



SAWPA

SANTA ANA WATERSHED PROJECT AUTHORITY
11615 Sterling Avenue, Riverside, California 92503 • (951) 354-4220

NOTICE OF REGULAR MEETING OF THE PROJECT AGREEMENT 22 COMMITTEE

Interregional Landscape Water Demand Reduction Program

Committee Members:

Joe Grindstaff, General Manager, Inland Empire Utilities Agency
Doug Headrick, General Manager, San Bernardino Valley Municipal Water District
Paul D. Jones, General Manager, Eastern Municipal Water District
Michael Markus, General Manager, Orange County Water District
John Rossi, General Manager, Western Municipal Water District

THURSDAY, MAY 26, 2016 – 8:00 A.M.

AGENDA

1. CALL TO ORDER (Larry McKenney, Convener)

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 28, 2016 3

Recommendation: Approve as posted.

4. COMMITTEE DISCUSSION ITEMS

A. AERIAL MAPPING PROJECT UPDATE (PA22#2016.10) 9

- Staff Memo
- Preliminary Presentation

Recommendation: Receive and file this update on the Aerial Mapping Project.

B. HIGH VISIBILITY TURF REMOVAL AND RETROFIT PROJECT UPDATE (PA22#2016.11) 15

- Staff Memo
- Preliminary Presentation

Recommendation: Receive and file this update on the High Visibility Turf Removal Retrofit Project.

C. CONSERVATION-BASED WATER RATES PROJECT UPDATE (PA22#2016.12)..... 23

- Staff Memo
- Milestone Summary Table
- Letter from West Valley Water District
- Preliminary Presentation

Recommendation: Receive and file this update on the Conservation Based Water Rates Project.

D. STATUS REPORT ON PROGRAM BUDGET (PA22#2016.13)..... 29

- Staff Memo
- Preliminary Presentation

Recommendation: Receive and file this update on the Budget for the Interregional Landscape Water Demand Reduction Program, also known as the Emergency Drought Grant Program.

E. METROPOLITAN WATER DISTRICT CONSERVATION PROGRAM FUNDING IN THE FYE 2017 AND FYE 2018 BIENNIAL BUDGET

Recommendation: Discuss specific proposals for additional MWD conservation activities.

5. FUTURE AGENDA ITEMS

6. ADJOURNMENT

PLEASE NOTE:

Americans with Disabilities Act: Meeting rooms are wheelchair accessible. If you require any special disability related accommodations to participate in this meeting, please contact (951) 354-4220 or kberry@sawpa.org. Notification at least 48 hours prior to the meeting will enable staff to make reasonable arrangements to ensure accessibility for this meeting. Requests should specify the nature of the disability and the type of accommodation requested.

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

Declaration of Posting

I, Kelly Berry, Clerk of the Board of the Santa Ana Watershed Project Authority declare that on Thursday, May 19, 2016, a copy of this agenda has been uploaded to the SAWPA website at www.sawpa.org and posted in SAWPA's office at 11615 Sterling Avenue, Riverside, California.

/s/

Kelly Berry, CMC

<u>2016 – Project Agreement 22 Committee Regular Meetings</u>	
(NOTE: Unless otherwise noted, all Committee meetings begin at 8:00 a.m. and are held at SAWPA.)	
January 28, 2016 [cancelled]	July 28, 2016
February 25, 2016	August 25, 2016
March 24, 2016 [cancelled]	September 22, 2016
April 28, 2016	October 27, 2016
May 26, 2016	November 17, 2016*
June 23, 2016	December 22, 2016
* Meeting date adjusted due to conflicting holiday.	



PROJECT AGREEMENT 22 COMMITTEE
Interregional Landscape Water Demand Reduction Program
REGULAR MEETING MINUTES
April 28, 2016

COMMITTEE MEMBERS PRESENT

Joe Grindstaff, General Manager, Inland Empire Utilities Agency
Doug Headrick General Manager, San Bernardino Valley Municipal Water District
Paul D. Jones, General Manager, Eastern Municipal Water District
Michael Markus, General Manager, Orange County Water District
John Rossi, General Manager, Western Municipal Water District
Larry McKenney, Executive Counsel, Santa Ana Watershed Project Authority – Convener [Non-Voting]

COMMITTEE MEMBERS ABSENT

There were no absent Committee Members.

STAFF PRESENT

Celeste Cantú, Mark Norton, Ian Achimore, Dean Unger, Jerry Oldenburg, Rick Whetsel, Zyanya Blancas

1. CALL TO ORDER (Larry McKenney, Convener)

The meeting was called to order at 8:00 a.m. by Larry McKenney 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 25, 2016

Recommendation: Approve as posted.

MOVED, approve February 25, 2016 meeting minutes as posted.

Result:	Adopted (Unanimously; 5-0)
Motion/Second:	Grindstaff/Rossi
Ayes	Grindstaff, Headrick, Jones, Markus, Rossi
Nays:	None
Abstentions:	None
Absent:	None

4. COMMITTEE DISCUSSION ITEMS

A. CONSERVATION BASED RATES PROJECT SCHEDULING (PA22#2016.6)

Ian Achimore provided a PowerPoint presentation on Conservation-Based Water Rates Project Scheduling. In order to meet the Department of Water Resource (DWR) Grant Agreement schedule of December 31, 2017, SAWPA set up milestones for the agencies that had entered into contracts as of November 1, 2015. Agencies include the City of Tustin, City of Rialto, City of Chino, City of Chino Hills, City of Riverside, City of San Jacinto, City of Hemet, City of Redlands, and the West Valley Water District. Their milestones are as follows:

- June 30, 2016 – Submit scope of work to SAWPA
- December 31, 2016 – Agencies final draft rate study must be presented to their elected board.

Agencies that entered into contracts after November 2015 include City of Garden Grove and Cucamonga Valley Water District. Their milestones are as follows:

- August 31, 2016 – Submit scope of work to SAWPA;
- March 31, 2017 – Agencies final draft rate study must be presented to their elected board.

Agencies are given a 15-month time period to complete their milestones. It was reported that staff at the City of Redlands had provided a rate study executive summary to their City Council on January 19, 2016. City Council declined the option to adopt budget-based rates. City of Redlands later inquired on their eligibility for reimbursement of the executive summary. SAWPA staff analyzed the board action, board memo, rate study, and scope of work presented and determined that the City of Redlands was not eligible for reimbursement. On April 5, 2016, the City of Redlands elected to withdraw from the Emergency Drought Grant Program.

Ian Achimore noted that DWR will not reimburse implementation costs after December 2017. In an effort to grant additional agencies a 15-month time period to complete their milestones, SAWPA staff recommended a deadline to submit a Letter of Interest by June 1, 2016. Agencies that submit a Letter of Interest after June 2016 will be brought to the Committee on a case-by-case basis, and must present their strategy to accelerate their milestones to meet the December 2017 deadline. SAWPA staff will work proactively in ensuring agencies understand the deadlines and if it affects their reimbursable cost later they will be put on notice.

Michael Markus voiced interest in seeing a schedule that displays where each individual agency is in the process. Mark Norton reminded the Committee of other funding opportunities under Proposition 1 and Santa Ana River Conservation and Conjunctive Use Program (SARCCUP). Currently there are only two agencies that require close coordination to move them along the process.

MOVED, approve the June 1, 2016 deadline for accepting additional agencies as participants in the Conservation-Based Water Rates Project.

Result:	Adopted (Unanimously; 5-0)
Motion/Second:	Jones/Grindstaff
Ayes	Grindstaff, Headrick, Jones, Markus, Rossi
Nays:	None
Abstentions:	None
Absent:	None

B. AERIAL MAPPING PROJECT CHANGE ORDER NO. 2 TO TASK ORDER RESO504-301-01 FOR MANAGEMENT AND IMAGE SUPPORT SERVICES (PA22#2016.7)

Dean Unger provided a PowerPoint presentation on the aerial mapping project Change Order No. 2 for management and image support services from Resource Strategies Inc. (RSI). It was recently discovered that the aerial imagery did not produce accurate vegetation classification due to weather changes during flight days. Change Order No. 2, in the amount of \$66,425, incorporates an additional step in the data analysis process where the images will be a tile mosaic into flight dates and image size. This will allow for a more accurate vegetation classification and would complete Richard Schulman's work.

It was noted that the data is being kept by SAWPA.

MOVED, Approve Change Order No. 2 to Task Order RESO504-301-01 with Resource Strategies Inc., in the amount of \$66,425 to provide management and image support services for the Aerial Imagery and LiDAR Project.

Result:	Adopted (Unanimously; 5-0)
Motion/Second:	Markus/Jones
Ayes	Grindstaff, Headrick, Jones, Markus, Rossi
Nays:	None
Abstentions:	None
Absent:	None

C. WEB-BASED WATER CONSUMPTION REPORTING AND CUSTOMER ENGAGEMENT PROJECT CONSULTANT PRESENTATION (PA22#2016.8)

Chelsea Minton, Senior Water Solutions Specialist at OmniEarth, provided a status update on the web-based water consumption reporting and customer engagement project, and presented a live product demonstration.

OmniEarth utilizes land cover classification as a foundation to understand parcel-by-parcel land cover for a particular agency's service area, allowing the agency to establish a water budget calculation and water use efficiency metric. They also provide a platform for agencies to view and analyze their aerial imagery data. DropCountr then provides the agency with a platform to track accounts and use the tools to communicate with the customer. They also provide the customer with a user friendly dashboard where they can keep track of their individualized water budget.

Currently, the City of Fullerton, City of Loma Linda, City of Tustin, City of Rialto, City of Brea, Monte Vista Water District, West Valley Water District, and Eastern Municipal Water District are participating agencies. It is anticipated that the Yorba Linda Water District, Irvine

Ranch Water District, City of Newport Beach, City of Ontario, City of Anaheim, and City of Colton will also become participating agencies.

Ms. Minton stated that OmniEarth has partnered with Near Map to provide agencies with high resolution aerial images that are updated every two-to-four months and will soon provide historical images of a residence. She noted that OmniEarth has expanded their water budget capability to include irrigable areas. Paul Jones stated that including irrigable areas is important when retrofitting a landscape and he appreciates this expansion. He also said that when we use these tools in working with the State on a long term water use efficiency standard, we need to have the flexibility to assign different conservation factors based on the actual time of landscape installation to provide a fair budget.

The PA 22 Committee agreed that the color identifications are very helpful. Paul Jones noted that with the color identifications, they were able identify their biggest abusers, which are commercial industrial customers.

Ms. Minton presented a brief video of DropCountr platform. Paul Jones voiced his appreciation with DropCountr's Heat Maps and how they were able to do substantial targeted outreach in certain communities and thanked OmniEarth and DropCountr for their presentations.

This item was for information purposes only; no action was taken on Agenda Item No. 4.C.

D. METROPOLITAN WATER DISTRICT CONSERVATION PROGRAM FUNDING IN THE FYE 2017 AND FYE 2018 BIENNIAL BUDGET (PA22#2016.9)

Larry McKenney provided a report on recent action taken by the Metropolitan Water District (MWD) board. MWD staff proposed a Conservation Program Budget that included the continuation of the Local Resource Program and the Rebate Program. It was proposed that \$27M be allocated to the Rebate Program in FYE 2017 and \$32M the year after that. During the workshop process, a foreseen surplus amount of approximately \$60M was expected at the end of FYE 2016. Normally the surplus funds would go into reserve, but due to a demand in conservation, the Board adopted it be carried over; \$10M would go to their onsite Retrofit Recycling Program, \$23M to fund waitlisted Turf Removal Projects, and it is not known how the remaining \$27M will be used.

Mr. McKenney suggested this be a good time to inform MWD of the Aerial Mapping Web-Based Water Consumption Reporting and Customer Engagement Projects, and recommended it be done on a larger regional scale with the remaining funds.

Paul Jones stated he has talked to MWD staff about the projects and suggested the idea of a larger scale project. He claims that if MWD were to move forward with the suggestion, it would service about 50% of the state. John Rossi also stated that DWR is interested in making the projects state-wide.

This item will be discussed in detail at the next PA22 Committee meeting; no action was taken on Agenda Item No. 4.D.

5. FUTURE AGENDA ITEMS

- Larry McKenney handed out a letter received April 25, 2016 from WaterSmart to the PA 22 Committee stating their interest in what the Committee will do in the future and ways they may be able to assist.

6. ADJOURNMENT

There being no further business for review, Convener McKenney adjourned the meeting at 9:01 a.m.

Approved at a Regular Meeting of the Project Agreement 22 Committee on Thursday, May 26, 2016.

Larry B. McKenney, Convener

Attest:

Kelly Berry, CMC
Clerk of the Board

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PA 22 COMMITTEE MEMORANDUM NO. 2016.10

DATE: May 26, 2016

SUBJECT: AERIAL MAPPING PROJECT STATUS UPDATE

RECOMMENDATION

Receive and file this update on the Aerial Mapping Project.

DISCUSSION

SAWPA staff has received and delivered imagery and landscape analysis to the cities of Tustin and Newport Beach. SAWPA has requested and received the following:

Resources Strategies Inc. (RSI - Richard Schulman) has received the complete set of aerial imagery of the watershed from Geophex, on Saturday May 14th. RSI has also delivered 42 of the 72 flight area imagery data sets to Statistical Research Inc. for image analysis. RSI has completed the single Image ECW of the service areas for 10 retail agencies.

RSI is expected to deliver the complete the flight area imagery, all 72 flight areas, of the watershed by May 30th.

Statistical Research Inc. (SRI – Doug Mende) has completed vegetation analysis for 19 of the 78 Flight Areas. SRI has delivered to SAWPA the City of Tustin and the City of Newport Beach.

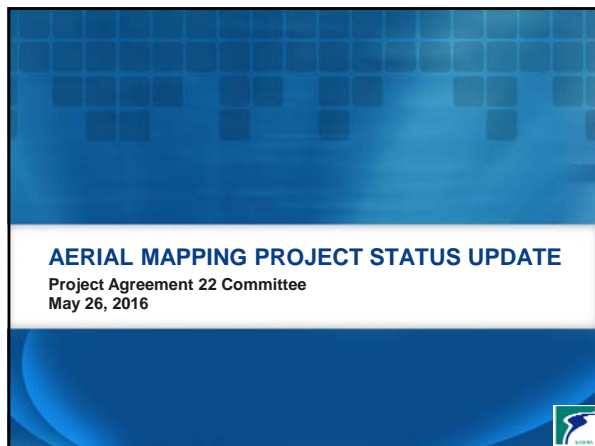
SRI is expected to deliver to SAWPA:

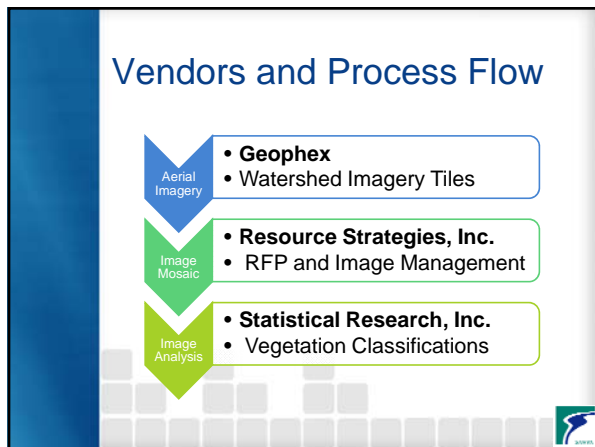
May 20 th	May 27 th	May 31 st
Garden Grove	Fullerton	Chino
Santa Ana	Rialto	Chino Hills
Seal Beach	Buena Park	Yorba Linda WD

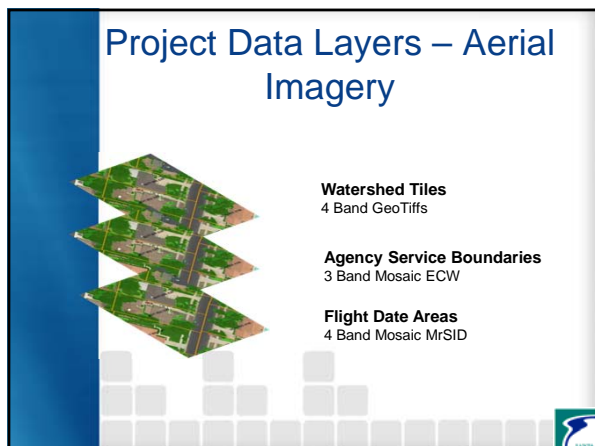
SAWPA staff will QC each Agency and upon acceptance will then deliver the total data set to the agency.

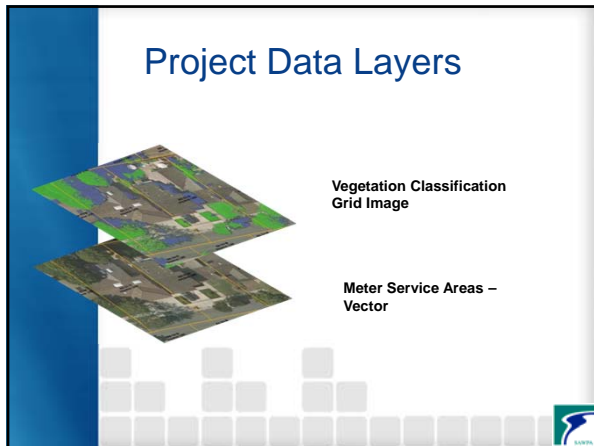
MATERIALS

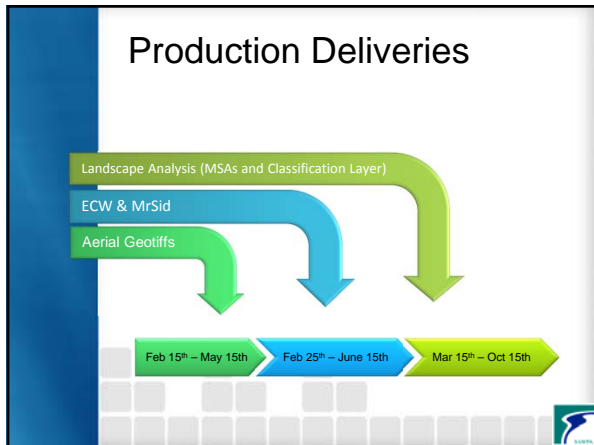
None

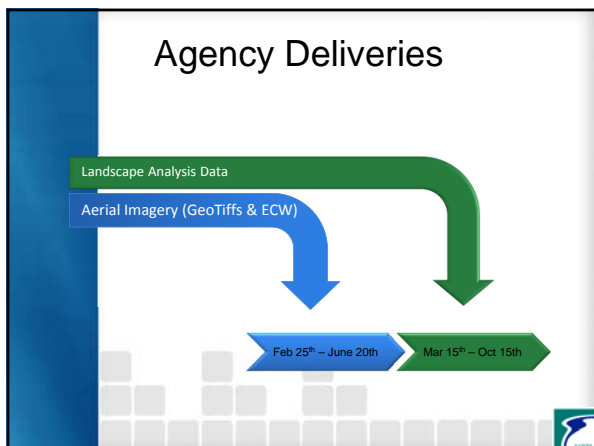




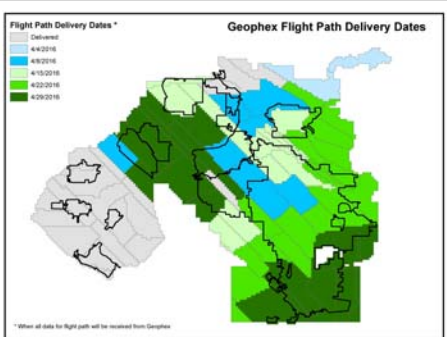




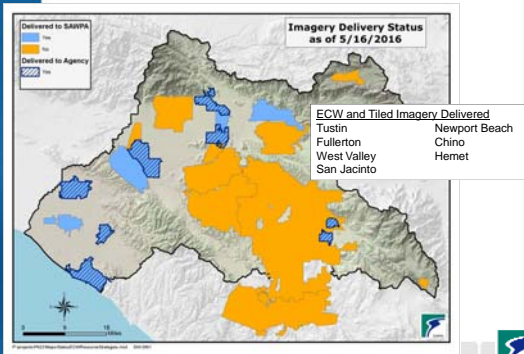




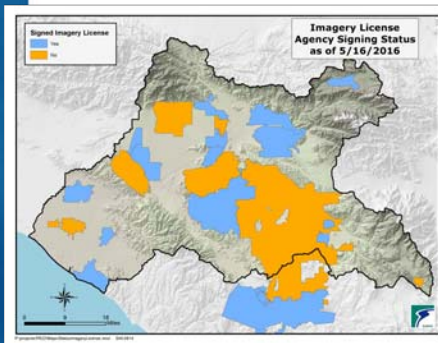
Geophex Deliveries Complete as of 5/15/2016



Resource Strategies Inc. (RSI) Deliveries

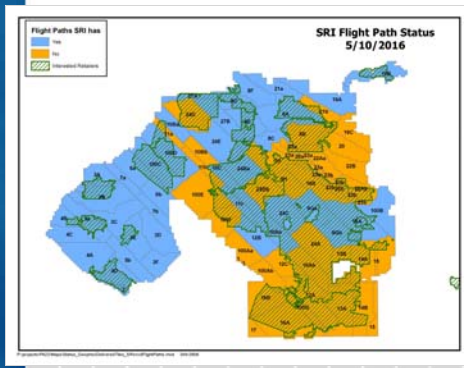


Signed Imagery License Agreements



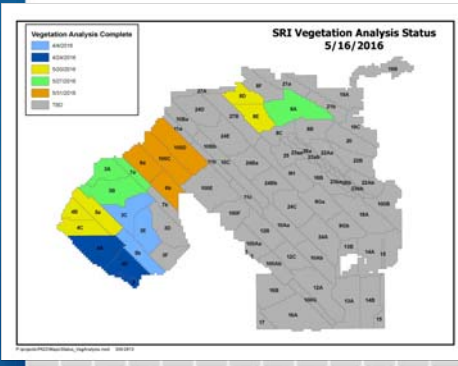
Flight Path Imagery

Delivered to SRI (42 of 78)



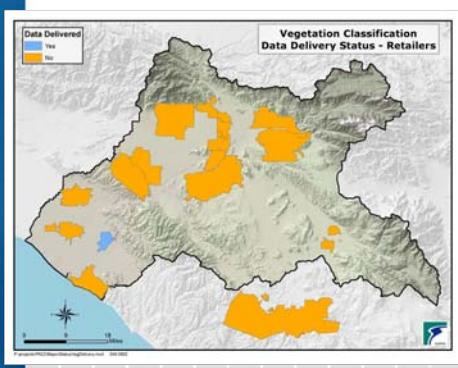
Vegetation Analysis

(19 of 78 to be Completed by May 31st)



Landscape Vegetation Deliveries

Status to be updated by meeting



Timeline

- Interested Agency Aerial Imagery
 - Completed by Mid June
- Interested Agency Vegetation Classification
 - Completed by Mid October

Vegetation Classification

Upcoming Delivery Schedule to SAWPA

May 20 th	May 27 th	May 31 st
Garden Grove	Fullerton	Chino
Santa Ana	Rialto	Chino Hills
Seal Beach	Buena Park	Yorba Linda WD

PA 22 COMMITTEE MEMORANDUM NO. 2016.11

DATE: May 26, 2016

SUBJECT: HIGH VISIBILITY TURF REMOVAL AND RETROFIT PROJECT UPDATE

RECOMMENDATION

Receive and file this update on the High Visibility Turf Removal and Retrofit Project.

DISCUSSION

The High Visibility Turf Removal and Retrofit Project is one of two projects of the Emergency Drought Grant Program. The Grant Agreement that provides Proposition 84 Integrated Regional Water Management funding was signed by the Department of Water Resources and SAWPA on July 20, 2015. It provides \$5,272,500 in grant funding for the Project. It also includes the stipulation that \$7,051,533 must be provided in funding match by the local project proponents.

The Grant Agreement also specifies that 4,950,000 square feet of turf grass must be removed in highly visible, publicly owned areas or HOA areas and replaced with drought tolerant landscaping, which allows for long-term conservation of water. As the Grant Agreement is a joint venture between two Integrated Regional Water Management funding areas – the Santa Ana and San Diego – there are two allocations between the two funding areas. The project in the San Diego funding area is focused on a sub-region of its funding area, the Upper Santa Margarita Watershed.

The Project is implemented by the SAWPA member agencies, the Municipal Water District of Orange County and Rancho California Water District. Each of the agencies, aside from Rancho California Water District, received a funding allocation per Project Agreement Policy Statement No. 3 adopted on April 23, 2015.

The benefits of partnering with the San Diego funding area is that Western Municipal Water District and Eastern Municipal Water District's service areas transcend both the Santa Ana and San Diego. For this reason, both water agencies have two funding allocations and correspondingly two allocations for the amount of square feet of turf that have to be removed.

Progress on the water agencies implementation toward the total 4,950,000 square feet is provided below. The values represent progress from the eligible start date of January 1, 2010 under the grant (the date that local match can be counted) to March 31, 2016 (the date of the last invoice received by SAWPA's grant administrator).

Progress Toward Turf Removal/Replacement Goal

Water Agency	Required Square Feet	Square Feet Removed/ Replaced	Balance Remaining	% Turf Removed of Required Amount
Eastern MWD	848,468.00	363,446.00	485,022.00	43%
Eastern MWD*	400,000.00	92,753.00	307,247.00	23%
Continued from previous page...				

Water Agency	Required Square Feet	Square Feet Removed/ Replaced	Balance Remaining	% Turf Removed of Required Amount
Inland Empire Utilities Agency	755,615.00	755,615.00	0.00	100%
Orange County WD / MWD of Orange County	824,228.00	661,194.66	163,033.34	80%
Rancho California WD*	500,000.00	392,191.00	107,809.00	78%
San Bernardino Valley MWD	775,204.00	0.00	775,204.00	0%
Western MWD	796,485.00	700,479.00	96,006.00	88%
Western MWD*	50,000.00	0.00	50,000.00	0%
Total SF	4,950,000.00	2,965,678.66	1,984,321.34	60%

*Denotes the allocation to the Upper Santa Margarita Watershed (San Diego funding area). All other rows denote allocations to the Santa Ana River Watershed (Santa Ana funding area).

As shown in the progress table, the Project is 60% toward completing the Grant Agreement's required amount. The Grant Agreement requires that this Project conclude implementation on December 31, 2017. With a start date of January 1, 2010 (the date that local match can be counted), the Project is 77% through the schedule.

Progress on the agencies invoicing for the \$5,275,000 in grant funding is provided below. The allocation in the approved budget was revised from with the adoption of Policy Statement No. 3 on April 23, 2015. The San Diego funding area agreed to a funding allocation between Eastern Municipal Water District, Rancho California Water District and Western Municipal Water District at relatively the same time through their Integrated Regional Water Management governance. The Actuals in the table below denote what has been spent up until March 31, 2016.

Funding Allocations Between Water Agencies

Revised Budget Allocation	Revised Budget Allocation	FYE 2015 Actuals	FYE 2016 Budget	FYE 2016 Actuals	FYE 2017 Budget
State Grant Proceeds - Prop 84	\$ 5,272,500	\$ 309,234	\$ 1,622,500	n/a	\$ 1,622,500
Total Revenues	\$ 5,272,500	\$ 309,234	\$ 1,622,500	n/a	\$ 1,622,500
EMWD	\$ 906,800	\$ -	\$ 273,000	\$ -	\$ 273,000
EMWD - USMW	\$ 420,000	\$ -	\$ 166,250	\$ -	\$ 166,250
IEUA	\$ 807,564	\$ -	\$ 244,000	\$ 807,564	\$ 244,000
OCWD	\$ 880,894	\$ -	\$ 266,000	\$ -	\$ 266,000
SBVMWD	\$ 828,499	\$ -	\$ 250,000	\$ -	\$ 250,000
WMWD	\$ 851,243	\$ 309,234	\$ 257,000	\$ 111,111	\$ 257,000
WMWD - USMW	\$ 52,500	\$ -	\$ 166,250	\$ -	\$ 166,250
RCWD - USMW	\$ 525,000	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 5,272,500	\$ 309,234	\$ 1,622,500		\$ 1,622,500

* Eastern Municipal Water District (EMWD), Upper Santa Margarita Watershed (USMW), Inland Empire Utilities Agency (IEUA), Orange County Water District (OCWD), San Bernardino Valley Municipal Water District (SBVMWD), Western Municipal Water District (WMWD), Rancho California Water District (RCWD).

A reason some water agencies have not received grant funding is because the grant's reimbursement process established by the Department of Water Resources requires that funding match must be spent before grant funds are transmitted to the project proponents. Provided below is each of the water agencies progress is meeting their local match limit. The Actuals in the table below denote what has been spent up until March 31, 2016.

Funding Match Allocations Between Water Agencies

Revised Budget Allocation	Revised Budget Allocation	Funding Match Allocation	Funding Match Actuals	Progress Toward Meeting Match
State Grant Proceeds - Prop 84	\$ 5,272,500	n/a	n/a	n/a
Total Revenues	\$ 5,272,500	n/a	n/a	n/a
EMWD	\$ 906,800	\$ 1,212,770	\$ 729,492	60%
EMWD - USMW	\$ 420,000	\$ 561,715	\$ 185,706	33%
IEUA	\$ 807,564	\$ 1,080,050	\$ 1,080,050	100%
OCWD	\$ 880,894	\$ 1,178,123	\$ 1,178,123	100%
SBVMWD	\$ 828,499	\$ 1,108,049	\$ -	0%
WMWD	\$ 851,243	\$ 1,138,467	\$ 1,208,681	106%
WMWD - USMW	\$ 52,500	\$ 70,214	\$ -	0%
RCWD - USMW	\$ 525,000	\$ 702,145	\$ 702,145	100%
Total Expenditures	\$ 5,272,500	\$ 7,051,533	\$ 5,084,197	72%

As shown above, the water agencies are 72% toward completion of meeting the overall match limit. Note that the match amount provided above does not include "additional cost share" which the Department of Water Resources doesn't track. The Department only tracks a certain percentage of cost share. Anything above 67% percent of total local funding provided for implementation of the Project is considered additional. The additional cost share totals to \$3,493,467. When that additional cost share is taken into account with the match amount, the water agencies are 48% of the total match and additional cost share. The total match and additional cost share is \$10,545,000.

Note that the amount of total local funding used to date, 48% of the defined project goal, is not the same amount as the benefits acquired to date, 60% of the defined project goal. The percentages are not the same because there is not a set relationship between the amount of local funding per the amount of benefit (i.e. square feet of turf removed). The water agencies have the flexibility to use up to \$2 per square feet of turf removed. Some water agencies have used less than \$2, thus they have provided more benefits with less funding, which is advantageous for stretching local funding further.

Once agencies meet their local match limit, they presumably will have access to the full amount of grant funding that was allocated to them. Since water agencies have used less than \$2 per square foot in local match, they will very likely exceed the total turf benefit goal of 4,950,000 square feet that the Department of Water Resources tracks before all the agencies have access to the grant funding. Those exceeded benefits will not be tracked by the Department of Water Resources, but are being tracked internally, because the Department is only tracking benefits in terms of the defined project costs and match.

MATERIALS:

None

High Visibility Turf Removal and Retrofit Project Update




PA 22 Committee
May 26, 2016



Recommendation

- Receive and file this update on the High Visibility Turf Removal and Retrofit Project.

Turf Project Background

- Turf Project is one of two Projects of the Emergency Drought Grant Program.
 - Other Project is Conservation Based Reporting Tools and Rate Structure Implementation.
- Grant Agreement with DWR:
 - \$5,272,500 in grant funding for Turf Project.
 - \$7,051,533 local match required for Turf Project.





Turf Project Background

- Grant Agreement with DWR:
 - 4,950,000 square feet of turf grass
 - Joint partnership with San Diego Integrated Regional Water Management Sub-Region (Upper Santa Margarita Watershed)



Progress Toward Turf Removal/Replacement Goal

Water Agency	Required Square Feet	Square Feet Removed/ Replaced	Balance Remaining	% Turf Removed of Required Amount
Eastern MWD	848,468.00	363,446.00	485,022.00	43%
Eastern MWD*	400,000.00	92,753.00	307,247.00	23%
IEUA	755,615.00	755,615.00	0.00	100%
OCWD/MWDOC	824,228.00	661,194.66	163,033.34	80%
RCWD*	500,000.00	392,191.00	107,809.00	78%
SBVMWD	775,204.00	0.00	775,204.00	0%
Western MWD	796,485.00	700,479.00	96,006.00	88%
Western MWD*	50,000.00	0.00	50,000.00	0%
Total Square Feet	4,950,000.00	2,965,678.66	1,984,321.34	60%

The values represent progress from the eligible start date of January 1, 2010 under the grant (the date that local match can be counted) to March 31, 2016 (the date of the last invoice received by SAWPA's grant administrator).

*Values for Upper Santa Margarita Watershed allocation.



Funding Allocations Between Water Agencies

Program Description	Revised Budget Allocation	FYE 2015 Actuals	FYE 2016 Budget	FYE 2016 Actuals	FYE 2017 Budget
Revenues					
State Grant Proceeds - Prop 64	\$ 5,272,500	\$ 309,234	\$ 1,622,500	n/a	\$ 1,622,500
Total Revenues	\$ 5,272,500	\$ 309,234	\$ 1,622,500	n/a	\$ 1,622,500
Expenses					
EMWD	\$ 906,800	\$ -	\$ 273,000	\$ -	\$ 273,000
EMWD - USMW	\$ 420,000	\$ -	\$ 166,250	\$ -	\$ 166,250
IEUA	\$ 807,564	\$ -	\$ 244,000	\$ 807,564	\$ 244,000
OCWD	\$ 880,894	\$ -	\$ 266,000	\$ -	\$ 266,000
SBVMWD	\$ 828,499	\$ -	\$ 250,000	\$ -	\$ 250,000
WMWD	\$ 851,243	\$ 309,234	\$ 257,000	\$ 111,111	\$ 257,000
WMWD - USMW	\$ 62,500	\$ -	\$ 166,250	\$ -	\$ 166,250
RCWD - USMW	\$ 526,000	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 5,272,500	\$ 309,234	\$ 1,622,500	\$ 918,675	\$ 1,622,500

Reimbursement Process



- Match must be spent before grant funds are transmitted to the project proponents.
- Water agencies are 72% toward completion of meeting the match limit.
- Once agencies meet their local match limit, they presumably will have access to the full amount of grant funding that was allocated to them.



Progress on Meeting Match



	Revised Budget Allocation	Funding Match Allocation	Funding Match Actuals	Progress Toward Meeting Match
State Grant Proceeds - Prop 8A	\$ 5,272,500	n/a	n/a	n/a
Total Revenues	\$ 5,272,500	n/a	n/a	n/a
BRWD	\$ 906,800	\$ 1,212,770	\$ 729,492	60%
EMWD - USMW	\$ 420,000	\$ 561,715	\$ 185,706	33%
IEUA	\$ 807,564	\$ 1,080,050	\$ 1,080,050	100%
OCWD	\$ 880,894	\$ 1,178,123	\$ 1,178,123	100%
SBVWWD	\$ 828,499	\$ 1,100,049	\$ -	0%
VMWD	\$ 851,243	\$ 1,138,467	\$ 1,208,681	106%
VMWD - USMW	\$ 42,500	\$ 79,214	\$ -	0%
RCWD - USMW	\$ 525,000	\$ 702,145	\$ 702,145	100%
Total Expenditures	\$ 5,272,500	\$ 7,651,533	\$ 5,684,197	72%




Additional Cost Share




- Note that the match amount in the table does not include "additional cost share" which the Department of Water Resources doesn't track.
- The Department only tracks a certain percentage of cost share.
Anything above 67% percent of total local funding provided for implementation of the Project is considered additional.
- When that additional cost share is taken into account with the match amount, the water agencies are **48%** of the total match and additional cost share.





Progress on Meeting Match

- Note that the amount of local funding used, **48%** of the defined project goal, is not the same amount as the benefits acquired, **60%** of the defined project goal.
 - The percentages are not the same because there is not a set relationship between the amount of local funding per the amount of benefit (i.e. square feet of turf removed).
- The water agencies have the flexibility to use up to \$2 per square feet of turf removed.
- Some water agencies have used less than \$2, thus they have provided more benefits with less funding, which is advantageous for stretching local funding further.



Recommendation

- Receive and file this update on the High Visibility Turf Removal and Retrofit Project.




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PA 22 COMMITTEE MEMORANDUM NO. 2016.12

DATE: May 26, 2016

SUBJECT: CONSERVATION-BASED WATER RATES PROJECT UPDATE

RECOMMENDATION

Receive and file this update on the Conservation-Based Water Rates Project.

DISCUSSION

SAWPA staff requested an update from each of the agencies involved in the process for their goals for meeting major milestones involved in the rate study and rate implementation process. The milestones are presented in the Milestone Summary Table.

SAWPA staff has executed twelve contracts with retail agencies for the Implementation of Conservation-Based Water Rates Project.

Two agencies have dropped out of the grant reimbursement process: West Valley Water District and City of Redlands. The City Council of the City of Redlands voted to drop out of the grant on April 5, 2016 and West Valley Water District sent SAWPA a letter on May 5, 2016. Another agency, the City of Riverside, is also likely to drop out of the grant reimbursement process.

The City of Redlands dropped out because their City Council decided it would not adopt budget-based rates and it would benefit other agencies in the Santa Ana River Watershed to have access to the funding that had been initially reserved for them. West Valley Water District dropped out because they recently adopted a new five-year financial plan, which projects that the District's current rate structure will generate enough revenue to cover projected expenses for the next few years. The City of Riverside is considering dropping out because they are planning to implement the rate structure, if adopted, in January 2018. None of these agencies requested reimbursement through the invoicing process.

Two additional agencies have just entered into contracts with SAWPA, Cucamonga Valley Water District and the City of Garden Grove. Progress on their rate structure is provided in the following Milestone Summary Table.

With the City of Redlands and West Valley Water District dropping out, ten agencies remain as participants in the Conservation-Based Water Rates Project.

MATERIALS

1. Milestone Summary Table
2. Letter from West Valley Water District

Rate Milestone Summary

Retail Water Agency	Initial Meeting w/SAWPA	Rate Consultant Status	Rate Study Final Draft Goal	Prop 218 Hearing Goal	Adoption Goal	Possible Rate Implementation
East Valley WD	5/15/2015	Hired	Jan-15	Mar-15	Jun-15	Jun-15
Hemet City	8/26/2015	Hired	Jul-16	Sep-16	Nov-16	Jan-17
San Jacinto City	9/8/2015	Hired	Sep-16	Nov-16	Dec-16	Jan-17
Chino Hills City	6/9/2015	Hired	Dec-16	Mar-17	Apr-17	Jul-17
Chino City	6/9/2015	Hired	Aug-16	Dec-16	Dec-16	Jan-17
Rialto City	6/30/2015	Hired	Dec-16	Mar-17	Mar-17	Jul-17
Riverside City	10/29/2015	Hire June-16	Dec-16	Dec-16	Dec-16	Jan-18
Tustin City	10/1/2015	Hired	Nov/Dec-16	Jan-17	Mar-17	Jul-17
Garden Grove	9/15/2015	Hire June-16	Mar-17	Jul-17	Sep-17	Nov-17
Cucamonga VWD	1/26/2016	Hire Aug-16	Feb-17	Aug-17	Aug-17	Nov-17

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ESTABLISHED AS A PUBLIC AGENCY IN 1952

**WEST VALLEY WATER DISTRICT'S MISSION IS TO PROVIDE A RELIABLE,
SAFE-DRINKING WATER SUPPLY TO MEET OUR CUSTOMERS' PRESENT
AND FUTURE NEEDS AT A REASONABLE COST AND TO PROMOTE
WATER-USE EFFICIENCY AND CONSERVATION.**

ADMINISTRATIVE STAFF

Thomas J. Crowley, P.E.

General Manager

Matthew H. Litchfield, P.E.

Assistant General Manager

Shanae Smith

Board Secretary

May 5, 2016

Ian Achimore

Santa Ana Watershed Project Authority

Project Agreement 225 Committee

11615 Sterling Avenue

Riverside, CA 92503

SUBJECT: Termination of agreement for Grant Reimbursement to Perform a Water Cost of Services Analysis and Rate Study, which will consider a Conservation Based Water Rate Structure

Dear Mr. Achimore:

West Valley Water District (District) hereby terminates the agreement for a Water Cost of Services Analysis and Conservation Based Rate Study. The District recently adopted a new five-year financial plan, which projects that the District's current rate structure at the 2015 rates will generate enough revenue to cover projected expenses for the next few years. Since, the District does not anticipate increasing water rates for the next 3 years, a rate study at the present time would be premature. When the District is ready to pursue budget based rates, the District will reach out to SAWPA for other grant opportunities. Sorry for any inconvenience this may have cause.

Please contact Jose Velasquez at (909) 875-1804 Ext 300 or via email at jvelasquez@wvwd.org if you have any questions or need any further information.

Thank you for your attention to this matter.

Sincerely,

Thomas J. Crowley, P.E.

General Manager

TC:jv

Conservation-Based Water Rates Project Update



PA 22 Committee
May 26, 2016




Recommendation

- Receive and file this update on the Conservation-Based Water Rates Project.




Rate Milestone Summary


Retail Water Agency	2015				2016				2017				2018			
	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4
East Valley WID																
Hemet City																
San Jacinto City																
Chino Hills City																
Chino City																
Rialto City																
Riverside City																
Tustin City																
Garden Grove																
Cucamonga WID																



West Valley Water District


- Provided letter to SAWPA on May 5, 2016 terminating the SAWPA contract.
- Recently adopted a new five-year financial plan, which projects that the District's current rate structure will generate enough revenue to cover projected expenses for the next few years.





Riverside

- Considering dropping out because they are planning to implement rates in January 2018.



Recommendation

- Receive and file this update on the Conservation-Based Water Rates Project.




PA 22 COMMITTEE MEMORANDUM NO. 2016.13

DATE: May 26, 2016

SUBJECT: STATUS REPORT ON PROGRAM BUDGET

RECOMMENDATION

Receive and file this update on the Budget for the Interregional Landscape Water Demand Reduction Program, also known as the Emergency Drought Grant Program.

DISCUSSION

SAWPA and the Department of Water Resources (DWR) executed the Grant Agreement for the Emergency Drought Grant Program ("Program") on July 20, 2015. Under the Grant Agreement, \$12,860,110 is provided in Proposition 84 grant funding and \$10,645,000 is accounted as matching funds, for a total Program cost of \$23,505,110.

As of March 31, 2016, the Program is within budget in all program categories: Project Agreement 22 Committee implementation, implementation administration, contract administration, contracts and turf removal implementation. The SAWPA member agencies, the Municipal Water District of Orange County (MWDOC) and Rancho California Water District (RCWD) are in different stages of their turf removal implementation. Detailed progress on the turf removal implementation is described in a separate PA 22 Committee memorandum.

The approved budget for Fiscal Year Ending (FYE) 2016 and FYE 2017 reflects two projects funds. The Grant Agreement with the Department of Water Resources also treats the Program as two projects. The two projects are:

Project 1: Conservation Based Reporting Tools and Rate Structure Implementation. This project includes the following sub-tasks:

- Sub-task: Conservation Based Rate Structure, which involves supporting 5-12 agencies in adopting conservation-based water rates,
- Sub-task: Web Based Water Consumption Reporting, which involves the OmniEarth/Dropcountr support tool that is available to retail water agencies, and
- Sub-task: Aerial Mapping, which involves creating landscape area data by parcels across the Santa Ana River Watershed (SARW) and most of the Upper Santa Margarita Watershed (USMW).

Project 2: High Visibility Turf Removal and Retrofit.

Through the Grant Agreement with the Department of Water Resources, there is \$7,587,610 in grant funding available for Project 1 and \$5,272,500 in grant funding available for Project 2. The overall Program is multi-watershed in scope covering the SARW and the USMW, which are in two different Integrated Regional Water Management funding areas. The USMW will likely receive a portion of the benefits for all the sub-tasks under Project 1 and 2, except for the Conservation Based Rate Structures Sub-task.

The Program Budget, by project, is provided below.

Project 1: Conservation Based Reporting Tools and Rate Structure Implementation

Program Description	Budget Description	FYE 2016 Budget	FYE 2017 Budget
Revenues			
PA 22 Committee Implementation /Implementation Admin, Contract Admin and Contracts	State Grant Proceeds - Prop 84	\$ 2,229,502	\$ 2,243,172
Total Revenues		\$ 2,229,502	\$ 2,243,172
Expenses			
PA 22 Committee Implementation	Sum: Salaries/Benefits/G&A	\$ 99,465	\$ 113,135
Implementation Admin, Contract Admin and Contracts	Consulting	\$ 2,129,037	\$ 2,129,037
	Construction	\$ -	\$ -
	Offsite Meeting/Travel Expense	\$ 500	\$ 500
	Program Expenses	\$ 500	\$ 500
Total Expenditures		\$ 2,229,502	\$ 2,243,172

Project 2: High Visibility Turf Removal and Retrofit

Budget Description	FYE 2016 Budget	FYE 2017 Budget
Revenues		
State Grant Proceeds - Prop 84	\$ 1,622,500	\$ 1,622,500
Total Revenues	\$ 1,622,500	\$ 1,622,500
Expenses		
Eastern Municipal Water District (EMWD)	\$ 273,000	\$ 273,000
EMWD - USMW	\$ 166,250	\$ 166,250
Inland Empire Utilities Agency (IEUA)	\$ 244,000	\$ 244,000
Orange County Water District (OCWD)	\$ 266,000	\$ 266,000
San Bernardino Valley MWD (SBVWD)	\$ 250,000	\$ 250,000
Western Municipal Water District (WMWD)	\$ 257,000	\$ 257,000
WMWD - USMW	\$ 166,250	\$ 166,250
Total Expenditures	\$ 1,622,500	\$ 1,622,500

Actual expenses relative to the approved budget are provided below. The Actuals below denote what has been requested for grant reimbursement, up until March 31, 2016.

Project 1: Conservation Based Reporting Tools and Rate Structure Implementation

Program Description	Budget Description	FYE 2015 Actuals	FYE 2016 Budget	FYE 2016 Actuals	FYE 2017 Budget
Revenues					
PA 22 Committee Implementation /Implementation Admin, Contract Admin and Contracts	State Grant Proceeds - Prop 84	\$ 196,758	\$ 2,229,502	\$ 1,587,207	\$ 2,243,172
Total Revenues		\$ 196,758	\$ 2,229,502	\$ 1,587,207	\$ 2,243,172
Expenses					
PA 22 Committee Implementation	Sum: Salaries/Benefits/G&A	\$ 79,766	\$ 99,465	\$ 74,011	\$ 113,135
Implementation	Consulting	\$ 116,992	\$ 2,129,037	\$ 1,513,196	\$ 2,129,037
Administration, Contract Administration and Contracts	Construction	\$ -	\$ -	\$ -	\$ -
	Offsite Meeting/Travel Expense	\$ -	\$ 500	\$ -	\$ 500
	Program Expenses	\$ -	\$ 500	\$ -	\$ 500
Total Expenditures		\$ 196,758	\$ 2,130,037	\$ 1,587,207	\$ 2,243,172

The line items in the budget for Project 1 follow the SAWPA bi-annual budget framework. The consulting line above denotes the scope of consultant contracts and contracts with water agencies, as well as administering the contracts and supporting implementation.

Project 2: High Visibility Turf Removal and Retrofit

Program Description	Revised Budget Allocation	FYE 2015 Actuals	FYE 2016 Budget	FYE 2016 Actuals	FYE 2017 Budget
Revenues					
State Grant Proceeds - Prop 84	\$ 5,272,500	\$ 309,234	\$ 1,622,500	\$ 918,675	\$ 1,622,500
Total Revenues		\$ 309,234	\$ 1,622,500	\$ 918,675	\$ 1,622,500
Expenses					
EMWD	\$ 906,800	\$ -	\$ 273,000	\$ -	\$ 273,000
EMWD - USMW	\$ 420,000	\$ -	\$ 166,250	\$ -	\$ 166,250
IEUA	\$ 807,564	\$ -	\$ 244,000	\$ 807,564	\$ 244,000
OCWD	\$ 880,894	\$ -	\$ 266,000	\$ -	\$ 266,000
SBVMWD	\$ 828,499	\$ -	\$ 250,000	\$ -	\$ 250,000
WMWD	\$ 851,243	\$ 309,234	\$ 257,000	\$ 111,111	\$ 257,000
WMWD - USMW	\$ 52,500	\$ -	\$ 166,250	\$ -	\$ 166,250
RCWD - USMW	\$ 525,000	\$ -	\$ -	\$ -	\$ -
Total Expenditures		\$ 309,234	\$ 1,622,500	\$ 918,675	\$ 1,622,500

The line items in the budget for Project 2 are unique to the SAWPA bi-annual budget framework because they represent pass-through funding to the grant's project proponents.

For Project 2, the funding amounts in the approved Program Budget do not amount to the revised budget allocations as the Project Agreement 22 Committee on April 23, 2015 adopted Policy Statement No. 3 that reallocated the funding to the SAWPA member agencies and MWDOC. The allocation between the USMW and the SARW remained unchanged. The San Diego funding area agreed to their funding allocation between EMWD, RCWD and WMWD at relatively the same time in 2015 through their Integrated Regional Water Management governance.

The approved budget is for two years: FYE 2016 and FYE 2017. There is one additional year per the Grant Agreement with the Department of Water Resources. In the Grant Agreement the Program is scheduled to be complete on June 30, 2018, which is the close of FYE 2018 for SAWPA.

For Project 1, there is \$2,935,473,141 grant funding remaining for FYE 2018 when accounting for FYE 2015 Actuals, FYE 2016 Actuals (till March 31, 2016), and the FYE 2017 Budget:

Prop 84 Grant	FYE 2015 Actual	FYE 2016 Actual	FYE 2017 Budget	FYE 2018 Remaining
\$ 6,962,610	\$ 196,758	\$ 1,587,207	\$ 2,243,172	\$ 2,935,473

For Project 1, there is \$2,392,643 grant funding remaining for FYE 2018 when accounting for FYE 2015 Actuals, the FYE 2016 Budget and the FYE 2017 Budget:

Prop 84 Grant	FYE 2015 Actual	FYE 2016 Budget	FYE 2017 Budget	FYE 2018 Remaining
\$ 6,962,610	\$ 196,758	\$ 2,130,037	\$ 2,243,172	\$ 2,392,643

For Project 2, there is \$2,422,091 grant funding remaining for FYE 2018 when accounting for FYE 2015 Actuals, FYE 2016 Actuals (till March 31, 2016), and the FYE 2017 Budget:

Prop 84 Grant	FYE 2015 Actual	FYE 2016 Actual	FYE 2017 Budget	FYE 2018 Remaining
\$ 5,272,500	\$ 309,234	\$ 918,675	\$ 1,622,500	\$ 2,422,091

For Project 2, there is \$1,718,266 grant funding remaining for FYE 2018 when accounting for FYE 2015 Actuals, the FYE 2016 Budget and the FYE 2017 Budget:

Prop 84 Grant	FYE 2015 Actual	FYE 2016 Budget	FYE 2017 Budget	FYE 2018 Remaining
\$ 5,272,500	\$ 309,234	\$ 1,622,500	\$ 1,622,500	\$ 1,718,266

Implementation Administration and Contract Administration

A description of the implementation in FYE 2015 and FYE 2016 per Project is provided below.

Project 1: Conservation Based Reporting Tools and Rate Structure Implementation:

Subtask - Implementation of Conservation-Based Water Rates: With the conservation-based water rates component, extensive coordination has been done to brief retail water agency staff and attend meetings at their individual agencies. This introductory step requires ongoing responses to questions regarding the rate structures and grant scheduling, questions about the contract between SAWPA and the agencies, attendance at retail agency public meetings to describe the grant requirements and the rate structures, and meeting with board members about budget-based rates and the grant. Staff has taken advantage of the May 2015 workshops and the video created under contract with Goal Productions to implement the initial marketing of the grant program. In order to ensure the grant conditions are being implemented, SAWPA staff has reviewed documents such as the rate study bid document released by the retail agency, the consultant's scope of work and the final draft of the rate study on an ongoing basis. These documents are reviewed in close coordination with Tom Ash of Inland Empire Utilities Agency. SAWPA staff issued a Request for Proposals (RFP) for evapotranspiration rate monitoring and a Request for Qualifications (RFQ) for conservation-based water rate modeling. Interviews were conducted and the submissions were subsequently analyzed. The RFQ results were published in documented that were submitted to the retail water agencies in the SARW who showed interest in conservation-based water rates at the May 2015 workshops.

Subtask - Web-Based Water Consumption Reporting and Customer Engagement: With the increase in agencies interested in tools to assist in encouraging conservation, consultation contract administration, outreach and presentations has been required by SAWPA staff. The benefit of entering into contract with OmniEarth is that they are providing the majority of the technical outreach for the technology-based information tool. SAWPA staff has provided outreach simultaneously to present and answer questions about the grant conditions, scheduling and the differences between the OmniEarth aerial mapping products and the SAWPA aerial data. A typical agency will be interested in personalizing the OmniEarth product, and negotiations are necessary with SAWPA staff to ensure any modifications meet the conditions of the Grant. In order to meet the goal of 10-15 agencies contracted with OmniEarth, further marketing, presentations and follow-up is required in order to assist OmniEarth. There are currently seven agencies contracted with OmniEarth and it has taken on average three months to go through the negotiation process with a single agency.

Subtask - Aerial Mapping: The split of aerial mapping data by retailer and/or wholesaler and the use of three consultants has required ongoing implementation administration. SAWPA staff has worked to manage the data transfer process from the consultants and to the approximately 35 interested agencies. In order to clip the data, updated service area boundaries from the interested agencies is required. This has required ongoing consultation with both the GIS staff and water resources staff of the agencies. Before transferring the data to the agencies, SAWPA's consultant Geophex Ltd.

requires an email notification and a signed license agreement from the interested agency. Issuing and tracking the emails and license agreements requires coordination with both the consultants and the 35 interested agencies. As the data is produced, it has required management of the three consultants who process the data. Once the data is processed by the third and final consultant, staff provides a QA/QC of the data before it is sent to the agency. Follow-up and presentations to the retail agencies has been required as questions develop on the type of landscape measurements, the resolution and format of the data, the analysis used to process the data and how the data will be transferred. A workshop was held to explain the parameters of the data, but as new staff and agencies become interested in the data, that is available at no financial cost to the interested agencies, more coordination by SAWPA staff is required.

Project 2: High Visibility Turf Removal and Retrofit:

SAWPA staff worked with the Project Agreement 22 Committee in FYE 2015 and FYE 2016 to develop a funding allocation process that took into account evapotranspiration rates, population levels and geographic location. SAWPA staff and the Project Agreement 22 Committee also worked to define high visibility, the funding threshold for individual projects and what types of projects were defined as benefiting public agencies and homeowner associations.

MATERIALS

None

Status Report on Program Budget



PA 22 Committee
May 26, 2016



Recommendation

- Receive and file this update on the Budget for the Interregional Landscape Water Demand Reduction Program, also known as the **Emergency Drought Grant Program**.



Background



- SAWPA and the Department of Water Resources (DWR) executed the Grant Agreement for the Program on July 20, 2015.
- Under the Grant Agreement, **\$12,860,110** is provided in Proposition 84 grant funding and **\$10,645,000** is accounted as matching funds, for a total Program cost of **\$23,505,110**.



Background

- The approved budget for Fiscal Year Ending (FYE) 2016 and FYE 2017 is listed as two projects funds.
- The Grant Agreement with the Department of Water Resources also treats the Program as two projects. The two projects are:
 - Project 1: Conservation Based Reporting Tools and Rate Structure Implementation
 - Project 2: High Visibility Turf Removal and Retrofit



Background

- Project 1 Tools/Rates: **\$7,587,610** in grant funding
- Project 2 Turf: **\$5,272,500** in grant funding
- Program is multi-watershed in scope covering the SARW and the USMW, which are in two different Integrated Regional Water Management funding areas.



Project 1 Background

- This project includes the following sub-tasks:
 - Sub-task: Conservation Based Rate Structure, which involves supporting 5-12 agencies in adopting conservation-based water rates,
 - Sub-task: Web Based Water Consumption Reporting, which involves the OmniEarth support tool that is available to retail water agencies, and
 - Sub-task: Aerial Mapping, which involves creating landscape area data by parcels across the Santa Ana River Watershed and most of the Upper Santa Margarita Watershed.



Work Description – Project 1

- Sub-Task Rates: Briefings, questions, board meeting attendance, marketing, review documents, oversee two consultants, RFQ and RFP implementation
- Sub-Task Web-Based Tool: Outreach, three month onboarding period, oversee consultants
- Sub-Task Aerial Mapping: Outreach, oversee three consultants, QA/QC data, license management



Work Description – Project 2

- SAWPA staff worked with the Project Agreement 22 Committee in FYE 2015 and FYE 2016 to develop a funding allocation process that took into account evapotranspiration rates, population levels and geographic location.
- SAWPA staff and the Project Agreement 22 Committee also worked to define high visibility, the funding threshold for individual projects and what types of projects were defined as benefiting public agencies and homeowner associations.



Overall Conclusions

- As of March 31, 2016, the Program is within budget in all program categories:
 - Project Agreement 22 Committee implementation, Implementation administration, Contract administration, Contracts, Turf removal implementation.
 - The SAWPA member agencies, MWD and RCWD are in different stages of their turf removal implementation.



Approved Budget – Project 1

Program Description	Budget Description	FYE 2016 Budget	FYE 2017 Budget
Revenues			
PA 22 Committee Implementation /Implementation Admin, Contract Admin and Contracts	State Grant Proceeds - Prop 84	\$ 2,229,502	\$ 2,243,172
Total Revenues		\$ 2,229,502	\$ 2,243,172
Expenses			
PA 22 Committee Implementation	Sum: Salaries/Benefits/G&A	\$ 99,465	\$ 113,135
Implementation Admin, Contract Admin and Contracts	Consulting	\$ 2,129,037	\$ 2,129,037
	Construction	\$ -	\$ -
	Offsite Meeting/Travel Expense	\$ 500	\$ 500
	Program Expenses	\$ 500	\$ 500
Total Expenditures		\$ 2,229,502	\$ 2,243,172

Approved Budget – Project 2

Budget Description	FYE 2016 Budget	FYE 2017 Budget
Revenues		
State Grant Proceeds - Prop 84	\$ 1,622,500	\$ 1,622,500
Total Revenues	\$ 1,622,500	\$ 1,622,500
Expenses		
Eastern Municipal Water District (EMWD)	\$ 273,000	\$ 273,000
EMWD - USMW	\$ 166,250	\$ 166,250
Inland Empire Utilities Agency (IEUA)	\$ 244,000	\$ 244,000
Orange County Water District (OCWD)	\$ 266,000	\$ 266,000
San Bernardino Valley MWD (SBVWD)	\$ 250,000	\$ 250,000
Western Municipal Water District (WMWD)	\$ 257,000	\$ 257,000
WMWD - USMW	\$ 166,250	\$ 166,250
Total Expenditures	\$ 1,622,500	\$ 1,622,500

Approved Budget vs. Actuals Billed to State – Project 1

Program Description	Budget Description	FYE 2015 Actuals	FYE 2016 Budget	FYE 2016 Actuals	FYE 2017 Budget
Revenues					
PA 22 Committee Implementation /Implementation Admin, Contract Admin and Contracts	State Grant Proceeds - Prop 84	\$ 196,758	\$ 2,229,502	\$ 1,587,207	\$ 2,243,172
Total Revenues		\$ 196,758	\$ 2,229,502	\$ 1,587,207	\$ 2,243,172
Expenses					
PA 22 Committee Implementation	Sum: Salaries/Benefits/G&A	\$ 73,756	\$ 99,465	\$ 74,811	\$ 113,135
Implementation	Consulting	\$ 118,892	\$ 2,129,037	\$ 1,513,196	\$ 2,129,037
Administration, Contract	Construction	\$ -	\$ -	\$ -	\$ -
Administration and Contracts	Offsite Meeting/Travel Expense	\$ -	\$ 500	\$ -	\$ 500
	Program Expenses	\$ -	\$ 500	\$ -	\$ 500
Total Expenditures		\$ 196,758	\$ 2,130,037	\$ 1,587,207	\$ 2,243,172

Approved Budget vs. Actuals Billed to State – Project 2

Program Description	Revised Budget Allocation	FYE 2015 Actuals	FYE 2016 Budget	FYE 2016 Actuals	FYE 2017 Budget
Revenues					
State Grant Proceeds - Prop 84	\$ 5,272,500	\$ 309,234	\$ 1,622,500	\$ 918,675	\$ 1,622,500
Total Revenues	\$ 5,272,500	\$ 309,234	\$ 1,622,500	\$ 918,675	\$ 1,622,500
Expenses					
EMWD	\$ 906,800	\$ -	\$ 273,000	\$ -	\$ 273,000
EMWD - USMW	\$ 420,000	\$ -	\$ 166,250	\$ -	\$ 166,250
IEUA	\$ 807,564	\$ -	\$ 244,000	\$ 807,564	\$ 244,000
OCWD	\$ 880,894	\$ -	\$ 266,000	\$ -	\$ 266,000
SBVMWD	\$ 828,499	\$ -	\$ 250,000	\$ -	\$ 250,000
WMWD	\$ 851,243	\$ 309,234	\$ 257,000	\$ 111,111	\$ 257,000
WMWD - USMW	\$ 52,500	\$ -	\$ 166,250	\$ -	\$ 166,250
RCWD - USMW	\$ 525,000	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 5,272,500	\$ 309,234	\$ 1,622,500	\$ 918,675	\$ 1,622,500

Project Budget Summaries

- The Actuals denote what has been requested for grant reimbursement up until March 31, 2016.
- The line items in the budget for Project 1 follow the SAWPA bi-annual budget framework.
 - The consulting line above denotes the scope of consultant contracts and contracts with water agencies, as well as administering the contracts and supporting implementation.
- The line items in the budget for Project 2 are unique to the SAWPA bi-annual budget framework because they represent pass-through funding to the grant's project proponents.



Budget Timeline

- The approved budget is for two years: FYE 2016 and FYE 2017.
- There is one year remaining per the Grant Agreement with the Department of Water Resources.
- In the Grant Agreement the Program is scheduled to be complete on June 30, 2018, which is the close of FYE 2018 for SAWPA.



Estimated Funding Remaining After the End of the Timeline

Project 1

Prop 84 Grant	FYE 2015 Actual	FYE 2016 Actual	FYE 2017 Budget	FYE 2018 Remaining
\$ 6,962,610	\$ 196,758	\$ 1,587,207	\$ 2,243,172	\$ 2,935,473

Prop 84 Grant	FYE 2015 Actual	FYE 2016 Budget	FYE 2017 Budget	FYE 2018 Remaining
\$ 6,962,610	\$ 196,758	\$ 2,130,037	\$ 2,243,172	\$ 2,392,643



Estimated Funding Remaining After the End of the Timeline

Project 2

Prop 84 Grant	FYE 2015 Actual	FYE 2016 Actual	FYE 2017 Budget	FYE 2018 Remaining
\$ 5,272,500	\$ 309,234	\$ 918,675	\$ 1,622,500	\$ 2,422,091

Prop 84 Grant	FYE 2015 Actual	FYE 2016 Budget	FYE 2017 Budget	FYE 2018 Remaining
\$ 5,272,500	\$ 309,234	\$ 1,622,500	\$ 1,622,500	\$ 1,718,266



Recommendation

- Receive and file this update on the Budget for the Interregional Landscape Water Demand Reduction Program, also known as the **Emergency Drought Grant Program**.