided.

Background

On June 10, 2014, President Barack Obama signed the *Water Resources Reform Development Act* (WRRDA) into law. The bipartisan bill streamlines the Army Corps infrastructure authorization process, authorizes new projects, de-authorizes old projects, and accelerates project delivery. Prior action included Senate approval (on May 22) of the Conference Report by a vote of 91-7, after the House had done so earlier in April by a vote of 412-4. Chairman Schuster of the House Conference Committee indicated that he is already working on the next water bill, and expects to move it in the upcoming 114th Congress, which begins in January of 2015. This legislation needs to be authorized every two years and that process finally appears to be getting underway.

Update

On Thursday, April 28, a \$9.3 billion bill authorizing improvements to the nation's navigation and drinking water infrastructure easily cleared the Senate Environment and Public Works Committee today. In what might have been a speed record for a bill markup (about 15 minutes), the committee voted 19-1 to approve the 2016 Water Resources Development Act, which includes \$4.5 billion for U.S. Army Corps of Engineers water resources projects and \$4.852 billion for drinking water and clean water infrastructure. The 2014 WRDA bill did not authorize any drinking water/clean water funding.

"I applaud our committee in taking this significant step forward to improve our nation's water infrastructure," Environmental and Public Works Chairman James Inhofe, R-OK, said, "This bill is not only fully paid for, it prioritizes projects to improve ports and waterways for increased global competitive advantage and supports needed flood control projects that protect millions of people and billions of dollars' worth of infrastructure."

The bill includes provisions to allow the Corps to accept financial assistance from local communities seeking to improve navigation and flood control. It also makes permanent a program included in the 2014 WRDA bill—*The Water Infrastructure Finance and Innovation Act*—to provide low interest rate financing for large dollar-value projects. The bill also provides critical investment in the country's aging drinking water and wastewater infrastructure, assists poor and disadvantaged communities in meeting public health standards under the Clean Water Act and Safe Drinking Water Act, and promotes innovative technologies to address drought and other critical water resource needs. The bill also responds to the drinking water crisis in Flint, Michigan, by providing emergency assistance to Flint and other similar communities across the country facing drinking water contamination.

Attachments:
Committee Summary—The Water Resources Development Act of 2016



The Water Resources Development Act of 2016

By

Sen. James Inhofe
Chairman, Environment and
Public Works Committee

Sen. Barbara Boxer
Ranking Member, Environment and Public
Public Works Committee

The Water Resources Development Act of 2016 (WRDA) authorizes 25 critical Army Corps projects in 17 states. These projects, which have undergone Congressional scrutiny and have completed reports of the Chief of Engineers, will strengthen our nation's infrastructure to protect lives and property, restore vital ecosystems to preserve our natural heritage, and maintain navigation routes for commerce and the movement of goods to keep us competitive in the global marketplace.

The bill provides critical investment in the country's aging drinking water and wastewater infrastructure, assists poor and disadvantaged communities in meeting public health standards under the Clean Water Act and Safe Drinking Water Act, and promotes innovative technologies to address drought and other critical water resource needs. The bill also responds to the drinking water crisis in Flint, Michigan, by providing emergency assistance to Flint and other similar communities across the country facing drinking water contamination.

The bill:

- **Invests in the Nation's Ports and Inland Waterways to Improve Commerce**

Ports and waterways in the United States moved over 2.3 billion tons of goods in 2014. These ports and waterways require dredging, maintenance and modernization to ensure the efficient, safe and timely movement of goods.

The bill authorizes improvements to ports around the country. These improvements at ports such as Port Everglades, Florida, and Charleston Harbor, South Carolina, will help expand the flow of commerce and improve goods movement.

The bill builds on the reforms in WRRDA 14 to the Harbor Maintenance Trust Fund (HMTF) by clarifying the targets for increased HMTF funding, extending prioritization for donor and energy transfer ports and emerging harbors, and making clear that the Corps can maintain harbors of refuge.

- **Improves Flood Protection and Safety for Communities**

The bill authorizes critical flood control and coastal hurricane protection projects across the country, including rebuilding levees in Kansas, Missouri, North Carolina, and Texas, and providing hurricane protection in Louisiana, which includes protection for I-10 -- the major hurricane evacuation corridor for the city of New Orleans.

Our nation's dams are improperly maintained and are aging quickly, which poses significant safety and economic risks. Of the 84,000 dams in America, the average dam is 52 years old, and 14,000 are considered high hazard, meaning failure would cause significant loss of life and damage to the surrounding area. The bill authorizes the Federal Emergency Management Agency to provide assistance to rehabilitate high hazard potential dams.

The bill updates the Corps emergency rebuilding authority for flood control projects (PL84-99) to allow the Corps to rebuild projects stronger than originally designed if it will reduce risk of loss of life and property and minimize life cycle rehabilitation costs. The bill also allows the Corps to implement nonstructural alternatives, including wetland, stream, and coastal restoration.

- **Restores Ecosystems and Promotes Public Access for Recreation**

The bill authorizes numerous projects to restore precious ecosystems and preserve the nation's natural heritage, including a project critical to the ongoing restoration of the Florida Everglades and a project to revitalize the Los Angeles River. The bill also promotes restoration of nationally-significant water bodies and ecosystems, including the Great Lakes, Columbia River, Puget Sound, Salton Sea, Chesapeake Bay, North Atlantic Coast, Rio Grande, Lake Tahoe, and Long Island Sound.

The bill requires the Corps to provide a plan for prioritizing ecosystem restoration projects that address identified threats to public health and preserve or restore ecosystems of national significance. It also expands the ability of non-Federal service providers to operate Corps recreation facilities, allowing parks closed due to budget cuts to reopen.

- **Addresses High Priority, Regional Water Resources Issues**

Waterways do not stop at the state border, and greater cooperation is needed to address issues that affect different regions of the country. The bill focuses on regional initiatives to address important water resource issues that impact communities across the country.

In addition to restoring nationally significant ecosystems, these initiatives improve sediment management, prevent ice jams, and ensure adequate snowpack and drought monitoring in the Missouri River basin; restore oyster beds in the Gulf of Mexico and Chesapeake Bay; reduce flood risk in the Columbia River; and identify opportunities to provide system-wide flood protection in the Upper Mississippi and Illinois Rivers.

- **Streamlines Reviews and Increases Local Participation**

The bill streamlines the process for approval of modifications to existing Corps projects and for new water withdrawals from Corps reservoirs. It also makes it easier for non-Federal partners to carry out portions of a project in advance of the Corps and receive credit for the work completed. Finally, the bill expands the role of local partners in implementation of water resource projects, including expanding the opportunity for non-Federal interests to carry out Corps projects and to contribute goods and services for a Corps project.

- **Promotes Innovative Technologies to Address Water Resources Challenges**

Innovative water technologies, such as desalination and water reuse and recycling, can help address drought and other serious water resource challenges. The bill provides critical support for development and implementation of these technologies by allowing states to provide additional incentives for the use of innovative technologies through the State Revolving Fund programs and establishing a new innovative water technology grant program. The bill also reauthorizes successful programs that invest in water resources research and implementation of emerging technologies, including the Water Desalination Act of 2006 and the Water Resources Research Act. Finally, the bill encourages partnerships with other countries with expertise in dealing with water resource challenges.

- **Increases Flexibility and Federal Assistance to Address Drought**

Ongoing drought is creating significant challenges for many communities across the country. The bill takes multiple steps to provide additional support to drought-stricken communities, including requiring the development of drought resilience guidelines to help communities better prepare and respond to drought and requiring the Corps to update the operation of its reservoirs to incorporate new technologies and better meet project purposes, including water supply needs. The bill also allows non-Federal interests to provide funding to the Corps to update or modify project operations to improve water supply.

- **Provides Essential Investment in Drinking Water and Wastewater Infrastructure**

Numerous studies have shown the significant gap between water infrastructure investment needs and the funding available. The American Society of Civil Engineers gives drinking water and wastewater infrastructure in the U.S. a grade of “D”. Additional investments in water infrastructure create jobs, grows the economy, and increase Federal tax revenues.

The bill would help improve the nation’s failing water infrastructure by modernizing the State Revolving Loan Fund programs, reauthorizing funding to control sewer overflows, and providing additional assistance for replacement of lead service lines and to support infrastructure needs in disadvantaged communities. The bill also helps poor and disadvantaged communities by providing technical assistance and enabling communities to plan for infrastructure investments in a manner that prioritizes public health while minimizing impacts on ratepayers.

The bill provides direct emergency assistance to address the drinking water contamination in Flint, Michigan, and provides assistance to other communities facing similar drinking water threats.

PUENTE BASIN WATER AGENCY

May 5, 2016

TO: Board of Commissioners
FROM: Michael Holmes
RE: Commission Follow Up

Recommendation

For information only.

Background

Following is an update regarding matters that have recently come before the Commission.

Item	Meeting Date	Commission Activity	Completed	Follow-Up
Proposed Annual PBWA Budget for FY 2016-2017	4/07/16	Approve the PBWA Operating Budget for Fiscal Year 2016-2017		Pending approval from member agencies' Board of Directors. Ratification scheduled for the May 5, 2016 PBWA meeting.