

**MINUTES OF THE
REGULAR BOARD OF DIRECTORS MEETING
OF THE
LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY**

April 19, 2017

DIRECTORS PRESENT

Robert Magee, Chair
Vicki Warren
Kevin Jeffries
Phil Williams
Brenda Dennstedt

REPRESENTING

City of Lake Elsinore
City of Canyon Lake
County of Riverside
Elsinore Valley Municipal Water District
Santa Ana Watershed Project Authority

DIRECTORS ABSENT

None.

OTHERS PRESENT

Nancy Horton
Nicole Dailey
Tim Moore
Liselle DeGrave
Steve Horn
Jason Uhley
Kyle Gallup

Elsinore Valley Municipal Water District
City of Lake Elsinore
Risk Sciences
DeGrave Communications
County of Riverside
Riverside County Flood Control & WCD
Riverside County Flood Control & WCD

LESJWA STAFF

Mark Norton
Karen Williams
Dawna Munson

LESJWA Authority Administrator
LESJWA/SAWPA Chief Financial Officer
LESJWA Board Clerk

The Regular Board of Directors meeting of the Lake Elsinore and San Jacinto Watersheds Authority was called to order at 4:01 p.m., by Chair Robert Magee at the Elsinore Valley Municipal Water District, located at 31315 Chaney Street, Lake Elsinore, California. Chair Magee asked for roll call. Representation from all five member agencies was duly noted by the Board Clerk.

Chair Magee asked if there were any comments from members of the public wishing to address the Board on matters within its jurisdiction. There were no public comments.

1.0: CONSENT CALENDAR

Chair Magee said he would like to pull from the Consent Calendar for discussion items 1.1, Treasurer's Report, and 1.2, Committee Status Report, and present Items 1.0 Minutes, and 1.3 for approval. Upon Motion by Director Dennstedt, seconded by Director Williams, the motion unanimously carried,

2017/4-1

MOVED, approval of the Consent Calendar including the Minutes from the December 19, 2016 Board Meeting, the Lake Elsinore/ Canyon Lake TMDL Task Force Meeting Notes from February 16, 2017, and to pull from the Consent Calendar for discussion Item 1.1 Treasurer's Reports, and Item 1.3 Committees Status Report.

with the following vote:

Ayes: Dennstedt, Jeffries, Magee, Warren, Williams
Noes: None
Absent: None
Abstain: None

Item 1.1 Treasurer’s Reports

Chair Magee noted that on page 15 of the Treasurer’s Report, it shows that the Dept. of Fish and Wildlife failed to make their payment and is the only one who has not paid. He received assurance from Mark Norton that they have been reminded and sent the information, and they are going to pay now. Being a good partner means paying your fair share and paying on time. He will address this issue with Senator Jeff Stone.

Item 1.2 Committee Status Report

Chair Magee said that page 26 of the Committee Status Report mentions Mark Norton attending the last few Save the Lake Committee meetings. He thanked Mark Norton for attending at last minute’s notice. The Committee has since asked for Mr. Norton to return and make presentations in the future. Although they’ve hosted several informative speakers for these meetings, and at some point they need to work on and develop the plan to save the lake, rather than holding the meetings for the purpose of having speakers. Otherwise, it will waste taxpayer money.

Upon Motion by Director Williams, seconded by Director Dennstedt, the motion unanimously carried,

2017/4-2

MOVED, approval of the Consent Calendar items that were pulled for discussion: Item 1.1 Treasurer’s Reports, and Item 1.3 Committees Status Report.

with the following vote:

- Ayes: Dennstedt, Jeffries, Magee, Warren, Williams
- Noes: None
- Absent: None
- Abstain: None

2.0: Funding Agreement with RCFC&WCD (Memo #LES807)

Mark Norton said this agreement is for a continuance of the funding with the Riverside County Flood Control and Water Conservation District (RCFC&WCD). They have been a strong supporter of LESJWA and the TMDL Task Force and have agreed to provide \$20,000 per year for the next three years, which has been very helpful. They realize the benefit and would like to provide funding for an additional three years.

Mr. Norton noted that staff continues its efforts to invite other San Jacinto River Watershed agencies to consider joining the LESJWA JPA with the associated funding support.

Chair Magee thanked the RCFC&WCD and the County Supervisors for this support.

Upon Motion by Director Williams, seconded by Director Dennstedt, the motion unanimously carried,

2017/4-3

MOVED, approval of the Funding Agreement with the Riverside County Flood Control and Water Conservation District for support of the implementation and administration of watershed programs for Lake Elsinore and Canyon Lake, for FY2017-18 through FY 2019-2020.

with the following vote:

- Ayes: Dennstedt, Jeffries, Magee, Warren, Williams
- Noes: None
- Absent: None
- Abstain: None

3.0: LESJWA Annual FY 2017-18 Budget (Memo #LES808)

Mark Norton briefly reviewed the LESJWA annual budget for 2017-18. It covers the LESJWA activity for the fiscal year, and also lists the existing projects along with the associated administrative costs with operating the agency and implementing the TMDL projects. It includes the use of the remaining reserve

revenue funds carried over from past member agency contributions. The projections of costs for the FY 2017-18 shows that the member agency contributions along with the funding from the LE/CL TMDL Task force will be enough to cover all projected JPA activities. Also, with the increased member agency contributions and the funding from RCFC&WCD, the reserve funding is now gradually growing rather than being depleted as in past years.

The budget is formatted very similar to those of previous years; however, there are a few additional items. At the top portion of the operating revenue, it shows what's being contributed by the Task Force, 7:31 and shows the breakdown of the tasks and lists the 20 agencies.

A new item is the LEAMS excess offset credit totals, which is the amount of revenue that will be collected through the LEAMS Agreement that is on today's agenda. This funding would go back to the operators of the LEAMS system; LESJWA serves in the administrative role.

There was a request during the last budget process that the City of Canyon Lake increase their contribution, and he had forwarded that reminder to Director Warren, who indicated that it would be taken to the City Council in May. It has been suggested that Canyon Lake double their amount in line with all the other member agencies.

Staff recommends approval of the 2017-18 Budget subject to the City of Canyon Lake's contributions as shown.

Director Williams said he believes 5% sounds like a modest amount for the SAWPA administration costs. However, the LESJWA meetings have decreased throughout the years, and he'd like to provide to his Board a current breakdown of the 5%.

Chair Magee noted that he recently requested that the budget also show the Director stipends of \$0, as the Directors had voted to take a 100% cut in pay several years ago, which is significant and should be shown in the budget. To Director Williams' point about the 5% administrative fees, our meetings have decreased, but then costs are going up. It's important to reflect all of these things in our budgets.

Upon motion by Director Jeffries, seconded by Director Dennstedt, the motion unanimously carried,

2017/4-4

MOVED, approval of the 2017-18 LESJWA Budget, and invoice each LESJWA member agency at the start of the new fiscal year based on contribution levels as reflected in the budget.

with the following vote:

Ayes: Dennstedt, Jeffries, Magee, Warren, Williams
Noes: None
Absent: None
Abstain: None

4.0: License Agreement (Memo #LES809)

Mark Norton said this item is for approval of the new LEAMS (Lake Elsinore Aeration & Mixing System) License Agreement. Tim Moore/Risk Sciences was authorized by this Board to develop supplemental provisions to the LEAMS Operation and Maintenance Agreement to incorporate a system by which an offset credit agreement could be developed, and that specifies how an offset credit for excess LEAMS nutrient uptake will be used to demonstrate compliance with the TMDL targets, load allocations, and wasteload allocations at Lake Elsinore, and then apportion those credits among the agencies co-sponsoring and operating the project (City of Lake Elsinore, EVMWD, and County of Riverside), upon approval by the Regional Board. The compression system that pushes out and provides air is so important. It also reduces the nutrient resuspension from the bottom, so there is a credit available for that. That revenue that is collected would then be used to address the issues at Lake Elsinore and also Canyon Lake.

The Agreement has been prepared similar to a software license. There is a lot of detail in the LEAMS agreement, and several attachments. The Operation & Maintenance Agreement is still in the approval process. Mr. Norton noted that Tim Moore was on hand to answer any questions.

Director Williams commented that a lot of work went into preparing the Agreement, and EVMWD treasures Tim Moore's assistance immensely and they're proud to support the project.

Upon motion by Director Williams, seconded by Director Dennstedt, the motion unanimously carried,

2017/4-5

MOVED, approval of the License Agreement for Offset Credits Generated by the Lake Elsinore Aeration and Mixing System (LEAMS).

with the following vote:

Ayes: Dennstedt, Jeffries, Magee, Warren, Williams

Noes: None

Absent: None

Abstain: None

5.0: Lake Elsinore/Canyon Lake Algae Toxicity Monitoring Change Order (Memo #LES810)

Mark said this item is a recommendation to approve a change order with Amec Foster Wheeler, the firm that does the monitoring at both lakes. At a recent TMDL Task Force meeting, there was a representative from Southern California Coastal Water Research Project, a researcher who had done all the analysis about algae toxicity. They've been monitoring this for a while, and then it got really bad. The cyanotoxins can be quite bad and can make people sick. After listening to this presentation and researching State Board investigation of harmful algae blooms, Tim Moore of Risk Sciences recommended adding a monitoring program for HABs for Lake Elsinore and Canyon Lake to be paid by the Task Force. There are many types of toxins and it was likely that the State Board may want to incorporate into the TMDLs. These data will be important baseline data that will also help us tie any connection between chlorophyll A and toxicity. Included in packet is a page/rationale as to why we should add this as prepared by Risk Sciences.

The consultant would collect samples when they conduct regular water quality sampling and then send them these additional water samples out to laboratories which then could be tested for algae toxins. It's a little more in-depth testing. The data would be put it into the State's CEDEN. This is important now since the Regional Board is updating the 303d list and why they're impaired. We want to make sure that all data is entered into CEDEN. We are aware of this data entry requirement and want to assist with that.

Recognizing that both Lake Elsinore and Canyon Lake would like to have immediate information about toxins and have a quick turnaround, a separate sampling component was scoped that would be paid for by the cities themselves to make sure that there's a quick turnaround. The City of Canyon Lake is doing this, but the City of Lake Elsinore feels that since they already have a separate contract with AMEC for the Task Force, they asked that that option item be removed as they're doing it anyway, so there's no reason to add on that component.

Director Williams asked if the TMDL Task Force was going to pay for Canyon Lake algae toxicity sampling, why wouldn't they also pay for Lake Elsinore. Mr. Norton stated that the Task Force is only funding a baseline level as necessary for the TMDL update. The additional components are optional and are intended as sampling if necessary for providing public health warnings. It's an optional task only for City of Lake Elsinore and for Canyon Lake. There are different levels in which they post warnings. The sampling proposed by the Task Force to be paid by the Task Force covers them in case the State Board gets more into monitoring algae toxins.

Director Williams agreed, but indicated he thought that even public health warnings should be a responsibility of the TMDL Task Force and should be paid for by the TMDL parties.

Mr. Norton said that the Task Force did have in-depth discussions about to what extent they were responsible for public safety. Director Magee said he appreciated Director Williams' comments. What we're talking about here is a bit of control and getting a quicker handle on the situation. For example, a vendor along with the Regional Board recently came into a Lake Elsinore campground beach area and issued a warning that there was algae toxicity issue again at Lake Elsinore. They failed to notify the operator or owner; he just happened to find out about it. He said he appreciated the comments made, but that we don't want to wait until things just take care of it themselves. Director Warren shared that the whole affair last summer was a bad moment and a good learning experience. The Regional Board could come in like that again.

Mr. Norton said this new monitoring program will benefit all TMDL parties and the local lakes. The sampling is above and beyond what is mandated at this time and the Task Force feels is necessary for the needs of the Task Force, but it's being offered in case the cities want to do it.

Upon motion by Director Jeffries, seconded by Director Dennstedt, the motion unanimously carried,

2017/4-6

MOVED, approval of Change Order No. 1 to Task Order No. AMEC160-02 with AMEC Foster Wheeler Environment & Infrastructure, Inc. for an amount not-to-exceed \$33,252 to add algae toxicity testing and analysis to ongoing lake quality monitoring at Lake Elsinore and Canyon Lake.

with the following vote:

Ayes: Dennstedt, Jeffries, Magee, Warren
Noes: None
Absent: None
Abstain: None

6.0: Stormflow Impacts (Memo #LES811)

Mark Norton introduced Kyle Gallup of Riverside County Flood Control & Water Conservation District. Mr. Gallup provided a brief presentation on the San Jacinto Basin flows through Mystic Lake into Canyon Lake and Lake Elsinore, discussing the tributaries to the lakes, the farmer's levee built in 1908, the breaches in the levee and the water flows into Mystic Lake. He also discussed the January 2017 rain event and the rainfall summaries; the volume of storage gained in Mystic Lake from the January storm, and reviewed other lakes' rise in footage.

The report was received and filed by the Board.

7.0: Lake Elsinore/Canyon Lake TMDL Task Force Amendment (Memo #LES812)

Mark Norton said this item is an amendment to the Lake Elsinore and Canyon Lake TMDL Task Force Agreement extending the termination date to June 30, 2020, with the option to extend it another two years beyond that. The Task Force believes it's very important work that we're engaged in and being named as responsible parties. They see a lot of value in having this Task Force and in LESJWA overseeing the governance. The Amendment is most likely nine months away from approval.

Upon motion by Director Williams, seconded by Director Dennstedt, the motion unanimously carried,

2017/4-7

MOVED, approval of Amendment No. 1 to the Lake Elsinore and Canyon Lake TMDL Task Force Agreement to extend the Agreement to June 30, 2020, with the option to extend it two years more thereafter.

with the following vote:

Ayes: Dennstedt, Jeffries, Magee, Warren
Noes: None
Absent: None
Abstain: None

8.0: ADMINISTRATOR'S COMMENTS

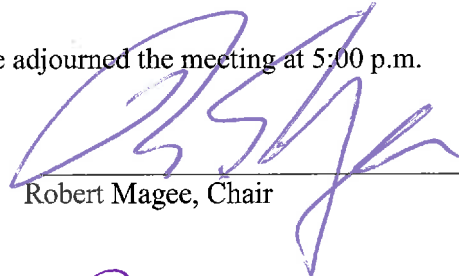
Mark announced that Celeste Cantú, SAWPA's General Manager, has resigned and is retiring from public service. She has been with SAWPA for over ten years, and that continuity has been so important. Mr. Norton assured the Board that he will emphasize to the new General Manager the importance of LESJWA's work.

9.0: DIRECTORS' COMMENTS

Director Dennstedt announced that Celeste Cantú will be the keynote speaker at the Santa Ana River Watershed Conference scheduled for May 25, 2017, held at Ontario Convention Center. She encouraged all to attend.

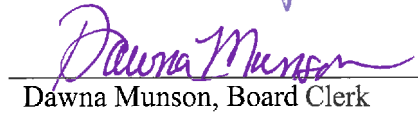
As there was no further business, Chair Magee adjourned the meeting at 5:00 p.m.

APPROVED: June 15, 2017



Robert Magee, Chair

ATTEST: June 15, 2017



Dawna Munson, Board Clerk