

LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY

AGENDA

BOARD OF DIRECTORS MEETING

ELSINORE VALLEY MUNICIPAL WATER DISTRICT

31315 Chaney Street
Lake Elsinore, California 92531
951.674.3146 (EVMWD) / 951.354.4240 (LESJWA)

Wednesday, February 25, 2015 – 4:00p.m.

CALL TO ORDER/PLEDGE OF ALLEGIANCE (Chair Robert Magee)

ROLL CALL: __SAWPA __EVMWD __CITY OF LAKE ELSINORE __CITY OF CANYON LAKE
__COUNTY OF RIVERSIDE

PUBLIC COMMENTS:

Members of the public may address the Board on any item that is within the Board's jurisdiction; however, no action may be taken on an item appearing on the agenda unless the action is otherwise authorized by Subdivision (b) Section 54954.2 of the Government Code. Members of the public are requested to provide a public comment notice card to the Board Secretary prior to the meeting in order to speak. The public is given a maximum of five minutes to speak on an issue following discussion of an agenda item.

Materials related to items on this Agenda submitted to the Board after distribution of the agenda packet, are available to the public during regular business hours at the Authority's office: 11615 Sterling Avenue, Riverside, CA 92503.

Any person with a disability who requires accommodation in order to participate in this meeting may contact Dawna Munson at 951.354.4247, at least 48 hours prior to the meeting to request a disability-related modification.

CONSENT CALENDAR

Consent Calendar items are considered routine and non-controversial, to be acted upon by the Board at one time without discussion. If a Board member, staff member, or interested person requests that an item be removed from the Consent Calendar, the request will become the first item of business on the agenda.

- 1.0 MINUTES.....3**
RECOMMENDATION: Approve the Minutes of the Board of Directors meeting held October 16, 2014.
- 1.1 TREASURER'S REPORTS.....9**
RECOMMENDATION: Receive and file financial statements from Oct. 2014 – Dec. 2014.
- 1.2 COMMITTEE STATUS REPORT.....27**
RECOMMENDATION: Receive and file the meeting notes from the Education and Outreach Committee meeting held on February 2, 2015.

End of Consent Calendar

- 2.0 REPORT ON AUDIT FOR FISCAL YEAR ENDING JUNE 30, 2014 (Memo 758).....31**
RECOMMENDATION: Receive and file the FY 2013-14 Report on Audit prepared by White Nelson Diehl Evans, LLP, and direct staff to file the Report on Audit.
- 3.0 FUNDING AGREEMENT WITH RCFCWCD (Memo 759).....75**
RECOMMENDATION: Approve the Funding Agreement with RCFCWCD for Support for the Implementation and Administration of Watershed Programs for Lake Elsinore and Canyon Lake Watersheds.
- 4.0 CHANGE ORDER - O'REILLY PUBLIC RELATIONS (Memo 760).....87**
RECOMMENDATION: Approve Change Order No. 1 to Task Order OREIL477-13 with O'Reilly Public Relations based on the recommendation of the LESJWA Education and Outreach Committee.
- 5.0 CHANGE ORDER - MWH ALUM MONITORING (Memo 761).....93**
RECOMMENDATION: Approve Change Order No. 2 to Task Order No. MWH160-01 with MWH Americas, Inc. for an amount not-to-exceed \$42,423 to conduct additional monitoring for support of the alum dosing in Canyon Lake, as part of the Phase 1- Canyon Lake Hybrid Treatment Project.
- 6.0 CANYON LAKE ALUM APPLICATION STATUS REPORT (Memo 762).....117**
RECOMMENDATION: Receive and file a status report for the upcoming fourth Canyon Lake alum application with Aquatechnex, and pre and post monitoring results.
- 7.0 CERTIFICATE OF APPRECIATION – JOE AKLUFİ (Memo 763).....123**
RECOMMENDATION: Authorize issuance of a Certificate of Appreciation to Joe Aklufi, Aklufi & Wysocki, in appreciation of his long service as LESJWA Legal Counsel and its predecessor lake management agency, Lake Elsinore Management Authority (LEMA).
- 8.0 ADMINISTRATOR’S COMMENTS**
- 9.0 DIRECTORS’ COMMENTS**
- 10.0 ADJOURN**

NEXT BOARD OF DIRECTORS MEETING: Thursday, April 16, 2015 at 4:00 p.m.

2015 Meeting Schedule

February 25
April 16
June 18
August 20
October 15
December 17*
(*as business dictates)

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

October 21, 2014

DIRECTORS PRESENT

Robert Magee, Chair
Nancy Horton
Kevin Jeffries
Phil Williams
Tom Evans

REPRESENTING

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

OTHERS PRESENT

Steve Horn
Jason Uhley

County of Riverside
Riverside County Flood Control & WCD

LESJWA STAFF PRESENT

Mark Norton, Authority Administrator
Dawna Munson, Clerk of the Board

The Regular Board of Directors meeting of the Lake Elsinore and San Jacinto Watersheds Authority was called to order at 4:00 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. A quorum was noted present with representation from all five member agencies.

Chair Magee asked if there are 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

Director Horton asked that staff review page 12 regarding the budget under revenue, as there may be an error regarding member agency contributions. Mark Norton said it appears that some reserve was placed in the wrong budget reserve line. He will discuss it with LESJWA's CFO and report back.

Upon motion by Director Evans, seconded by Director Horton, the motion unanimously carried,

2014/10-1

MOVED, approval of the Consent Calendar including the 6-19-2014 Board Meeting Minutes, and the Treasurer's Reports from April through August 2014.

with the following vote:

Ayes:	Evans, Horton, Jeffries, Magee, Williams
Noes:	None
Absent:	None
Abstain:	None

2.0: LESJWA BUSINESS PLAN UPDATE (Memo #753)

Mark Norton said based on past direction that staff to re-look at the Business Plan completed in 2011, there has been renewed discussion, comments, and suggestions about ways to increase revenues and make LESJWA more sustainable; those comments and suggestions have been incorporated into the Plan.

He discussed the actions taken to stabilize the organization, and that one of the suggestions was to pursue State and Federal funding. He is now pleased to report that \$500,000 in State grant funding will be coming to LESJWA to assist with activities to improve Canyon Lake. Mr. Norton reviewed the action steps that have taken place including pollutant trading, sharing costs with the TMDL Task Force, and some increases in some member agency contributions, as well as consideration of potential future revenue by two of the LESJWA agencies, and potential inclusion of the Riverside County Flood Control & Water Conservation District (RCFCD) as a LESJWA member.

Staff also explored ways with the Western Riverside Council of Governments (WRCOG) that may assist the organization or be a vehicle by which to help streamline LESJWA's costs. There had been discussions about scheduling some outreach meetings with Rick Bishop, which is still on his agenda. To date, staff has gone out to the City of Menifee, which was very supportive, but nothing more has come of that. Staff will continue to reach out to others such as EMWD, Moreno Valley, and other cities to assess interest.

All changes made to the Business Plan are results of recent discussions and are all highlighted in the agenda staff report. At this time, there doesn't appear to be any brand new methods to sustain the income for the organization. This is a draft document at this stage and he welcomes the Board's input.

Director Horton noted where a correction needs to be made on Board Memo No. 753, on page 44 of the agenda packet: change where it reads \$20/year in the memo, to \$20,000/year. She also suggested rewriting page 13 of the Business Plan with regard to the San Jacinto Watershed Council on which she and Phil Williams serve, noting that it's a very fine, worthwhile organization. She briefly highlighted some of their recent significant efforts with regard to the TMDLs. Further, the Western Riverside County Agriculture Coalition (WRCAC) just received one of the most prestigious grants available in the amount of \$200,000 from the Department of Agriculture. WRCAC has matched it with \$400,000. Some of the language in the Plan could be reworked, as she believes both agencies can work together cooperatively to the benefit of all the organizations. The tone of the Plan should reflect the current relationship between LESJWA and the San Jacinto Watershed Council.

Mark Norton suggested that the paragraph should be updated to bring it up to a tone of cooperation.. Director Horton agreed and formed the motion that the Business Plan should be rewritten to reflect the current relationship between LESJWA and the San Jacinto Watershed Council—their good relationship working forward.

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

2014/10-2

MOVED, approval of the Business Plan upon revisions (page 13) to reflect the current cooperative relationship between LESJWA and the San Jacinto Watershed Council, and their good relationship working forward.

with the following vote:

Ayes:	Evans, Horton, Jeffries, Magee, Williams
Noes:	None
Absent:	None
Abstain:	None

3.0: OWOW 2.0 PLAN ADOPTION (Memo #754)

Mark Norton said this item is for the Board's consideration regarding the adoption of the OWOW 2.0 Plan and the accompanying Resolution No. 2014-02. It's a requirement that if LESJWA receives the \$500,000 through IRWP administered through Proposition 84, Round 2, LESJWA needs to adopt the OWOW Plan. LESJWA is staffed through SAWPA, and SAWPA administers the OWOW Plan, which they adopted in February 2014. Also attached to the document are the resolution and the Executive Summary.

Some Board members had questions regarding the implications of the Plan. Staff wants to assure the Board that it is a Regional Plan, a CEQA-exempt plan, and it doesn't enact new ordinances or zoning codes; it is non-regulatory. It reflects the cooperation of stakeholder involvement, as multiple counties were involved in the OWOW Plan. It is a 20-year plan written by the stakeholders – the OWOW Pillar groups. They looked at the challenges and developed solutions.

It is a very comprehensive, detailed, and voluminous document, and it meets all the requirements established by the DWR for these plans. They have a very high bar of what is expected in the Plan submitted to the State, and the DWR found it fully compliant, giving it the perfect score. The LESJWA project in the document supports the goals and mission of the OWOW Plan and staff recommends the adoption of the resolution.

Director Jeffries commented that he doesn't fully agree with some portions being included in the Plan such as the environmental justice portion and the climate change predictions for the next 60 years; he doesn't believe they should be included in this public document; however, he supports adopting the resolution.

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

2014/10-3

MOVED, approval to adopt Resolution No. 2014-02 for the SAWPA Integrated Regional Water Management (IRWM) Plan (OWOW 2.0 Plan), in order to meet the SAWPA and DWR requirements for grant funding under the California DWR Proposition 84 IRWM Implementation Grant Program.

with the following vote:

Ayes:	Evans, Horton, Jeffries, Magee, Williams
Noes:	None
Absent:	None
Abstain:	None

4.0: SAWPA/LESJWA AGREEMENT FOR PROPOSITION 84 IRWM GRANT FUNDS (Memo #755)

Mark Norton reviewed the recommendation that this item is to approve the SAWPA-LESJWA Agreement for the grant funding of \$500,000 to assist with the budget described as the hybrid treatment process, which is the Canyon Lake alum application. The project envisioned and agreed upon was the application of alum to help meet the TMDL goal for Canyon Lake, and is taking place over 2-1/2 years at a cost of \$785,000. The \$500,000 will be a significant benefit to the TMDL Task Force to help offset their local share, and help them with their TMDL progress as defined by the Regional Board. This agreement is with SAWPA because SAWPA is the Integrated Regional Water Management group in the eyes of the DWR. These are passed from DWR to the accepted regions, and the money this time will be distributed to 19 projects. The agreement is retroactive to expenses we've had since February 2014; the September application and also for the next two applications. By execution of this agreement, there will be money to help offset some of the local share that approximately 24 agencies have had to bear for the TMDL compliance.

Director Williams asked for some clarification regarding the deficit spending of the funds that came from the TMDL Task Force, and where the retro money goes when the money is received. Mark Norton replied that each year the Task Force has an allocation to complete a number of tasks for TMDL compliance. Since it already has contributed the money to it this year, the \$500,000 is reimbursed based on expenses, and those monies will stay with the Task Force.

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

2014/10-4

MOVED, approval of the SAWPA/LESJWA Agreement to provide grant funding from California DWR's Proposition 84 Integrated Regional Water Management Implementation Grant Program administered through SAWPA for the Canyon Lake Hybrid Treatment Process project (Canyon Lake Alum Project).

with the following vote:

Ayes:	Evans, Horton, Jeffries, Magee, Williams
Noes:	None
Absent:	None
Abstain:	None

5.0: CANYON LAKE ALUM APPLICATION STATUS REPORT (Memo 756)

Mark Norton provided a status report on the most recent alum application. Although the last application resulted in an undesirable chemical reaction, this was a better time of year for it, and plenty of analysis was done prior to the application. Dr. Noblet's services were used and staff received a quick turn around on DO numbers. It was very successful and it moved forward with no problems. Staff also did more outreach efforts than before – going before the City Council, and they also held a public workshop. There were far less members of the public in attendance, as it's believed that fewer people have concerns about the alum application. There also were very positive press articles about the process. Overall, the recent application was deemed a big success. We haven't received the water quality data yet from that application, but expect to receive it in the next two-three months. It's a gradual process of several applications rather than one large application in order to better preserve the ecosystem. The East Bay area and the coves are still problematic, but it's moving forward.

Director Williams inquired whether readings were taken before and after the treatments, as he would like to see those reports. It makes it much clearer and easier to explain that study rather than going through the chemical makeup of the lake. Mark Norton replied that those readings would be provided.

The report was received and filed by the Board.

6.0: LAKE ELSINORE/CANYON LAKE TMDL TASK FORCE (Memo #757)

Mark Norton provided a brief update on the TMDL Task Force activities that usually meets monthly. They alternate between the Task Force and the Technical Advisory Committee, which delves into more details. Due to some contracts already approved that are ongoing, it's anticipated that by year's end we will have an influx of new research that will guide us as far as implementation. In addition to this, Tim Moore of Risk Sciences is reviewing the TMDL process to determine what is really necessary and what would be the most helpful for us to address. When the TMDL first started, the Regional Board did the best they could with the data they had, but we now have a lot more data available to help understand the process. Additional research work is being done by Dr. Michael Anderson of UCR, and much of it is underway. It's all very much a shared cost and the philosophy is to achieve compliance, primarily recognizing that most of the nutrients come in on these large storm events, so implementation at the lakes is our strategy to achieve our goals. The Task Force often must cover a lot of complex information, so there's still plenty of work to do to make sure we're still compliant with regulations; we're on the right track.

LESJWA currently has an agreement with Weston Solutions to conduct some stormwater monitoring for Lake Elsinore and Canyon Lake, so hopefully we'll have some rain and some measurements soon. In November, LESJWA staff will prepare the first draft of the Lake Elsinore/Canyon Lake TMDL Task Force Budget for 2015-16.

The report was received and filed by the Board.

7.0: ADMINSTRATOR'S COMMENTS

Mark Norton noted that LESJWA Legal Counsel Joe Aklufi has retired. He has been our legal representative for years going back to the days of LEMA. David Wysocki, his partner in the firm, will assume that role in LESJWA. Mr. Wysocki is aware that he will not need to attend meetings unless there are cases of legal matters.

Mr. Norton also noted that he would attend the Lake Elsinore State of the City Address October 22nd.

8.0: DIRECTORS' COMMENTS

Director Evans will not be able to attend the Board meeting scheduled for December.

Director Horton commented that considering Joe Aklufi's longtime service with LESJWA, a commendatory certificate of appreciation would be in order.

As there was no further business to discuss, Chair Magee adjourned the meeting at 5:16 p.m.

APPROVED: February 25, 2015

Robert Magee, Chair

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LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY
CASH FLOW STATEMENT
AS OF 12/31/14

Balance as of 11/30/14 \$ 739,377.72

**Funds Received
Deposits:**

Open - Grant Invoices
N/A

\$ -

Open - Member & Other Contributions
City of Lake Elsinore - TMDL Contribution

\$30,580.00

Total Due LESJWA

\$30,580.00

Disbursement List - December 2014

(30,344.60)

Funds Available as of 12/31/14

\$ 709,033.12

Funds Available:

Checking

\$ 150,536.38

LAIF

\$ 558,496.74

Total

\$ 709,033.12

Lake Elsinore San Jacinto Watersheds Authority
LE/CL TMDL Invoice History
FYE 2009 - 2015

Agency	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
March ARB	10,000.00	10,000.00	10,000.00	10,000.00	13,050.00	12,500.00	35,226.00
CalTrans	10,000.00	10,000.00	10,000.00	10,000.00	13,050.00	12,500.00	28,656.00
City of Beaumont	2,957.00	3,940.00	4,719.53	3,900.00	1,865.00	19,263.00	24,280.00
City of Canyon Lake	3,670.00	4,890.00	4,109.46	3,396.00	644.00	18,389.00	34,863.00
City of Hemet	22,308.00	29,723.00	27,460.77	22,696.00	6,286.00	18,175.00	25,510.00
City of Lake Elsinore	21,403.00	67,782.00	89,889.28	73,133.00	-	19,381.00	30,580.00
City of Menifee	-	-	24,752.77	20,458.00	23,649.00	44,155.00	55,821.00
City of Moreno Valley	50,638.00	67,469.00	63,546.31	52,520.00	15,425.00	103,565.00	113,058.00
City of Murrieta	2,006.00	2,673.00	786.96	650.00	-	12,426.00	24,280.00
City of Perris	15,000.00	19,985.00	20,060.94	16,580.00	5,752.00	18,869.00	26,739.00
City of Riverside	2,071.00	2,759.00	3,587.28	2,965.00	1,575.00	17,641.00	24,280.00
City of San Jacinto	9,565.00	12,744.00	13,470.59	11,133.00	4,315.00	19,487.00	24,280.00
City of Wildomar	-	-	4,668.93	3,859.00	4,461.00	8,307.00	19,528.00
County of Riverside	57,352.00	76,415.00	39,829.77	32,919.00	-	30,165.00	36,469.00
Dept of Fish and Game	10,000.00	10,000.00	10,000.00	10,000.00	13,050.00	12,500.00	18,435.00
Eastern Municipal Water District	10,000.00	10,000.00	10,000.00	10,000.00	13,050.00	12,500.00	16,225.00
Elsinore Valley Municipal Water District	13,656.00	57,460.00	75,294.20	61,070.00	-	12,500.00	16,225.00
March JPA	10,000.00	10,000.00	10,000.00	10,000.00	13,050.00	12,500.00	24,485.00
San Jacinto Agricultural Operators *	159,074.00	-	-	143,320.00	28,278.00	12,500.00	47,549.00
San Jacinto Dairy & CAFO Operators *	41,634.00	37,252.80	25,000.00	10,000.00	10,211.00	12,500.00	16,225.00
Total	451,334.00	433,092.80	447,176.79	508,599.00	167,711.00	429,823.00	642,714.00
Total Paid Contributions	451,334.00	433,092.80	447,176.79	379,290.00	167,711.00	429,823.00	544,178.00
Total Outstanding Contributions	-	-	-	129,309.00	-	-	98,536.00
Total Outstanding Contributions							
City of Beaumont	-	-	-	-	-	-	24,280.00
City of Menifee	-	-	-	-	-	-	55,821.00
Dept of Fish and Game	-	-	-	-	-	-	18,435.00
Total Outstanding All Years	-	-	-	-	-	-	98,536.00

Lake Elsinore/San Jacinto Watershed Authority
Statement of Net Assets
For the Six Months Ending Wednesday, December 31, 2014

Assets

Checking - Citizens	\$150,536.38
L.A.I.F.	558,496.74
Accounts Receivable	30,580.00
Total Assets	<u>\$739,613.12</u>

Liabilities

Accounts Payable	<u>26,682.03</u>
Total Liabilities	<u>\$26,682.03</u>

Retained Earnings	453,999.74
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Excess Revenue over (under) Expenditures	<u>\$258,931.35</u>
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Total Net Assets	<u>\$712,931.09</u>
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Total Liabilities and Net Assets	<u>\$739,613.12</u>
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Lake Elsinore/San Jacinto Watershed Authority
Revenues, Expenses and Changes in Net Assets
For the Six Months Ending Wednesday, December 31, 2014

	Period Actual	YTD Actual	Annual Budget	% Used	Budget Variance
Revenues					
State Grant Proceeds	\$0.00	\$0.00	\$210,148.00	0.00%	\$210,148.00
LAIF Interest	0.00	303.02	800.00	37.88%	496.98
Member Agency Contributions	0.00	188,137.00	70,000.00	268.77%	(118,137.00)
Other Agency Contributions	0.00	362,267.00	444,744.00	81.46%	82,477.00
Total Revenues	\$0.00	\$550,707.02	\$725,692.00	75.89%	\$174,984.98
Expenses					
Salaries - Regular	2,781.72	25,495.75	55,253.00	46.14%	29,757.25
Payroll Burden	1,276.81	11,702.53	25,363.00	46.14%	13,660.47
Overhead	4,364.52	40,002.84	86,692.00	46.14%	46,689.16
Audit Fees	0.00	5,500.00	5,500.00	100.00%	0.00
Consulting - General	7,881.31	205,878.56	569,634.00	36.14%	363,755.44
Legal Fees	393.75	918.75	1,500.00	61.25%	581.25
Meeting & Conference Expense	0.00	33.00	100.00	33.00%	67.00
Shipping & Postage	0.00	0.00	50.00	0.00%	50.00
Office Supplies	0.00	162.35	60.00	270.58%	(102.35)
Other Expense	0.00	0.00	50.00	0.00%	50.00
Insurance Expense	0.00	2,068.00	2,572.00	80.40%	504.00
Interest Expense	0.00	13.89	50.00	27.78%	36.11
Total Expenditures	\$16,698.11	\$291,775.67	\$746,824.00	39.07%	\$455,048.33
Excess Revenue over (under) Expenditures	(\$16,698.11)	\$258,931.35	(\$21,132.00)	-1225.30%	(\$280,063.35)

Lake Elsinore San Jacinto Watersheds Authority
Revenues, Expenses and Changes in Net Assets by Project
For the Month Ending December 31, 2014

	JPA Administration	TMDL Task Force	Total	Budget	% Used	Budget Variance
Revenues						
State Grant Proceeds	\$ -	\$ -	\$ -	\$ 210,148.00	0.00%	\$ 210,148.00
LAIF Interest	303.02	-	303.02	800.00	37.88%	496.98
Member Agency Contributions	40,000.00	148,137.00	188,137.00	70,000.00	268.77%	(118,137.00)
Other Agency Contributions	-	362,267.00	362,267.00	444,744.00	81.46%	82,477.00
Total Revenues	\$ 40,303.02	\$ 510,404.00	\$ 550,707.02	\$ 725,692.00	75.89%	\$ 174,984.98
Expenditures						
Salaries	\$ 10,129.99	\$ 15,365.76	\$ 25,495.75	\$ 55,253.00	46.14%	\$ 29,757.25
Benefits	4,649.66	7,052.87	11,702.53	25,363.00	46.14%	13,660.47
G&A Allocation	15,893.96	24,108.88	40,002.84	86,692.00	46.14%	46,689.16
Audit Fees	5,500.00	-	5,500.00	5,500.00	100.00%	-
Consulting	3,908.11	201,970.45	205,878.56	569,634.00	36.14%	363,755.44
Studies	-	-	-	-	0.00%	-
Other Contract Services	-	-	-	-	0.00%	-
Legal Fees	918.75	-	918.75	1,500.00	0.00%	581.25
Project Construction	-	-	-	-	0.00%	-
Meeting & Conference Expense	33.00	-	33.00	100.00	33.00%	67.00
Office Expense	162.35	-	162.35	110.00	147.59%	(52.35)
Board Compensation	-	-	-	-	0.00%	-
Other Expense	-	-	-	50.00	0.00%	50.00
Insurance Expense	2,068.00	-	2,068.00	2,572.00	80.40%	504.00
Interest Expense	13.89	-	13.89	50.00	27.78%	36.11
Total Expenditures	\$ 43,277.71	\$ 248,497.96	\$ 291,775.67	\$ 746,824.00	39.07%	\$ 455,048.33
Excess Revenue over (under) Expenditures	\$ (2,974.69)	\$ 261,906.04	\$ 258,931.35	\$ (21,132.00)	-1225.30%	\$ (280,063.35)
 Cash Balance @ 12/31/14	 \$ 37,632.60	 \$ 671,400.52	 \$ 709,033.12			

**Lake Elsinore San Jacinto
Watersheds Authority
Disbursements
December 31, 2014**

Check #	Check Date	Type	Vendor	Check Amount
1766	12/12/2014	CHK	Regents of the University of California	\$ 6,700.43
1767	12/18/2014	CHK	Regents of the University of California	\$ 5,121.86
EFT048	12/12/2014	CHK	Santa Ana Watershed Project Authority	\$ 13,204.35
EFT049	12/18/2014	CHK	Risk Sciences	\$ 5,317.96

Total Disbursements December 2014

\$ 30,344.60

LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY
CASH FLOW STATEMENT
AS OF 11/30/14

Balance as of 10/31/14 \$ 659,250.68

Funds Received

Deposits:

City of Wildomar - TMDL Contribution	19,528.00
City of Moreno Valley - TMDL Contribution	113,058.00

Open - Grant Invoices

N/A

\$ -

Open - Member & Other Contributions

Total Due LESJWA	\$0.00
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Disbursement List - November 2014	(52,458.96)
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Funds Available as of 11/30/14	\$ 739,377.72
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Funds Available:

Checking	\$ 180,880.98
LAIF	\$ 558,496.74
Total	\$ 739,377.72

Lake Elsinore San Jacinto Watersheds Authority
LE/CL TMDL Invoice History
FYE 2009 - 2015

Agency	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
March ARB	10,000.00	10,000.00	10,000.00	10,000.00	13,050.00	12,500.00	35,226.00
CalTrans	10,000.00	10,000.00	10,000.00	10,000.00	13,050.00	12,500.00	28,656.00
City of Beaumont	2,957.00	3,940.00	4,719.53	3,900.00	1,865.00	19,263.00	24,280.00
City of Canyon Lake	3,670.00	4,890.00	4,109.46	3,396.00	644.00	18,389.00	34,863.00
City of Hemet	22,308.00	29,723.00	27,460.77	22,696.00	6,286.00	18,175.00	25,510.00
City of Lake Elsinore	21,403.00	67,782.00	89,889.28	73,133.00	-	19,381.00	30,580.00
City of Menifee	-	-	24,752.77	20,458.00	23,649.00	44,155.00	55,821.00
City of Moreno Valley	50,638.00	67,469.00	63,546.31	52,520.00	15,425.00	103,565.00	113,058.00
City of Murrieta	2,006.00	2,673.00	786.96	650.00	-	12,426.00	24,280.00
City of Perris	15,000.00	19,985.00	20,060.94	16,580.00	5,752.00	18,869.00	26,739.00
City of Riverside	2,071.00	2,759.00	3,587.28	2,965.00	1,575.00	17,641.00	24,280.00
City of San Jacinto	9,565.00	12,744.00	13,470.59	11,133.00	4,315.00	19,487.00	24,280.00
City of Wildomar	-	-	4,668.93	3,859.00	4,461.00	8,307.00	19,528.00
County of Riverside	57,352.00	76,415.00	39,829.77	32,919.00	-	30,165.00	36,469.00
Dept of Fish and Game	10,000.00	10,000.00	10,000.00	10,000.00	13,050.00	12,500.00	24,570.00
Eastern Municipal Water District	10,000.00	10,000.00	10,000.00	10,000.00	13,050.00	12,500.00	16,225.00
Elsinore Valley Municipal Water District	13,656.00	57,460.00	75,294.20	61,070.00	-	12,500.00	16,225.00
March JPA	10,000.00	10,000.00	10,000.00	10,000.00	13,050.00	12,500.00	24,485.00
San Jacinto Agricultural Operators *	159,074.00	-	-	143,320.00	28,278.00	12,500.00	47,549.00
San Jacinto Dairy & CAFO Operators *	41,634.00	37,252.80	25,000.00	10,000.00	10,211.00	12,500.00	16,225.00
Total	451,334.00	433,092.80	447,176.79	508,599.00	167,711.00	429,823.00	648,849.00
Total Paid Contributions	451,334.00	433,092.80	447,176.79	379,290.00	167,711.00	429,823.00	513,598.00
Total Outstanding Contributions	-	-	-	129,309.00	-	-	135,251.00

Total Outstanding Contributions

City of Beaumont	-	-	-	-	-	-	24,280.00
City of Lake Elsinore	-	-	-	-	-	-	30,580.00
City of Menifee	-	-	-	-	-	-	55,821.00
Dept of Fish and Game	-	-	-	-	-	-	24,570.00
Total Outstanding All Years	-	-	-	-	-	-	135,251.00

Lake Elsinore/San Jacinto Watershed Authority
Statement of Net Assets
For the Five Months Ending Sunday, November 30, 2014

Assets

Checking - Citizens	\$180,880.98
L.A.I.F.	558,496.74
Total Assets	<u>\$739,377.72</u>

Liabilities

Accounts Payable	19,904.78
Total Liabilities	<u>\$19,904.78</u>

Retained Earnings	453,999.74
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Excess Revenue over (under) Expenditures	<u>\$265,473.20</u>
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Total Net Assets	<u>\$719,472.94</u>
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Total Liabilities and Net Assets	<u>\$739,377.72</u>
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Lake Elsinore/San Jacinto Watershed Authority
Revenues, Expenses and Changes in Net Assets
For the Five Months Ending Sunday, November 30, 2014

	Period Actual	YTD Actual	Annual Budget	% Used	Budget Variance
Revenues					
State Grant Proceeds	\$0.00	\$0.00	\$210,148.00	0.00%	\$210,148.00
LAIF Interest	0.00	303.02	800.00	37.88%	496.98
Member Agency Contributions	0.00	157,557.00	70,000.00	225.08%	(87,557.00)
Other Agency Contributions	0.00	362,267.00	444,744.00	81.46%	82,477.00
Total Revenues	\$0.00	\$520,127.02	\$725,692.00	71.67%	\$205,564.98
Expenses					
Salaries - Regular	4,360.75	22,714.03	55,253.00	41.11%	32,538.97
Payroll Burden	2,001.58	10,425.72	25,363.00	41.11%	14,937.28
Overhead	6,842.02	35,638.32	86,692.00	41.11%	51,053.68
Audit Fees	0.00	5,500.00	5,500.00	100.00%	0.00
Consulting - General	0.00	177,573.51	569,634.00	31.17%	392,060.49
Legal Fees	0.00	525.00	1,500.00	35.00%	975.00
Meeting & Conference Expense	0.00	33.00	100.00	33.00%	67.00
Shipping & Postage	0.00	0.00	50.00	0.00%	50.00
Office Supplies	0.00	162.35	60.00	270.58%	(102.35)
Other Expense	0.00	0.00	50.00	0.00%	50.00
Insurance Expense	0.00	2,068.00	2,572.00	80.40%	504.00
Interest Expense	0.00	13.89	50.00	27.78%	36.11
Total Expenditures	\$13,204.35	\$254,653.82	\$746,824.00	34.10%	\$492,170.18
Excess Revenue over (under) Expenditures	(\$13,204.35)	\$265,473.20	(\$21,132.00)	-1256.26%	(\$286,605.20)

Lake Elsinore San Jacinto Watersheds Authority
Revenues, Expenses and Changes in Net Assets by Project
For the Month Ending November 30, 2014

	JPA Administration	TMDL Task Force	Total	Budget	% Used	Budget Variance
Revenues						
State Grant Proceeds	\$ -	\$ -	\$ -	\$ 210,148.00	0.00%	\$ 210,148.00
LAIF Interest	303.02	-	303.02	800.00	37.88%	496.98
Member Agency Contributions	40,000.00	117,557.00	157,557.00	70,000.00	225.08%	(87,557.00)
Other Agency Contributions	-	362,267.00	362,267.00	444,744.00	81.46%	82,477.00
Total Revenues	\$ 40,303.02	\$ 479,824.00	\$ 520,127.02	\$ 725,692.00	71.67%	\$ 205,564.98
Expenditures						
Salaries	\$ 8,589.45	\$ 14,124.58	\$ 22,714.03	\$ 55,253.00	41.11%	\$ 32,538.97
Benefits	3,942.55	6,483.17	10,425.72	25,363.00	41.11%	14,937.28
G&A Allocation	13,476.85	22,161.47	35,638.32	86,692.00	41.11%	51,053.68
Audit Fees	5,500.00	-	5,500.00	5,500.00	100.00%	-
Consulting	3,820.61	173,752.90	177,573.51	569,634.00	31.17%	392,060.49
Studies	-	-	-	-	0.00%	-
Other Contract Services	-	-	-	-	0.00%	-
Legal Fees	525.00	-	525.00	1,500.00	0.00%	975.00
Project Construction	-	-	-	-	0.00%	-
Meeting & Conference Expense	33.00	-	33.00	100.00	33.00%	67.00
Office Expense	162.35	-	162.35	110.00	147.59%	(52.35)
Board Compensation	-	-	-	-	0.00%	-
Other Expense	-	-	-	50.00	0.00%	50.00
Insurance Expense	2,068.00	-	2,068.00	2,572.00	80.40%	504.00
Interest Expense	13.89	-	13.89	50.00	27.78%	36.11
Total Expenditures	\$ 38,131.70	\$ 216,522.12	\$ 254,653.82	\$ 746,824.00	34.10%	\$ 492,170.18
Excess Revenue over (under) Expenditures	\$ 2,171.32	\$ 263,301.88	\$ 265,473.20	\$ (21,132.00)	-1256.26%	\$ (286,605.20)
 Cash Balance @ 11/30/14	 \$ 40,873.46	 \$ 698,504.26	 \$ 739,377.72			

**Lake Elsinore San Jacinto
Watersheds Authority
Disbursements
November 30, 2014**

Check #	Check Date	Type	Vendor	Check Amount
1762	11/06/14	CHK	MWH Americas, Inc.	\$ 1,928.62
1763	11/06/14	CHK	Regents of the Univ of Calif	\$ 21,817.43
1764	11/26/14	CHK	White Nelson Diehl Evans LLP	\$ 1,400.00
1765	11/26/14	CHK	O'Reilly Public Relations	\$ 1,726.81
EFT044	11/20/14	CHK	Haley & Aldrich Inc	\$ 1,070.00
EFT045	11/20/14	CHK	Risk Sciences	\$ 4,094.25
EFT046	11/20/14	CHK	Santa Ana Watershed Project Authority	\$ 18,125.53
EFT047	11/20/14	CHK	Weston Solutions Inc	\$ 2,296.32
Total Disbursements November 2014				<u><u>\$ 52,458.96</u></u>

LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY
CASH FLOW STATEMENT
AS OF 10/31/14

Balance as of 09/30/14 \$ 768,089.12

Funds Received

Deposits:

Riverside County - Member Contribution	10,000.00
March JPA - TMDL Contribution	24,485.00
LAIF Interest	303.02

Open - Grant Invoices

N/A

\$ -

Open - Member & Other Contributions

City of Wildomar - TMDL Contribution	\$19,528.00
City of Moreno Valley - TMDL Contribution	113,058.00
Total Due LESJWA	\$132,586.00

Disbursement List - October 2014

(143,626.46)

Funds Available as of 10/31/14

\$ 659,250.68

Funds Available:

Checking	\$ 100,753.94
LAIF	\$ 558,496.74
Total	\$ 659,250.68

Lake Elsinore San Jacinto Watersheds Authority
LE/CL TMDL Invoice History
FYE 2009 - 2015

Agency	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
March ARB	10,000.00	10,000.00	10,000.00	10,000.00	13,050.00	12,500.00	35,226.00
CalTrans	10,000.00	10,000.00	10,000.00	10,000.00	13,050.00	12,500.00	28,656.00
City of Beaumont	2,957.00	3,940.00	4,719.53	3,900.00	1,865.00	19,263.00	24,280.00
City of Canyon Lake	3,670.00	4,890.00	4,109.46	3,396.00	644.00	18,389.00	34,863.00
City of Hemet	22,308.00	29,723.00	27,460.77	22,696.00	6,286.00	18,175.00	25,510.00
City of Lake Elsinore	21,403.00	67,782.00	89,889.28	73,133.00	-	19,381.00	30,580.00
City of Menifee	-	-	24,752.77	20,458.00	23,649.00	44,155.00	55,821.00
City of Moreno Valley	50,638.00	67,469.00	63,546.31	52,520.00	15,425.00	103,565.00	113,058.00
City of Murrieta	2,006.00	2,673.00	786.96	650.00	-	12,426.00	24,280.00
City of Perris	15,000.00	19,985.00	20,060.94	16,580.00	5,752.00	18,869.00	26,739.00
City of Riverside	2,071.00	2,759.00	3,587.28	2,965.00	1,575.00	17,641.00	24,280.00
City of San Jacinto	9,565.00	12,744.00	13,470.59	11,133.00	4,315.00	19,487.00	24,280.00
City of Wildomar	-	-	4,668.93	3,859.00	4,461.00	8,307.00	19,528.00
County of Riverside	57,352.00	76,415.00	39,829.77	32,919.00	-	30,165.00	36,469.00
Dept of Fish and Game	10,000.00	10,000.00	10,000.00	10,000.00	13,050.00	12,500.00	24,570.00
Eastern Municipal Water District	10,000.00	10,000.00	10,000.00	10,000.00	13,050.00	12,500.00	16,225.00
Elsinore Valley Municipal Water District	13,656.00	57,460.00	75,294.20	61,070.00	-	12,500.00	16,225.00
March JPA	10,000.00	10,000.00	10,000.00	10,000.00	13,050.00	12,500.00	24,485.00
San Jacinto Agricultural Operators *	159,074.00	-	-	143,320.00	28,278.00	12,500.00	47,549.00
San Jacinto Dairy & CAFO Operators *	41,634.00	37,252.80	25,000.00	10,000.00	10,211.00	12,500.00	16,225.00
Total	451,334.00	433,092.80	447,176.79	508,599.00	167,711.00	429,823.00	648,849.00
Total Paid Contributions	451,334.00	433,092.80	447,176.79	379,290.00	167,711.00	429,823.00	513,598.00
Total Outstanding Contributions	-	-	-	129,309.00	-	-	135,251.00

Total Outstanding Contributions

City of Beaumont	-	-	-	-	-	-	24,280.00
City of Lake Elsinore	-	-	-	-	-	-	30,580.00
City of Menifee	-	-	-	-	-	-	55,821.00
Dept of Fish and Game	-	-	-	-	-	-	24,570.00
Total Outstanding All Years	-	-	-	-	-	-	135,251.00

Lake Elsinore/San Jacinto Watershed Authority
Statement of Net Assets
For the Four Months Ending Friday, October 31, 2014

Assets

Checking - Citizens	\$100,753.94
L.A.I.F.	558,496.74
Accounts Receivable	132,586.00
Total Assets	<u>\$791,836.68</u>

Liabilities

Accounts Payable	<u>59,159.39</u>
Total Liabilities	<u>\$59,159.39</u>

Retained Earnings	453,999.74
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Excess Revenue over (under) Expenditures	<u>\$278,677.55</u>
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Total Net Assets	<u>\$732,677.29</u>
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Total Liabilities and Net Assets	<u>\$791,836.68</u>
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Lake Elsinore/San Jacinto Watershed Authority
Revenues, Expenses and Changes in Net Assets
For the Four Months Ending Friday, October 31, 2014

	Period Actual	YTD Actual	Annual Budget	% Used	Budget Variance
Revenues					
State Grant Proceeds	\$0.00	\$0.00	\$210,148.00	0.00%	\$210,148.00
LAIF Interest	303.02	303.02	800.00	37.88%	496.98
Member Agency Contributions	0.00	157,557.00	70,000.00	225.08%	(87,557.00)
Other Agency Contributions	0.00	362,267.00	444,744.00	81.46%	82,477.00
Total Revenues	\$303.02	\$520,127.02	\$725,692.00	71.67%	\$205,564.98
Expenses					
Salaries - Regular	5,970.49	18,353.28	55,253.00	33.22%	36,899.72
Payroll Burden	2,740.45	8,424.14	25,363.00	33.21%	16,938.86
Overhead	9,367.70	28,796.30	86,692.00	33.22%	57,895.70
Audit Fees	1,400.00	5,500.00	5,500.00	100.00%	0.00
Consulting - General	13,591.49	177,573.51	569,634.00	31.17%	392,060.49
Legal Fees	481.25	525.00	1,500.00	35.00%	975.00
Meeting & Conference Expense	33.00	33.00	100.00	33.00%	67.00
Shipping & Postage	0.00	0.00	50.00	0.00%	50.00
Office Supplies	0.00	162.35	60.00	270.58%	(102.35)
Other Expense	0.00	0.00	50.00	0.00%	50.00
Insurance Expense	0.00	2,068.00	2,572.00	80.40%	504.00
Interest Expense	13.89	13.89	50.00	27.78%	36.11
Total Expenditures	\$33,598.27	\$241,449.47	\$746,824.00	32.33%	\$505,374.53
Excess Revenue over (under) Expenditures	(\$33,295.25)	\$278,677.55	(\$21,132.00)	-1318.75%	(\$299,809.55)

Lake Elsinore San Jacinto Watersheds Authority
Revenues, Expenses and Changes in Net Assets by Project
For the Month Ending October 31, 2014

	JPA	TMDL				Budget	% Used	Budget
	Administration	Task Force	Total					Variance
Revenues								
State Grant Proceeds	\$ -	\$ -	\$ -	\$ 210,148.00	0.00%	\$ 210,148.00		
LAIF Interest	303.02	-	303.02	800.00	37.88%	496.98		
Member Agency Contributions	40,000.00	117,557.00	157,557.00	70,000.00	225.08%	(87,557.00)		
Other Agency Contributions	-	362,267.00	362,267.00	444,744.00	81.46%	82,477.00		
Total Revenues	\$ 40,303.02	\$ 479,824.00	\$ 520,127.02	\$ 725,692.00	71.67%	\$ 205,564.98		
Expenditures								
Salaries	\$ 7,548.05	\$ 10,805.23	\$ 18,353.28	\$ 55,253.00	33.22%	\$ 36,899.72		
Benefits	3,464.55	4,959.59	8,424.14	25,363.00	33.21%	16,938.86		
G&A Allocation	11,842.89	16,953.41	28,796.30	86,692.00	33.22%	57,895.70		
Audit Fees	5,500.00	-	5,500.00	5,500.00	100.00%	-		
Consulting	3,820.61	173,752.90	177,573.51	569,634.00	31.17%	392,060.49		
Studies	-	-	-	-	0.00%	-		
Other Contract Services	-	-	-	-	0.00%	-		
Legal Fees	525.00	-	525.00	1,500.00	0.00%	975.00		
Project Construction	-	-	-	-	0.00%	-		
Meeting & Conference Expense	33.00	-	33.00	100.00	33.00%	67.00		
Office Expense	162.35	-	162.35	110.00	147.59%	(52.35)		
Board Compensation	-	-	-	-	0.00%	-		
Other Expense	-	-	-	50.00	0.00%	50.00		
Insurance Expense	2,068.00	-	2,068.00	2,572.00	80.40%	504.00		
Interest Expense	13.89	-	13.89	50.00	27.78%	36.11		
Total Expenditures	\$ 34,978.34	\$ 206,471.13	\$ 241,449.47	\$ 746,824.00	32.33%	\$ 505,374.53		
Excess Revenue over (under) Expenditures	\$ 5,324.68	\$ 273,352.87	\$ 278,677.55	\$ (21,132.00)	-1318.75%	\$ (299,809.55)		
Cash Balance @ 10/31/14	\$ 52,220.21	\$ 607,030.47	\$ 659,250.68					

**Lake Elsinore San Jacinto
Watersheds Authority
Disbursements
October 31, 2014**

Check #	Check Date	Type	Vendor	Check Amount
1754	10/09/14	CHK	Aklufi and Wysocki	\$ 43.75
1755	10/09/14	CHK	White Nelson Diehl Evans LLP	\$ 1,500.00
1756	10/09/14	CHK	Regents of the Univ of California	\$ 11,227.28
1757	10/09/14	CHK	AquaTechnex LLC	\$ 88,560.00
1758	10/23/14	CHK	AquaTechnex LLC	\$ 22,000.00
1759	10/31/14	CHK	Aklufi and Wysocki	\$ 481.25
1760	10/31/14	CHK	White Nelson Diehl Evans LLP	\$ 1,600.00
1761	10/31/14	CHK	O'Reilly Public Relations	\$ 777.50
EFT041	10/03/14	CHK	Santa Ana Watershed Project Authority	\$ 12,215.43
EFT042	10/09/14	CHK	Weston Solutions Inc	\$ 4,923.00
EFT043	10/23/14	CHK	Haley & Aldrich Inc	\$ 298.25
Total Disbursements October 2014				<u><u>\$ 143,626.46</u></u>

LESJWA Education and Outreach Committee
Meeting Notes
February 2, 2015

Members Present: Mark Norton, Chair, SAWPA
Vicki Warren, City of Canyon Lake
Nicole Dailey, City of Lake Elsinore
Bonnie Woodrome, EVMWD

Others Present: Philip Southard, O'Reilly Public Relations

Members Absent: Greg Morrison, EVMWD
Steven Horn, County of Riverside

1. Call to Order

Mark Norton called the meeting to order at 12:08 pm at Elsinore Valley Municipal Water District (EVMWD), located at 31315 Chaney Street, Lake Elsinore, California.

2. Additions/Corrections to the Agenda

None.

3. Approval of the Meeting Notes

The meeting notes from Aug. 8, 2014 were reviewed and deemed acceptable by the Committee.

4. Project Status

- **Canyon Lake** – Mr. Norton gave an update about the next planned alum application to Canyon Lake and the outreach efforts associated with that. He reported that the next alum application will be conducted on March 2-5, 2015 by Aquatechnex. This time frame was based on the input of the Alum Technical Advisory Committee who met on Jan. 14th consisting of reps from EVMWD, Canyon Lake POA, City of Canyon Lake, Aquatechnex, Dr. Michael Anderson, MWH, Dr. Noblet – CSUSB and LESJWA staff. The consensus of the TAC was to conduct the regular alum application along with an experimental heavier dosage of alum, 2 to 3 times the past application amount, to one of the East Bay coves, Gold Cove, to determine the impacts of increased dosage in helping to knock down the phosphorus levels and associated Chlorophyll a. Pre- and post-sampling will be conducted as in the past. Mr. Norton reported that he would provide a PowerPoint presentation about the planned alum application along with a description of the experimental cove application at the Canyon Lake POA Board meeting and the City of Canyon Lake City Council meeting scheduled for Feb. 3rd and Feb. 4th respectively. Overall, the main body of Canyon Lake remains clear and of excellent quality while East Bay coves continue to be plagued by sporadic algae growth episodes.
- **TMDL Task Force** – Mr. Norton reported that the TMDL TF is continuing to address future monitoring requirements for the lakes and the watershed, working with the Lake Elsinore aeration/mixing operators on a new agreement to fund the operation and maintenance of the Lake Elsinore aeration/mixing system that may involve the MS4 permittees, planning a TMDL basin plan amendment, and planning for future implementation activities at both lakes. Details on much of the next steps will be dependent on a study and analysis currently underway by Dr. Michael Anderson of UCR. His work is scheduled to be completed by June 2015. The 2016-17 budget reflects these activities.

Regarding funding, LESJWA at their last Board meeting, approved an agreement with SAWPA and DWR for Proposition 84 Chapter 2 Integrated Regional Water Management Implementation Round 2 grant funding, which includes funding for the Canyon Lake Alum project. The grant funding reimbursement can go back to Feb. 2014, so the costs of the Sept. 2014 and the next two alum applications of alum will be fully reimbursed by the grant.

- **Lake Levels** – The current lake levels at the last meeting were 1237.44’ at Lake Elsinore, and 1381.24’ at Canyon Lake. The lake levels from the last meeting were at 1237.56 and Canyon Lake at 1378.73. The increase in Canyon Lake levels were due to recent storm events in Dec. 2014. The water level is now near the crest of the dam. If another significant storm were to occur this winter, runoff would finally start flowing into Lake Elsinore.

5. Alum Outreach and Schedule

- **March 2015**

Mr. Norton reported that in addition to the earlier information shared, he did not think that a separate expert panel workshop was necessary as in the past. This was because at the last workshop with a panel of experts there was very low turnout and most of the public’s questions and concerns were addressed either at the POA presentation or the City Council presentations. The Committee agreed. A similar approach of just outreach presentations to the POA and City Council of Canyon Lake similar to the September 2014 application will be being undertaken.

- **Flyer**

Mr. Southard said that instead of a flyer being produced as in the past for the expert panel workshop, it may be better that they provide a press release for the Friday Flyer before the alum application. The Committee agreed with this approach.

- **City Council Meeting**

Mr. Southard asked if there were any other materials needed for the POA and City Council meeting. Mr. Norton said that he still had the fact sheets about holy weed spiny naiad, algae, and alum that he will share with the POA and City staff for handouts at the two meetings. Vicki Warren encouraged Mr. Norton to be prepared to respond to questions regarding the possible relationship of an aquatic weed, holy weed spiny naiad, found in the main body that recently had to be removed by the POA. Mr. Norton said he would be sure to address that.

6. 2015-2016 PR Program

Mr. Southard said that he prepared a draft budget for FY 2015-16 as requested and handed out to the Committee. He said the overall goals of the LESJWA education and outreach remain the same. He reviewed each of the items in greater detail seeking feedback from the Committee.

- **Reporter Briefings**

Mr. Southard indicated that it may be time to sit down with news reporters to help them understand the impacts of the drought on the lakes. Mr. Norton said he would be happy to assist in this regard. Mr. Southard reported that the Press Enterprise is continuing to cut back its reporter staff due to falling revenue, so there may be new reporters who are not up to speed about LESJWA’s mission, goals, and accomplishments to date.

Ms. Dailey felt not enough work was being conducted to reach out to legislators and suggested fact sheets should be prepared to discuss support to implement future projects at Lake Elsinore. She indicated with the continued drought and dropping lake levels, another fish kill was inevitable. She asked Mr. Norton about what specific new implementation projects were planned for Lake Elsinore. Mr. Norton said that there was budget line item for Fishery Management at Lake Elsinore but much of the details on what this would cover were dependent on the ongoing study by Dr. Michael Anderson who will be conducting a fish survey. Ms. Dailey felt that O’Reilly Public Relations needed to be ready with press releases when and if the fish kill occur. Mr. Southard and Mr. Norton indicated that draft press releases had been prepared last summer, though no major fish kill occurred, that could still be used should this occur this summer.

- **Splash Into Spring**

Mr. Southard said the scope continues to show set up and operation of a LESJWA booth operated by O’Reilly Public Relations staff at the EVMWD Splash Into Spring scheduled as well as the SAWPA/OWOW Conference.

- **Water Summit**

The Committee felt that rather than conducting a LESJWA Water Summit this May 2015 as was done last year, that it would be best to defer this until next year, May 2016, after we get a better idea on what the next big projects will be. The funding set aside for that could be folded into the FY 15-16. In the meantime, work could be done to update any outreach materials such as brochures, media coverage and follow up briefing materials.

- **Issue Management**

Mr. Southard will continue to track any issues of concern to LESJWA, and the media and is available to prepare press releases as needed.

- **Other**

Mr. Southard said that his staff is ready to work with others on updating the fact sheets.

7. **Next Meeting Date**

The next LESJWA Education and Outreach Committee will meet on Monday, April 6, 12 noon at EVMWD.

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LESJWA BOARD MEMORANDUM NO. LES758

DATE: February 25, 2015

SUBJECT: Report on Audit for Fiscal Year Ending June 30, 2014

TO: LESJWA Board of Directors

FROM: Karen Williams, Chief Financial Officer

RECOMMENDATION

Staff recommends that the Board of Directors receive and file the FY 2013-14 Report on Audit prepared by White Nelson Diehl Evans, LLP, and direct staff to file the Report on Audit with respective government agencies as required by law.

DISCUSSION

Attached for your review, receipt, and filing is LESJWA's FY 2013-14 Report on Audit (Financial Statements) prepared by White Nelson Diehl Evans, LLP.

All government agencies and/or special districts must contract for an independent financial audit as required by California Government Code. In addition, because LESJWA has received State (SWRCB) grant funding, the independent audit must include additional work and reporting by the auditors testing LESJWA's internal control procedures for receipt of grant funding, to ensure compliance with respective State and Federal laws and regulations.

Staff is pleased to report that the financial statements presented herein contain no qualifications or reportable conditions. This indicates that LESJWA's financial reporting meets generally accepted accounting principles (GAAP), is compliant with applicable State and Federal laws and regulations, and its internal controls are sufficient to safeguard against material errors or fraud.

The Audit report was sent to each of the member agency's financial staffs for review. After a review of the Audit Report, the financial staff did not feel it was necessary to meet and did not wish to make changes to the report.

Karen Williams will present the audit, and respond to questions the Board may have regarding LESJWA's Report on Audit for the fiscal year ending June 30, 2014.

RESOURCES IMPACT

None.

KW:dm

Attachments:

1. LESJWA Management Report
2. LESJWA Annual Financial Report

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OCT 27 2014

Board of Commissioners
Santa Ana Watershed Project Authority
Riverside, California

Santa Ana Watershed
Project Authority

We have audited the financial statements of Santa Ana Watershed Project Authority (the Authority) for the year ended June 30, 2014. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards* as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our planning matters letter to you dated July 11, 2014. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Authority are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the fiscal year ended June 30, 2014. We noted no transactions entered into by the Authority during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The most sensitive estimates affecting the Authority's financial statements were:

- a. Management's estimate of the fair market value of investments which is based on market values provided by outside sources.
- b. Management's estimate to recognize revenue for capacity right purchases over the life of the Authority's contract with the County of fifty years.
- c. Management's estimate useful lives of capital assets for depreciation purposes are based on industry standards.
- d. The annual required contribution for the Authority's public defined benefit plan with CalPERS is based on an actuarial valuation.
- e. The funded status and funding progress of postemployment benefits other than the public defined benefit plans with CalPERS is based on actuarial valuations.

Significant Audit Findings (Continued)

Qualitative Aspects of Accounting Practices (Continued)

We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were reported in Note 5 regarding mitigation credits, Note 9 regarding unearned revenue from capacity right purchases, Note 12 regarding the defined benefit pension plans and Note 13 regarding Other Post-Employment Benefits.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. The following material misstatement detected as a result of audit procedures was corrected by management:

- Beginning net position was increased to record the other post-employment benefit (OPEB) asset.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 10, 2014.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Authority's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Significant Audit Findings (Continued)

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Authority's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to management's discussion and analysis and schedule of funding progress, which are required supplementary information (RSI) that supplements the financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on combining schedules of net position, combining schedules of revenues, expenses and changes in net position, combining schedule of fiduciary assets and liabilities, and combining schedule of changes in assets and liabilities (collectively, supplementary information), which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory and statistical sections, which accompany the financial statements but are not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the use of the Board of Commissioners and management of the Authority and is not intended to be, and should not be, used by anyone other than these specified parties.

White Nelson Dickel Evans LLP

Irvine, California
October 10, 2014

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Lake Elsinore & San Jacinto Watersheds Authority



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

LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY

ANNUAL FINANCIAL REPORT

**WITH REPORT ON AUDIT
BY INDEPENDENT
CERTIFIED PUBLIC ACCOUNTANTS**

FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Lake Elsinore & San Jacinto Watersheds Authority



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

Lake Elsinore & San Jacinto Watersheds Authority

Board of Directors as of June 30, 2014

<u>Representing</u>	<u>Name</u>	<u>Title</u>	<u>Appointment</u>
City of Canyon Lake	Nancy Horton	Chair	April 2010
Santa Ana Watershed Project Authority	Tom Evans	Vice Chair	February 2008
Elsinore Valley Municipal Water District	Phil Williams	Treasurer	February 2001
City of Lake Elsinore	Robert E. Magee	Director	April 2010
County of Riverside	Kevin Jeffries	Director	February 2013

Lake Elsinore & San Jacinto Watersheds Authority
Mark Norton, Authority Administrator
11615 Sterling Avenue
Riverside, CA 92503 • (951) 354-4220
www.mywatersheds.com

LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY

Annual Financial Report

For the Fiscal Year Ended June 30, 2014

LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY

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For the fiscal year ended June 30, 2014

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FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

Board of Directors
Lake Elsinore & San Jacinto Watersheds Authority
Riverside, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and major fund of the Lake Elsinore & San Jacinto Watersheds Authority (the Authority) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and major fund of the Authority as of June 30, 2014 and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America, as well as the accounting systems prescribed by the State Controller's Office and State regulations governing Special Districts.

OTHER MATTERS:

Partial Summarized Comparative Information

The financial statements include partial year comparative information. Such information does not include all of the information required to constitute a presentation in accordance with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Authority's financial statements for the year ended June 30, 2013 from which such partial information was derived.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the budgetary comparison schedule, as identified in the accompanying table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the management's discussion and analysis in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during the audit of the basic financial statements. We do not express an opinion or provide any assurance on the management's discussion and analysis because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The budgetary comparison schedule and related note have been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements of the Authority or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison schedule and related note are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

OTHER MATTERS (CONTINUED):

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's financial statements. The organization information is presented for purposes of additional analysis and is not a required part of the financial statements.

The organization information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 10, 2014, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

 LLP

Irvine, California
October 10, 2014

Management's Discussion and Analysis

The Authority

The Lake Elsinore & San Jacinto Watersheds Authority was formed in 2000 pursuant to the provisions of Article 1, Chapter 5, Division 7, Title 1 of the Government Code of the State of California relating to the joint exercise of powers common to public agencies. The Authority was formed for the purpose of implementing projects and programs to improve the water quality and habitat of Lake Elsinore and its back basin consistent with the Lake Elsinore Management Plan, and to rehabilitate and improve the San Jacinto and Lake Elsinore Watersheds and the water quality of Lake Elsinore in order to preserve agricultural land, protect wildlife habitat, and protect and enhance recreational resources, all for the benefit of the general public. In April 2010, the LESJWA Board revised its organizational mission to set an equal emphasis on improving Canyon Lake water quality as with Lake Elsinore and the watersheds.

The Authority's five member agencies are the City of Lake Elsinore, City of Canyon Lake, County of Riverside, Elsinore Valley Municipal Water District, and Santa Ana Watershed Project Authority (SAWPA).

Overview of the Financial Statements

The Authority is a special purpose government (special district). Accordingly, the accompanying financial statements are presented in the format prescribed for governmental funds by the Governmental Accounting Standards Board.

The Authority has one governmental fund, the general fund.

These financial statements consist of four interrelated statements designed to provide the reader with relevant, understandable data about the Authority's financial condition and operating results. The Authority's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The statement of net position presents information on all the Authority's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the differences between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The statement of activities presents information showing how the Authority's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flow in future fiscal periods.

The government-wide financial statements can be found on pages 12 and 13 of this report.

Fund financial statements. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year.

See independent auditors' report.

Management's Discussion and Analysis

The governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance each provide a reconciliation to facilitate a comparison between governmental funds and governmental activities.

The governmental fund financial statements can be found on page 14 -15 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 16 - 26 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Authority, assets exceeded liabilities by \$454,001 at June 30, 2014.

Net Position

	2014	2013	2012
Assets			
Current and Other Assets	\$ 490,644	\$ 419,006	\$ 745,913
Total Assets	490,644	419,006	745,913
Liabilities			
Current Liabilities	36,643	26,605	58,172
Total Liabilities	36,643	26,605	58,172
Net Position			
Unrestricted	454,001	392,401	687,741
Total Net Position	\$ 454,001	\$ 392,401	\$ 687,741

The following denotes explanations on some of the changes between fiscal years, as compared in the table above.

- The \$71,638 increase in current assets is due to an increase in cash and investments. Cash increased because the Western Riverside County Ag Coalition paid their FY 2014-15 dues early.
- The \$10,038 increase in liabilities is due to an increase in accounts payable and related party payables. Invoices for consulting costs for May and June of 2014 were not received until July 2014.

See independent auditors' report.

Management's Discussion and Analysis

Categories of Net Position

The Authority is required to present its net position in three categories: Net Investment in Capital Assets; Restricted; and Unrestricted.

Invested in Capital Assets

At June 30, 2014, the Authority did not have any net investment in capital assets.

Restricted

At June 30, 2014, the Authority did not have any restricted net position.

Unrestricted

At June 30, 2014, the Authority had unrestricted net position of \$454,001.

Change in Net Position

Overall, the fiscal year ending June 30, 2014, resulted in an increase in net position of \$61,600, a \$356,940 increase from the previous year. The budget included the use of reserves to fund JPA operations.

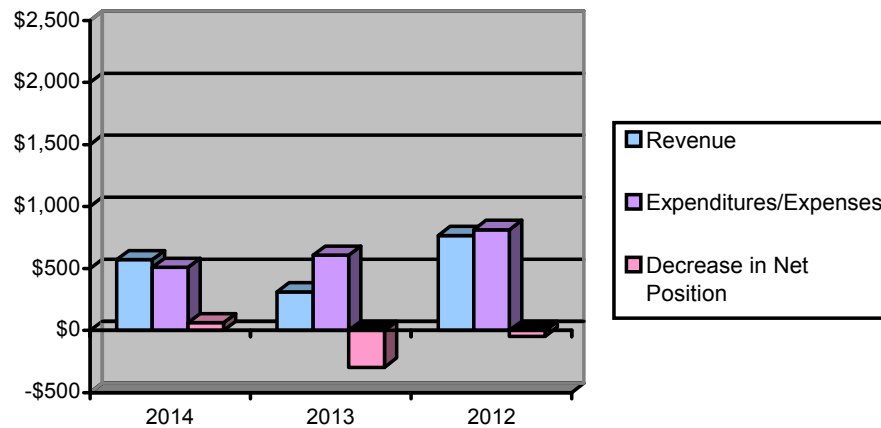
Changes in Net Position

Item Category	2014	2013	2012
	Amount	Amount	Amount
Program Revenues	\$ 519,698	\$ 259,743	\$ 712,456
General Revenues	51,069	51,871	53,206
Total Revenues	570,767	311,614	765,662
Total Expenses	509,167	606,954	813,282
Change in Net Position	61,600	(295,340)	(47,620)
Extraordinary Item	0	0	0
Beginning Net Position	392,401	687,741	735,361
Ending Net Position	\$ 454,001	\$ 392,401	\$ 687,741

See independent auditors' report.

Management's Discussion and Analysis

Decrease in Net Position (In thousands)



Revenues

Combined revenues for the fiscal year totaled \$570,767 an increase of \$259,153, or 83.2%, more than the prior fiscal year. The following table presents a comparison of revenues by category for the fiscal years 2014, 2013, and 2012.

Revenues – Government Wide

Revenue Category	2014		2013		2012	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Capital and Operating Grants	\$ 519,698	91.05%	\$ 259,743	83.35%	\$ 712,456	93.05%
Member Contributions	50,000	8.76%	50,000	16.05%	50,000	6.53%
Interest Earnings	1,069	0.19%	1,871	0.60%	3,206	0.42%
Total Revenues	\$ 570,767	100.00%	\$ 311,614	100.00%	\$ 765,662	100.00%

The following denotes explanations on some of the changes between fiscal years, as compared in the table above.

- The \$259,955 increase in operating grants and contributions is due to an increase in TMDL Task Force contributions from FYE 2013.
- The \$802 decrease in investment income is due to lower interest earning on reserve fund balance. Reserve funds were used throughout the year to fund JPA operations.

See independent auditors' report.

Management's Discussion and Analysis

Expenses

Combined expenditures for the fiscal year totaled \$509,167, a decrease of \$97,787, or 16.1%, less than the prior fiscal year. The following table presents a comparison of expenditures by category for the fiscal years 2014, 2013, and 2012.

Expenses – Government Wide

Expense Category	2014		2013		2012	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Administrative	\$ 164,902	32.39%	\$ 179,262	29.53%	\$ 203,476	25.03%
Contract Labor	1,225	0.24%	1,700	0.28%	600	0.07%
Consulting	342,994	67.36%	247,266	40.74%	609,095	74.89%
Task Force Credit	-	0.00%	178,671	29.44%	-	0.00%
Interest Expense	46	0.01%	55	0.01%	111	0.01%
Total Expenses	\$ 509,167	100.00%	\$ 606,954	100.00%	\$ 813,282	100.00%

The following denotes explanations on some of the changes between fiscal years, as compared in the table above.

- The \$14,360 decrease in administrative costs is due to a reduction of staff time in consideration of the LESJWA Board's direction to reduce administrative costs.
- The \$95,728 increase in consulting costs is due to an increased effort in the TMDL Task Force from FYE 2013.
- The \$178,671 decrease in Task Force Credit is due to the refund of excess contributions from prior years in FYE 2013. This was a one-time refund of excess contributions and is not expected to happen in the future.

Financial Analysis of the Authority's Funds

As noted earlier, the Authority uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the Authority's governmental funds is to provide information on near-term inflows, outflows, and balances of resources that are available for spending. Such information is useful in assessing the Authority's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. The governmental fund reported by the Authority is the Authority's general fund.

As of the end of the fiscal year ended June 30, 2014, the Authority's general fund reported an ending fund balance of \$454,001, an increase of \$61,600 or 15.7% as compared to the prior year. All of the fund balance constitutes unreserved fund balance, which is available for spending at the Authority's discretion.

See independent auditors' report.

Management's Discussion and Analysis

The general fund is the chief operating fund of the Authority. At the end of the current fiscal year, the unreserved fund balance of the general fund was \$454,001, which was also the total fund balance. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balances and total fund balance to total fund expenditures.

Unreserved fund balance represents 89.2% of total general fund expenditures of \$509,167. The prior year comparison for unreserved fund balance to total general fund expenditures is 64.7%.

The fund balance in the Authority's general fund increased by \$61,600 during the fiscal year due to several factors:

- Early payment of TMDL Task Force contributions by the Western Riverside County Ag Coalition.
- Increased contributions for funding the TMDL Task Force.
- Planned used of reserves to fund JPA operations.

Overall, the general fund's performance resulted in revenues exceeding expenditures in the fiscal year ended June 30, 2014, by \$61,600. In the prior year, general fund expenditures exceeded revenues by \$295,340.

Management's Discussion and Analysis

General Fund Budgetary Variances

The Authority's final budget of the general fund did not change from the original budget. The following table presents a comparison of original budgeted amounts versus the actual amounts incurred by category for the fiscal year ended June 30, 2014.

Budget versus Actual – General Fund For the Year Ended June 30, 2014

	Budgeted Amounts Original and Final	Actual Amounts Budgetary and GAAP Basis	Variance with Budget Positive (Negative)
Revenues			
Capital and Operating Grants	\$ 730,000	\$ 519,698	\$ (210,302)
Member Contributions	50,000	50,000	-
Interest Earnings	1,500	1,069	(431)
Total Revenues	781,500	570,767	(210,733)
Expenses			
Administrative	180,640	164,902	15,738
Contract Labor	-	1,225	(1,225)
Consulting	502,050	342,994	159,056
Interest Expense	100	46	54
Total Expenses	682,790	509,167	173,623
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 98,710	\$ 61,600	\$ (37,110)
Fund Balances - Beginning of Year		392,401	
Fund Balances - End of Year		\$ 454,001	

The following denotes explanations on some of the significant budget variances, as compared in the table above.

- The \$210,302 negative variance for capital and operating grants is due to budgeting \$150,000 for grant program revenues for the Proposition 40 TMDL BMP Implementation grant which was completed in FYE 2013 and slightly lower TMDL Task Force contributions than was budgeted.

See independent auditors' report.

Management's Discussion and Analysis

- The \$159,056 positive variance for consulting is due to consulting costs for the TMDL Task Force not being expended as quickly as anticipated in the budget.
- The \$15,738 positive variance for general and administrative costs is due to lower than anticipated labor costs based on the LESJWA Board's directive to reduce administrative expenses.

Capital Assets

Existing Capital Assets

The Authority did not have any capital assets as of June 30, 2014.

Future Capital Improvements

The Authority does not have any plans for future capital improvements.

Long-Term Debt

The Authority did not have any long-term debt as of June 30, 2014.

BASIC FINANCIAL STATEMENTS

LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY

STATEMENT OF NET POSITION

June 30, 2014

(With comparative totals for June 30, 2013)

	Governmental Activities	
	2014	2013
ASSETS:		
Cash and cash equivalents (Note 2)	\$ 488,286	\$ 416,167
Accrued interest receivable	290	267
Prepaid insurance	2,068	2,572
TOTAL ASSETS	490,644	419,006
LIABILITIES:		
Accounts payable and accrued expenses	22,592	10,815
Related party payable (Note 4)	14,051	15,790
TOTAL LIABILITIES	36,643	26,605
NET POSITION:		
Unrestricted	454,001	392,401
TOTAL NET POSITION	\$ 454,001	\$ 392,401

See independent auditors' report and notes to the basic financial statements.

LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY

STATEMENT OF ACTIVITIES

For the fiscal year ended June 30, 2014
(With comparative totals for the fiscal year ended June 30, 2013)

	Governmental Activities	
	2014	2013
EXPENSES:		
Administrative	\$ 164,902	\$ 179,262
Contract labor	1,225	1,700
Consulting	342,994	247,266
Task force credit to members	-	178,671
Interest expense	46	55
TOTAL EXPENSES	509,167	606,954
PROGRAM REVENUES:		
Capital and operating grants	519,698	259,743
TOTAL PROGRAM REVENUES	519,698	259,743
NET PROGRAM (EXPENSES) REVENUES	10,531	(347,211)
GENERAL REVENUES:		
Member contributions	50,000	50,000
Interest earnings	1,069	1,871
TOTAL GENERAL REVENUES	51,069	51,871
CHANGE IN NET POSITION	61,600	(295,340)
NET POSITION - BEGINNING OF YEAR	392,401	687,741
NET POSITION - END OF YEAR	\$ 454,001	\$ 392,401

See independent auditors' report and notes to the basic financial statements.

LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY

BALANCE SHEET
GOVERNMENTAL FUND

June 30, 2014

	General Fund
ASSETS:	
Cash and cash equivalents	\$ 488,286
Accrued interest receivable	290
Prepaid insurance	<u>2,068</u>
TOTAL ASSETS	<u>\$ 490,644</u>
LIABILITIES:	
Accounts payable and accrued expenses	\$ 22,592
Related party payable	<u>14,051</u>
TOTAL LIABILITIES	<u>36,643</u>
FUND BALANCE (NOTE 3):	
Nonspendable	2,068
Unassigned	<u>451,933</u>
TOTAL FUND BALANCE	<u>454,001</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 490,644</u>

See independent auditors' report and notes to the basic financial statements.

LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - GOVERNMENTAL FUND

For the fiscal year ended June 30, 2014

	<u>General Fund</u>
REVENUES:	
Capital and operating grants	\$ 519,698
Member contributions	50,000
Interest earnings	<u>1,069</u>
TOTAL REVENUES	<u>570,767</u>
EXPENDITURES:	
Administrative	164,902
Contract labor	1,225
Consulting	342,994
Interest expense	<u>46</u>
TOTAL EXPENDITURES	<u>509,167</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	61,600
FUND BALANCE - BEGINNING OF YEAR	<u>392,401</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 454,001</u></u>

See independent auditors' report and notes to the basic financial statements.

LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY

NOTES TO THE BASIC FINANCIAL STATEMENTS

For the fiscal year ended June 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

a. Organization and Purpose:

The Lake Elsinore & San Jacinto Watersheds Authority (Authority) was formed on April 5, 2000 pursuant to the provisions of Section 6500 of Article 1, Chapter 5, Division 7, Title 1 of the Government Code of the State of California relating to the joint exercise of powers common to public agencies. The purpose of the Authority is to implement projects and programs to improve the water quality and habitat of Lake Elsinore and its back basin consistent with the Lake Elsinore Management Plan, and to rehabilitate and improve the San Jacinto and Lake Elsinore Watersheds and the water quality of Lake Elsinore in order to preserve agricultural land, protect wildlife habitat, and protect and enhance recreational resources, all for the benefit of the general public. Administrative costs are funded through equal contributions from each member agency. The five member agencies are the City of Lake Elsinore, City of Canyon Lake, County of Riverside, Elsinore Valley Municipal Water District, and Santa Ana Watershed Project Authority. The Authority is governed by a five-member Board of Directors.

b. Basis of Accounting and Measurement Focus:

The *basic financial statements* of the Authority are comprised of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the basic financial statements

Government-wide Financial Statements:

These statements are presented on an *economic resources* measurement focus and the accrual basis of accounting. Accordingly, all of the Authority's assets and liabilities, including capital assets, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which the liability is incurred. The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. The types of transactions reported as program revenues for the Authority are to be reported in three categories, if applicable: 1) charges for services, 2) operating grants and contributions, and, 3) capital grants and contributions. Charges for services include revenues from customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function. Grant and contributions include revenues restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

See independent auditors' report.

LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY

NOTES TO THE BASIC FINANCIAL STATEMENTS
(CONTINUED)

For the fiscal year ended June 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

b. Basis of Accounting and Measurement Focus (Continued):

Governmental Fund Financial Statements:

These statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds. Incorporated into these statements is a schedule to reconcile and explain the differences in fund balance as presented in these statements to the net position presented in the Government-wide Financial Statements. The Authority has presented its General Fund, as its major fund, in this statement to meet the qualifications of GASB Statement No. 34.

Governmental funds are accounted for on a spending or *current financial resources* measurement focus and the modified accrual basis of accounting. Accordingly, current assets and liabilities are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balance. Under modified accrual basis of accounting, revenues are recognized in the accounting period in which they become measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60-days after year-end) are recognized when due. The primary sources susceptible to accrual for the Authority are interest earnings, investment revenue and operating and capital grant revenues. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, exceptions to this rule include principal and interest on debt, which are recognized when due.

The Authority reports the following major governmental fund:

General Fund - is a government's primary operating fund. It accounts for all financial resources of the Authority, except those required to be accounted for in another fund when necessary.

c. Reconciliation of Fund Financial Statements to Government-wide Financial Statements:

In order to adjust the fund balance on the governmental (general) fund balance sheet to arrive at net position on the statement of net position, certain adjustments are required as a result of the differences in accounting basis and measurement focus between the government-wide and fund financial statements. For the year ended June 30, 2014, the Authority did not have any adjustments to make.

See independent auditors' report.

LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY

NOTES TO THE BASIC FINANCIAL STATEMENTS
(CONTINUED)

For the fiscal year ended June 30, 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

d. New Accounting Pronouncements:

Current Year Standards:

GASB 66, *“Technical Corrections, an amendment of GASB Statement No. 10 and Statement No. 62”*, required to be implemented in the current fiscal year did not impact the Authority.

GASB 70, *“Accounting and Financial Reporting for Nonexchange Financial Guarantees”*, required to be implemented in the current fiscal year did not impact the Authority.

Pending Accounting Standards:

GASB has issued the following statements which may impact the Authority’s financial reporting requirements in the future:

- GASB 68 - *“Accounting and Financial Reporting for Pensions, an amendment of GASB Statement No. 27”*, effective for the fiscal years beginning after June 15, 2014.
- GASB 69 - *“Government Combinations and Disposals of Government Operations”*, effective for periods beginning after December 15, 2013.
- GASB 71 - *“Pension Transition for Contributions Made Subsequent to the Measurement Date, an Amendment of GASB Statement No. 68”*, effective for periods beginning after June 15, 2014.

e. Deferred Outflows/Inflows of Resources:

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Authority does not have any applicable deferred outflows of resources.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. The Authority does not have any applicable deferred inflows of resources.

See independent auditors’ report.

LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY

NOTES TO THE BASIC FINANCIAL STATEMENTS
(CONTINUED)

For the fiscal year ended June 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

f. Net Position Flow Assumption:

Sometimes the Authority will fund outlays for a particular purpose from both restricted (e.g., restricted grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the Authority's policy to consider restricted - net position to have been depleted before unrestricted - net position is applied.

g. Cash and Cash Equivalents:

Substantially all of Authority's cash is invested in interest bearing cash accounts. The Authority considers all highly liquid investments with initial maturities of three months or less to be cash equivalents.

h. Investments and Investment Policy:

The Authority has adopted an investment policy directing the Authority Manager to deposit funds in financial institutions. Investments are to be made in the following area:

- Local Agency Investment Fund (LAIF)

Changes in fair value that occur during a fiscal year are recognized as unrealized gains or losses and reported for that fiscal year. Investment income comprises interest earnings, changes in fair value, and any gains or losses realized upon the liquidation or sale of investments.

i. Accounts Receivable and Allowance for Bad Debt:

The Authority considers accounts receivable to be fully collectible. Accordingly, an allowance for doubtful accounts is not required.

See independent auditors' report.

LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY

NOTES TO THE BASIC FINANCIAL STATEMENTS
(CONTINUED)

For the fiscal year ended June 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

j. Budgetary Policies:

Prior to June 30th each fiscal year, the Authority adopts an annual appropriated budget for planning, control, and evaluation purposes. The budget includes proposed expenses and the means of financing them. Budgetary control and evaluation are affected by comparisons of actual revenues and expenses with planned revenues and expenses for the period. The Board approves total budgeted appropriations and any amendments to the appropriations throughout the year. Actual expenses may not exceed budgeted appropriations, except by 2/3 vote of the Board. Formal budgetary integration is employed as a management control device during the year. Encumbrance accounting is not used to account for commitments related to unperformed contracts for construction and services.

k. Net Position:

The financial statements utilize a net position presentation. Net position is categorized as follows:

- **Net Investment in Capital Assets** - This component of net position consists of capital assets, net of accumulated depreciation and reduced by any outstanding debt outstanding against the acquisition, construction or improvement of those assets. The Authority has no net investment in capital assets.
- **Restricted Net Position** - This component of net position consists of constraints placed on net position use through external constraints imposed by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. The Authority has no restricted net position.
- **Unrestricted Net Position** - This component of net position consists of net position that does not meet the definition of *net investment in capital assets* or *restricted*.

See independent auditors' report.

LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY

NOTES TO THE BASIC FINANCIAL STATEMENTS
(CONTINUED)

For the fiscal year ended June 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

l. Fund Balance:

The financial statements, governmental funds report fund balance as non-spendable, restricted, committed, assigned or unassigned based primarily on the extent to which the Authority is bound to honor constraints on how specific amounts can be spent.

- **Non-spendable fund balance** - amounts that cannot be spent because they are either (a) not spendable in form or (b) legally or contractually required to be maintained intact.
- **Restricted fund balance** - amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions enabling legislation.
- **Committed fund balance** - amounts that can only be used for specific purposes determined by formal action of the Authority's highest level of decision-making authority (the Board of Directors) and that remain binding unless removed in the same manner. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- **Assigned fund balance** - amounts that are constrained by the Authority's intent to be used for specific purposes. The intent can be established at either the highest level of decision-making, or by a body or an official designated for that purpose.
- **Unassigned fund balance** - the residual classification for the Authority's general fund that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

The Board of Directors established, modifies or rescinds fund balance commitments and assignments by passage of an ordinance or resolution. This is done through adoption of the budget and subsequent budget amendments that occur throughout the year.

When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, followed by committed, assigned and unassigned resources as they are needed.

See independent auditors' report.

LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY

NOTES TO THE BASIC FINANCIAL STATEMENTS
(CONTINUED)

For the fiscal year ended June 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

l. Fund Balance (Continued):

Fund Balance Policy:

The Authority believes that sound financial management principles require that sufficient funds be retained by the Authority to provide a stable financial base at all times. To retain this stable financial base, the Authority needs to maintain an unrestricted fund balance in its funds sufficient to fund cash flows of the Authority and to provide financial reserves for unanticipated expenditures and/or revenue shortfalls of an emergency nature. Committed, assigned and unassigned fund balances are considered unrestricted.

The purpose of the Authority's fund balance policy is to maintain a prudent level of financial resources to protect against reducing service levels or raising taxes and fees because of temporary revenue shortfalls or unpredicted one-time expenditures.

m. Use of Estimates:

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that effect certain reported amounts and disclosures. Accordingly, actual results could differ from the estimates.

n. Prior Year Data:

Selected information regarding the prior year has been included in the accompanying financial statements. This information has been included for comparison purposes only and does not represent a complete presentation in accordance with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Authority's prior year financial statements, from which this selected financial data was derived.

LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY

NOTES TO THE BASIC FINANCIAL STATEMENTS
(CONTINUED)

For the fiscal year ended June 30, 2014

2. CASH AND INVESTMENTS:

Cash and Investments:

Cash and investments as of June 30, 2014 are classified in the Statement of Net Position as follows:

Cash and cash equivalents	<u>\$ 488,286</u>
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Cash and investments as of June 30, 2014 consist of the following:

Deposits with financial institution	\$ 5,382
Local Agency Investment Fund (LAIF)	<u>482,904</u>
Total cash and investments	<u>\$ 488,286</u>

Authorized Deposits and Investments:

Under provisions of the Authority's investment policy, and in accordance with Section 53601 of the California Government Code, the Authority may invest in certain types of investments as listed in Note 1h to the financial statements.

Custodial Credit Risk:

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the Authority's investment policy does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. Of the Authority's bank balance, up to \$250,000 is federally insured and the remaining balance is collateralized in accordance with the Code; however, the collateralized securities are not held in the Authority's name.

See independent auditors' report.

LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY

NOTES TO THE BASIC FINANCIAL STATEMENTS
(CONTINUED)

For the fiscal year ended June 30, 2014

2. CASH AND INVESTMENTS (CONTINUED):

Custodial Credit Risk (Continued):

The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Code and the Authority's investment policy contain legal and policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

Interest Rate Risk:

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. The longer the maturity an investment has the greater its fair value has sensitivity to changes in market interest rates. The Authority's investment policy follows the Code as it relates to limits on investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates.

Investments in LAIF are considered highly liquid, as deposits can be converted to cash within 24 hours without loss of interest. As of June 30, 2014, the LAIF pool had a weighted average maturity of the following:

Local Agency Investment Fund (LAIF)	232 days
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Credit Risk:

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization; however, LAIF is not rated.

Concentration of Credit Risk:

The Authority's investment policy contains various limitations on the amounts that can be invested in any one governmental agency or non-governmental issuer as stipulated by the California Government Code. The Authority's deposit portfolio with LAIF is 99% of the Authority's total depository and investment portfolio as of June 30, 2014. There were no investments in any one non-governmental issuer that represent 5% or more of the Authority's total investments.

See independent auditors' report.

LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY

NOTES TO THE BASIC FINANCIAL STATEMENTS
(CONTINUED)

For the fiscal year ended June 30, 2014

2. CASH AND INVESTMENTS (CONTINUED):

Investment in State Investment Pool:

The Authority is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the Authority's investment in this pool is reported in the accompanying financial statements at amounts based upon the Authority's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

3. FUND BALANCE:

Fund balances are presented in the following categories: nonspendable, restricted, committed, assigned, and unassigned (see Note 11 for a description of these categories). A detailed schedule of fund balances and their funding composition at June 30, 2014 is as follows:

Nonspendable:	
Prepaid insurance	\$ 2,068
Unassigned	<u>451,933</u>
Total fund balance	<u>\$ 454,001</u>

4. RELATED PARTY TRANSACTIONS:

The Authority contracts with one of its member agencies, the Santa Ana Watershed Project Authority (SAWPA), to administer all of its accounting and administrative support. Total expenditures for administrative services provided by SAWPA for the fiscal year ended June 30, 2014 were \$156,498. Amounts paid to SAWPA for fiscal year 2013-2014 consisted of \$51,684 for salaries, \$22,999 for benefits, and \$81,815 for overhead allocation. At June 30, 2014 the amount due to SAWPA was \$14,051.

5. RISK MANAGEMENT:

The Authority is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority has purchased various commercial insurance policies to manage the potential liabilities that may occur from the previously named sources.

See independent auditors' report.

LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY

NOTES TO THE BASIC FINANCIAL STATEMENTS
(CONTINUED)

For the fiscal year ended June 30, 2014

6. COMMITMENTS AND CONTINGENCIES:

Grant Awards:

Grant funds received by the Authority are subject to audit by the grantor agencies. Such audits could result in requests for reimbursements to the grantor agencies for expenditures disallowed under terms of the grant. Management of the Authority believes that such disallowances, if any, would not be significant.

Litigation:

In the ordinary course of operations, the Authority is subject to claims and litigation from outside parties. After consultation with legal counsel, the Authority believes the ultimate outcome of such matters, if any, will not materially affect its financial condition.

7. SUBSEQUENT EVENTS:

Events occurring after June 30, 2014 have been evaluated for possible adjustments to the financial statements or disclosure as of October 10, 2014, which is the date these financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

For the fiscal year ended June 30, 2014

	Budgeted Amounts			Actual Budgetary Basis	Variance with Final Budget Positive (Negative)
	Adopted Original	Board Approved Changes	Final		
REVENUES:					
Capital and operating grants	\$ 730,000	\$ -	\$ 730,000	\$ 519,698	\$ (210,302)
Member contributions	50,000	-	50,000	50,000	-
Interest earnings	1,500	-	1,500	1,069	(431)
TOTAL REVENUES	781,500	-	781,500	570,767	(210,733)
EXPENDITURES:					
Administrative	180,640	-	180,640	164,902	15,738
Contract labor	-	-	-	1,225	(1,225)
Consulting	502,050	-	502,050	342,994	159,056
Interest expense	100	-	100	46	54
TOTAL EXPENDITURES	682,790	-	682,790	509,167	173,623
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	98,710	\$ -	98,710	61,600	(37,110)
FUND BALANCE - BEGINNING OF YEAR	392,401		392,401	392,401	-
FUND BALANCE - END OF YEAR	\$ 491,111		\$ 491,111	\$ 454,001	\$ (37,110)

See independent auditors' report and note to required supplementary information.

LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION

For the fiscal year ended June 30, 2014

1. BUDGETS AND BUDGETARY DATA:

The Authority follows specific procedures in establishing the budgetary data reflected in the financial statements. Each year the Authority's Authority Manager and Executive Secretary prepare and submit an operating budget to the Board of Directors for the General Fund no later than June of each year. The basis used to prepare the budget does not differ substantially from the modified accrual basis of accounting. The adopted budget becomes operative on July 1. The Board of Directors must approve all supplemental appropriations to the budget and transfers between major accounts. The Authority's annual budget is presented as a balanced budget (inflows and reserves equal outflows and reserves) adopted for the General Fund at the detailed expenditure-type level.

The Authority presents a comparison of the annual budget to actual results for the General Fund at the functional expenditure-type major object level for financial reporting purposes. The budgeted expenditure amounts represent the adopted budget plus supplemental budget adoptions due to the capital and operating grants that were awarded after the initial budget was adopted.

REPORT ON INTERNAL CONTROLS AND COMPLIANCE

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Lake Elsinore & San Jacinto Watersheds Authority
Riverside, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and major fund of the Lake Elsinore & San Jacinto Watersheds Authority (the Authority) as of and for the year ended June 30, 2014, and the related notes to the basic financial statements, which collectively comprise the Authority's financial statements, and have issued our report thereon dated October 10, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weakness. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "White Nelson Diehl Evans LLP".

Irvine, California
October 10, 2014

LESJWA BOARD MEMORANDUM NO. 759

DATE: February 25, 2015

SUBJECT: Funding Agreement with RCFCWCD for Support of LESJWA

TO: LESJWA Board of Directors

FROM: Mark R. Norton, P.E., Authority Administrator

RECOMMENDATION

Staff recommends that the Board of Directors approve a Funding Agreement with RCFCWCD for Support for the Implementation and Administration of Watershed Programs for Lake Elsinore and Canyon Lake Watersheds.

BACKGROUND

In February of 2014-15, staff reviewed several revenue generation options to help fund the JPA activities. In the past, the main source of funding coming into LESJWA came from the TMDL parties that are supporting the TMDL Task Force administration. Additional revenue funding sources had been discussed and two of the five LESJWA member agencies had indicated that they would be requesting an increase of double their current annual contribution of \$10,000 annually to \$20,000 annually. The County of Riverside also expressed interest and would be working with their staff to help LESJWA with administration. Further, the Riverside County Flood Control and Water Conservation District (RCFCWCD) also expressed interest in helping to fund LESJWA, as much of the MS4 compliance activities associated with the Lake Elsinore and Canyon Lake TMDL compliance are administered by LESJWA.

Attached is a proposed agreement that the RCFCWCD has prepared to support LESJWA in the implementation and administration of watershed programs for Lake Elsinore and Canyon Lake. The funding provides \$20,000 per year for three years and can be used for the administrative and management activities of the LESJWA JPA.

In discussions with the County of Riverside staff, they also have agreed to request an increased annual contribution to LESJWA for the next three years from \$10,000 per year to \$20,000/year. If these funding increases are approved by their governance along with the increased funding amounts from the City of Lake Elsinore and EVWMD subject to their governance approval, the annual revenue for the next three years to cover LESJWA JPA expenses will increase from \$50,000/year to \$100,000/year, which allows for a balanced LESJWA JPA expense versus revenue balance for the next three years.

Staff is continuing efforts to invite other agencies from the San Jacinto River Watershed to consider joining the LESJWA JPA with associated funding support. A presentation to the WRCOG Public Works Committee is scheduled for April 9th.

RESOURCES IMPACT

Funding of SAWPA staff time for LESJWA JPA activities will be provided by local contributions from LESJWA member agencies. All LESJWA activities associated with the LE/CL TMDL Task Force will continue to be funded by the LE/CL TMDL Task Force members.

MN:dm

Attachment: Funding Agreement between RCFCWCD and LESJWA



167612

RIVERSIDE COUNTY FLOOD CONTROL
AND WATER CONSERVATION DISTRICT

January 20, 2015

Mr. Robert E. Magee
c/o Mr. Mark Norton
Lake Elsinore and San Jacinto
Watersheds Authority
11615 Sterling Avenue
Riverside, CA 92503

RECEIVED

JAN 23 2015

Santa Ana Watershed
Project Authority

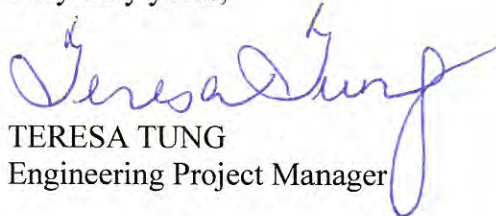
Dear Mr. Magee:

Re: Funding Agreement for Support for the
Implementation and Administration of
the Watershed Programs for Lake
Elsinore and Canyon Lake
(FY 2014/15 – 2016/17)

Enclosed herewith for execution are three (3) original signature pages and one (1) informational copy of the above referenced Agreement. It is our intent to take the Agreement to our Board for approval on March 10, 2015; therefore, we will need all three (3) original signed signature pages returned to this office no later than February 24, 2015 for further processing.

A fully executed copy of the Agreement will be returned for your files as soon as possible. Thank you for your assistance in the above matter and should you have any questions, please do not hesitate to call Leila Moshref-Danesh at 951.955.2878 or me at 951.955.1282.

Very truly yours,



TERESA TUNG
Engineering Project Manager

Enclosures

cc: w/o enclosures
Jason Uhley
Leila Moshref-Danesh
Steve Horn

LMD:blm

FUNDING AGREEMENT

Support for the Implementation and Administration of
the Watershed Programs for Lake Elsinore and Canyon Lake
FY 2014/15 – 2016/17

The RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, hereinafter called "DISTRICT", and the LAKE ELSINORE AND SAN JACINTO WATERSHEDS AUTHORITY, hereinafter called "LESJWA", hereby agree as follows:

RECITALS

A. In 1998, the Santa Ana Regional Water Quality Control Board designated Lake Elsinore and Canyon Lake in the Lake Elsinore and San Jacinto Watersheds as "impaired water bodies" pursuant to Section 303 of the Federal Clean Water Act because of high levels of phosphorus and nitrogen in both lakes and low dissolved oxygen in Lake Elsinore; and

B. LESJWA, a joint powers authority, was formed in April 2000 for the purpose of implementing projects and programs to improve water quality and wildlife habitats in Lake Elsinore, Canyon Lake and the surrounding San Jacinto watershed. LESJWA'S member agencies include the City of Lake Elsinore, the City of Canyon Lake, the County of Riverside, the Elsinore Valley Municipal Water District and the Santa Ana Watershed Project Authority. LESJWA was entrusted with fifteen million dollars (\$15,000,000) in Proposition 13 voter authorized state and local funding to improve water quality and wildlife habitats in Lake Elsinore, Canyon Lake and the surrounding San Jacinto watershed. LESJWA activities are also supported by member agency contributions, state grant funds and partnerships with other local agencies with common purpose; and

C. The Santa Ana Region National Pollutant Discharge Elimination System ("NPDES") Municipal Separate Storm Sewer System Permit ("MS4 PERMIT") for Riverside

1 County requires DISTRICT, County of Riverside and the Cities of Beaumont, Canyon Lake,
2 Hemet, Lake Elsinore, Menifee, Moreno Valley, Murrieta, Perris, Riverside, San Jacinto and
3 Wildomar (known collectively as "MS4 PERMITTEES") to take actions to reduce their
4 contributions to the impairments of Canyon Lake and Lake Elsinore; and

5
6 D. DISTRICT serves as the principal NPDES MS4 PERMITTEE for the
7 Santa Ana Region of Riverside County; and

8 E. LESJWA'S programs include (i) facilitating the development of regional
9 treatment options for Lake Elsinore and Canyon Lake, (ii) administering regional projects such
10 as the alum treatment project, (iii) coordinating a regional task force and workshops that focus
11 on Lake Elsinore and Canyon Lake and (iv) interfacing with communities, cities, water districts
12 and county agencies that operate within the San Jacinto watershed to facilitate water quality
13 improvements in Lake Elsinore and Canyon Lake. These LESJWA programs address NPDES
14 MS4 PERMIT requirements for Canyon Lake and Lake Elsinore; and

15
16 F. DISTRICT, in accordance with its responsibilities as the principal NPDES
17 MS4 PERMITTEE, desires to support LESJWA'S continue implementation and administration
18 of these programs to improve water quality in Lake Elsinore, Canyon Lake and the surrounding
19 San Jacinto watershed on behalf of the MS4 PERMITTEES by contributing twenty thousand
20 dollars (\$20,000) per Fiscal Year (from July 1 to June 30) for Fiscal Year 2014/2015 through
21 Fiscal Year 2016/2017 with a further cap of not to exceed sixty thousand dollars (\$60,000) for
22 the entire term of this Agreement; and

23
24 G. DISTRICT and LESJWA desire to enter into this Funding Agreement to
25 set forth the terms and conditions under which DISTRICT will contribute funding towards
26 LESJWA'S watershed protection programs to improve water quality in Lake Elsinore, Canyon
27 Lake and the surrounding San Jacinto watershed.
28

1 NOW, THEREFORE, in consideration of the preceding recitals and the mutual
2 covenants hereinafter contained, the parties hereto mutually agree as follows:

3 SECTION I

4 LESJWA shall:

5
6 1. Prepare annual invoice(s) in duplicate and submit to DISTRICT
7 (Attention: Accounts Payable with duplicate copy to the Chief of Watershed Protection
8 Division) no later than April 30th of each Fiscal Year. The invoice amount shall not exceed
9 twenty thousand dollars (\$20,000) for each Fiscal Year that this Agreement remains in effect.

10 All invoices shall contain, at a minimum, the following information: a reference to the name of
11 this Agreement ("Funding Agreement – Support for the Implementation and Administration of
12 the NPDES MS4 Watershed Programs for Lake Elsinore and Canyon Lake"), current Fiscal
13 Year, invoice number and date, invoice amount and remittance address, as appropriate.
14

15 2. Use DISTRICT funds solely for LESJWA'S implementation and
16 administration of watershed protection programs which include: (i) facilitating the planning,
17 design, development and implementation of projects to improve the water quality of Lake
18 Elsinore, Canyon Lake and the surrounding San Jacinto River Watershed; (ii) administering
19 regional water quality improvement projects for the same; (iii) developing and administering
20 educational outreach programs for governmental and community representatives within the San
21 Jacinto River Watershed as necessary to promote watershed protection projects and awareness;
22 (iv) pursuing and administering grants on behalf of watershed stakeholders for watershed
23 protection projects; and (v) other related administrative expenses incurred by LESJWA in
24 support of the aforementioned programs.
25

26 3. Retain employee and expense records according to customary accounting
27 methods for a period of five (5) years following the execution of this Agreement and such
28

1 records shall, upon request, be made available for inspection by DISTRICT to verify
2 LESJWA'S invoices.

3 4. Make all work products produced under this Agreement available to
4 DISTRICT for DISTRICT'S use.

5 SECTION II

6 DISTRICT shall:

7 1. Pay LESJWA, within forty-five (45) days after receipt of an appropriate
8 invoice as set forth in Section I.1. DISTRICT'S financial contribution to LESJWA shall not
9 exceed twenty thousand dollars (\$20,000) per Fiscal Year for Fiscal Years 2014/15, 2015/16
10 and 2016/17. Furthermore, DISTRICT'S total financial contribution shall not exceed a total
11 sum of sixty thousand dollars (\$60,000) over the entire term of this Agreement.
12

13 SECTION III

14 It is further mutually agreed:

15 1. DISTRICT'S financial contribution to LESJWA shall not exceed a total
16 sum of sixty thousand dollars (\$60,000) over the entire term of this Agreement.
17

18 2. DISTRICT'S financial contribution shall be used by LESJWA towards the
19 purpose of developing, implementing and administering watershed protection programs
20 described in Section I.2.
21

22 3. LESJWA shall indemnify, defend, save and hold harmless DISTRICT and
23 County of Riverside (including their respective officers, districts, special districts and
24 departments, their respective directors, officers, Board of Supervisors, elected and appointed
25 officials, employees, agents, representatives, independent contractors and subcontractors) from
26 any liabilities, claim, damage, proceeding or action, present or future, based upon, arising out
27 of or in any way relating to LESJWA'S (including its officers, employees, agents,
28

1 representatives, contractors and subcontractors) actual or alleged acts or omissions related to
2 this Agreement, performance under this Agreement or failure to comply with the requirements
3 of this Agreement, including but not limited to: (i) property damage; (ii) bodily injury or death;
4 (iii) payment of attorney's fees; or (iv) any other element of any kind or nature whatsoever.

5 This section shall survive any termination of this Agreement.
6

7 4. In the event of any arbitration, action or suit brought by DISTRICT or
8 LESJWA against the other party by reason of any breach on the part of the other party of any of
9 the covenants and agreements set forth in this Agreement, or any other dispute between
10 DISTRICT or LESJWA concerning this Agreement, the prevailing party in any such action or
11 dispute by a final judgment or arbitration award shall be entitled to have and recover from the
12 other party all costs and expenses or claims, including but not limited to, attorney's fees and
13 expert witness fees. This section shall survive any termination of this Agreement.
14

15 5. Under the provisions of this Agreement, DISTRICT shall bear no
16 responsibility whatsoever for the work conducted by LESJWA.

17 6. This Agreement is made and entered into for the sole protection and
18 benefit of the parties hereto. No other person or entity shall have any right or action based
19 upon the provisions of this Agreement.
20

21 7. This Agreement is the result of negotiations between the parties hereto,
22 and the advice and assistance of their respective counsel. The fact that this Agreement was
23 prepared as a matter of convenience by DISTRICT shall have no import or significance. Any
24 uncertainty or ambiguity in this Agreement shall not be construed against DISTRICT because
25 DISTRICT prepared this Agreement in its final form.
26

27 8. The obligation(s) of DISTRICT under this Agreement are limited by and
28 contingent upon the availability of DISTRICT funds. In the event that such funds are not

1 forthcoming for any reason, DISTRICT shall immediately notify LESJWA in writing. Upon
 2 LESJWA'S receipt of DISTRICT'S notification, this Agreement shall remain in force and effect
 3 through the remainder of that Fiscal Year, but shall be deemed terminated and have no further
 4 force or effect thereafter.

5
 6 9. Any notices sent or required to be sent to either party shall be mailed to the
 7 following addresses:

8 RIVERSIDE COUNTY FLOOD CONTROL
 AND WATER CONSERVATION DISTRICT
 9 1995 Market Street
 10 Riverside, CA 92501
 Attn: Watershed Protection Division

LAKE ELSINORE AND SAN JACINTO
 WATERSHEDS AUTHORITY
 11615 Sterling Avenue
 Riverside, CA 92503-4979
 Attn: Mark Norton

11 10. This Agreement is to be construed in accordance with the laws of the State
 12 of California.

13
 14 11. If any provision of this Agreement is held by a court of competent
 15 jurisdiction to be invalid, void or unenforceable, the remaining provisions shall be declared
 16 severable and shall be given full force and effect to the extent possible.

17 12. Any action at law or in equity brought by any of the parties hereto for the
 18 purpose of enforcing a right or rights provided for by the Agreement shall be tried in a court of
 19 competent jurisdiction in the County of Riverside, State of California, and the parties hereto
 20 waive all provisions of law providing for change of venue in such proceedings to any other
 21 county.
 22

23 13. Neither this Agreement nor any part thereof shall be assigned by LESJWA
 24 without the prior written consent of DISTRICT.

25 14. Any waiver by DISTRICT or LESJWA of any breach by the other of any
 26 one or more of the terms of this Agreement shall not be construed to be a waiver of any
 27 subsequent or other breach of the same or of any other term hereof. Failure on the part of
 28

1 DISTRICT or LESJWA to require from the other exact, full and complete compliance with any
2 terms of the Agreement shall not be construed as in any manner changing the terms hereof, or
3 estopping DISTRICT or LESJWA from enforcement hereof.

4 15. This Agreement is intended by the parties hereto as their final expression
5 with respect to the matters herein, and is a complete and exclusive statement of the terms and
6 conditions thereof. This Agreement may be changed or modified only upon the written consent
7 of the parties hereto.
8

9 //

10 //

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on

(to be filled in by Clerk of the Board)

RECOMMENDED FOR APPROVAL:

RIVERSIDE COUNTY FLOOD CONTROL

By: _____
 WARREN D. WILLIAMS
 General Manager-Chief Engineer

By: _____
 MARION ASHLEY, Chairman
 Riverside County Flood Control and Water
 Conservation District Board of Supervisors

APPROVED AS TO FORM:

ATTEST:

GREGORY P. PRIAMOS
 County Counsel

KECIA HARPER-IHEM
 Clerk of the Board

By: 
 NEAL R. KIPNIS
 Deputy County Counsel

By: _____
 Deputy

(SEAL)

Funding Agreement FY 2014/15 – 2016/17
 Lake Elsinore and San Jacinto Watershed Authority
 01/14/15
 TT:LMD:blm

**LAKE ELSINORE AND SAN JACINTO
WATERSHED AUTHORITY**

By: _____
ROBERT E. MAGEE, Chair
Lake Elsinore and San Jacinto Watershed
Authority Board of Directors

Funding Agreement FY 2014/15 – 2016/17
Lake Elsinore and San Jacinto Watershed Authority
01/14/15
TT:LMD:blm

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LESJWA BOARD MEMORANDUM NO. 760

DATE: February 25, 2015

SUBJECT: Education and Outreach Program Change Order

TO: LESJWA Board of Directors

FROM: Mark R. Norton, P.E., Authority Administrator

RECOMMENDATION

Staff recommends that the Board of Directors approve Change Order No. 1 to Task Order No. OREIL477-13 with O'Reilly Public Relations, reducing the task order amount from \$17,000 to \$12,500 based on a recommendation from the LESJWA Education and Outreach Committee to defer the LESJWA Water Summit originally scheduled for spring 2015 to spring of 2016.

BACKGROUND

The LESJWA Education and Outreach Committee and O'Reilly Public Relations met for a quarterly coordination meeting on Feb. 2nd at EVMWD. In review of the future implementation projects of the LE/CL TMDL Task Force and LESJWA, LESJWA staff indicated that determination of the next implementation projects that are of highest priority and effectiveness to improve water quality at Lake Elsinore and Canyon Lake are dependent on two items: 1) UCR Professor Michael Anderson's modeling and analysis studies on Lake Elsinore and Canyon Lake currently under contract with LESJWA and 2) the monitoring results of the 2 ½ year alum application project to Canyon Lake. Both of these efforts are still underway. Dr. Anderson's studies are scheduled to be completed by June 2015 and the final Canyon Lake alum application is scheduled for Sept. 2015. With the results of these efforts, a clearer picture of future lake projects will become known and can be shared with elected officials for the next LESJWA Water Summit in 2016, rather than 2015.

O'Reilly Public Relations indicated that the cost of preparing for and advertising for the LESJWA Water Summit was budgeted at \$4,500. In discussions with the LESJWA Education and Outreach Committee and the consultant, it was deemed that the support services at this time by O'Reilly Public Relations should focus more on preparing education and outreach material should potential fish kills or poor lake quality events occur. With continued dropping in lake level elevations primarily in Lake Elsinore as a result of the drought, concern by local officials is heightened. Further, the LESJWA Water Summit was the primary forum to share the activities of LESJWA and project benefits, it would be best to have a very clear and detailed understanding of future implementation projects that must be undertaken to meet the lake TMDLs rather than conceptual projects at this stage.

The LESJWA Education and Outreach Committee recommends that the funding that originally was to be directed and budgeted for the 2015 LESJWA Water Summit be deferred and moved to the next year's budget. Philip Southard from O'Reilly Public Relations was supportive of this recommendation.

RESOURCES IMPACT

The elimination of the LESJWA Water Summit from the O'Reilly Public Relations Task Order will result in a savings to LESJWA of \$4,500 for FY 15-16.

MN:dm

Attachment:

1. Change Order No. 1 to Task Order No. OREIL477-13
2. Task Order OREIL477-13

LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY

CHANGE ORDER NO. 1 To Task Order No. OREIL477-13

CONTRACTOR: O'Reilly Public Relations
3403 Tenth Street, #110
Riverside, CA 92501

VENDOR NO. 1649

PROJECT: Education and Outreach Consulting Services

COST: Reduction of \$4,500

REQUESTED BY: Mark Norton, Authority Administrator February 25, 2015

FINANCING SOURCE: Acct. Coding: 150-NON-C-6113-01
Acct. Description: Consulting General

BOARD AUTHORIZATION REQUIRED FOR THIS REQUEST: YES () NO (X)

Funding for this work initially was authorized by Board Memo No. LES750

Contractor is hereby directed to provide the change in work necessary to comply with this change order.

DESCRIPTION/JUSTIFICATION OF CHANGE: Funding originally directed to complete the LESJWA Summit for 2015 to be removed for FY 2014-15.

CHANGE IN CONTRACT TIME: None

CHANGE IN TASK ORDER PRICE:	Original Task Order Amount:	\$17,000.00
	Change Order No. 1 Amount:\$	(\$4,500)
	New Contract Total:	\$12,500.00

ACCEPTANCE:

Contractor accepts the terms and conditions stated above as full and final settlement of any and all claims arising from or related to this Change Order. Contractor agrees to perform the above described work in accordance with the above terms and in compliance with applicable sections of the Contract Specifications. This Change Order is hereby agreed to, accepted and approved, all in accordance with the General Provisions of the Contract Specifications.

LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY

Mark Norton, Authority Administrator Date

O'REILLY PUBLIC RELATIONS

(Signature)

Date

Print/Type Name & Title

LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY
TASK ORDER NO. OREIL477-13

CONTRACTOR: O'Reilly Public Relations
3403 Tenth Street, #110
Riverside, CA 92501

VENDOR NO. 1649

COST: \$17,000

PAYMENT: Upon receipt of proper Invoice

REQUESTED BY: Mark R. Norton, Authority Administrator

June 19, 2014

FINANCE: Karen Williams 6-24-13
Karen Williams, CFO Date

FINANCING SOURCE:	Acct. Coding	150-NON-C-6113-01
	Acct. Description	Consulting General

LESJWA BOARD AUTHORIZATION REQUIRED: YES (X) NO ()
Board Memo #750

This Task Order is issued by the Lake Elsinore & San Jacinto Watersheds Authority (hereafter "LESJWA") to **O'Reilly Public Relations** (hereafter "Consultant"), pursuant to the Agreement between LESJWA and Consultant entitled Agreement for Services by Independent Contractor, dated May 17, 2001, and extended through Amendment No. 6 (*expires 6-30-2014*).

1. **Project Name or Description**

Education and Outreach Consulting Services.

2. **Scope of Work / Tasks to be Performed**

Consultant shall provide all labor, materials, and equipment for the Project to perform the tasks as outlined in the 2014-2015 Education and Outreach Work Scope (attached).

The Work Scope tasks are subject to approval by the Education and Outreach Committee and may be subject to modification depending on communications needs. The goals and tasks are detailed on **Attachment A**.

Please refer to Appendix X for acceptable formats, also available at www.sawpa.org/html/e_req.htm

3. **Time of Performance**

Consultant shall coordinate with the LESJWA representative on work tasks and shall complete performance of such services by or before **June 30, 2015**.

4. **LESJWA Liaison**

Mark Norton, Authority Administrator, will serve as liaison between LESJWA and Consultant.

5. **Compensation**

For all services rendered by Consultant pursuant to this Task Order, Consultant shall receive a total not-to-exceed sum of **\$17,000** in accordance with the attached Budget Proposal. Payment of such fees shall be made monthly upon receipt of timely and proper invoices from Consultant as required by the above-mentioned Agreement. Each such invoice shall be provided by Consultant within 15 days after the end of the month in which the services were performed.

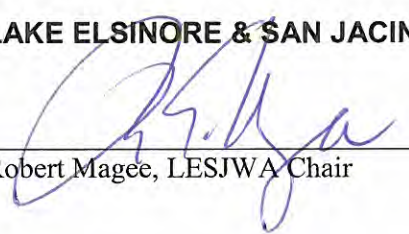
6. **Precedence of Contract Documents**

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

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

IN WITNESS WHEREOF, the parties have executed this Task Order on the date indicated below.

LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY

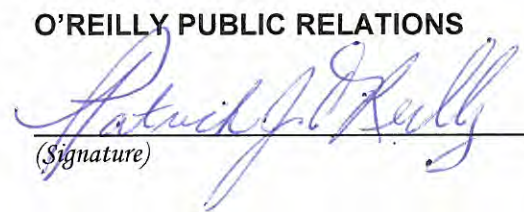


Robert Magee, LESJWA Chair



Date

O'REILLY PUBLIC RELATIONS



(Signature)



Date

Print /Type Name



O'REILLY PUBLIC RELATIONS

Lake Elsinore & San Jacinto Watersheds Authority 2014-2015 Education and Outreach Work Scope

Goals	
1.	To provide public information support regarding the planning, design and implementation of projects to improve water quality at Lake Elsinore, Canyon Lake and the San Jacinto River Watershed.
2.	To work with the LESJWA board to inform stakeholders about the need for reliable funding to operate and maintain water quality improvement projects at Lake Elsinore, Canyon Lake and the San Jacinto River Watershed.
3.	To support the public education efforts of LESJWA which will serve as the administrator of the Lake Elsinore and Canyon Lake TMDL Task Force.

Tactics		Costs	Total
Canyon Lake and Lake Elsinore Outreach			
1. Community Relations	<ul style="list-style-type: none"> OPR will design and revise existing collateral materials as needed to address new milestones/developments in Canyon Lake's and Lake Elsinore's water quality. OPR will work with EOC committee members to develop strategies and responses to provide outreach to community members. 		
2. Media Relations	<ul style="list-style-type: none"> OPR will provide assistance in drafting a news release, as needed, based on recommended media calendar items and/or breaking news events. OPR will assist in coordinating reporter briefings to provide background on lake treatment programs administered by LESJWA. OPR will also provide media response assistance in the event of a major issues or unexpected events. Update LESJWA video to reflect current board members. 	OPR Fees: \$4,950 Video Update: \$50	\$5,000

LESJWA Water Summit		
3. Invitations and Attendees <ul style="list-style-type: none"> • OPR to develop design content for email invitations to event invitees (\$250) • OPR to track RSVPs and attendee count and provide follow-up (\$750) 		
4. Attendee packets <ul style="list-style-type: none"> • OPR to develop and assemble informational packets for summit attendees including brochures, media coverage and follow-up briefing materials (\$500) 	Printing: \$500 OPR Fees: \$4,000	\$4,500
5. Logistics <ul style="list-style-type: none"> • OPR to provide logistics and staffing assistance, as needed (\$1,500) • OPR to provide catering (\$250) • OPR to produce news release and follow-up with local media (\$750) 		
Outreach and Administration		
6. Project Management <ul style="list-style-type: none"> • OPR will maintain contact with LESJWA board and staff and provide strategic counsel regarding appropriate outreach changes or additions as needed throughout the year. • OPR will identify and carry out strategies through regular communications and, when appropriate, meetings with the client. • OPR will evaluate the program mid-year to analyze its effectiveness and redirect as needed. • OPR will attend quarterly EOC committee meetings at EVMWD. 	OPR Fees: \$5,000	\$5,000
Issue Management		
7. Issue Management <ul style="list-style-type: none"> • OPR will assist in public outreach and responses to potential issues that may come up during the course of the contract including fish kills, etc. 	OPR Fees: \$2,500	\$2,500
8. Out-of-Scope Issue Management <ul style="list-style-type: none"> • OPR, upon authorization of the LESJWA Board of Directors, will perform any work above and beyond the scope of work as needed on a time and materials basis. 	OPR Fees: Time/Materials	As Needed
		OPR EXPENSES: \$16,500
		OUTSIDE EXPENSES: \$500
		2014/2015 TOTAL: \$17,000
		OVERALL TOTAL: \$17,000

LESJWA BOARD MEMORANDUM NO. 761

DATE: February 25, 2015

SUBJECT: Canyon Lake Alum Dosing Effectiveness Monitoring Change Order

TO: Board of Directors

FROM: Mark R. Norton, P.E., Authority Administrator

RECOMMENDATION

The Lake Elsinore & Canyon Lake Nutrient TMDL Technical Advisory Committee recommends the Board of Directors approve Change Order No. 2 to Task Order MWH160-01 with MWH Americas, Inc. for an amount not-to-exceed \$42,423 to conduct additional monitoring for support of the alum dosing in Canyon Lake, as part of the Phase 1- Canyon Lake Hybrid Treatment Project.

DISCUSSION

The Technical Advisory Group of the TMDL Task Force has requested additional monitoring, as part of the current effectiveness monitoring program to be conducted on the East Bay of Canyon Lake to assess the impacts of additional alum dosing. This included 1) jar tests to assess the impacts of additional alum dosing on the natural alkalinity of the East Bay of Canyon Lake, and 2) site specific monitoring in Gold Cove to assess the impacts of additional alum dosing to the East Bay of Canyon Lake.

This request is based upon the preliminary results of modeling conducted by Dr. Michael Anderson, U.C. Riverside, which indicated that the East Bay would benefit from increasing the dosage of alum. This was further supported by water quality data from the on-going effectiveness monitoring, which showed that current water conditions appeared favorable to increasing the alum dosage.

Additionally, the Technical Advisory Group had requested that MWH Americas, Inc. revise the effectiveness monitoring schedule, from event monitoring to monthly monitoring to better assess the intermediate trends in water quality. MWH Americas, Inc. indicated that the costs for additional mobilization would be significant and requested a change order to account for these additional costs.

To address this additional monitoring and the additional costs for monthly monitoring, MWH Americas, Inc. has prepared a proposal to conduct additional Effectiveness Monitoring for the Alum dosing in Canyon Lake to support the implementation of the Phase 1- Canyon Lake Hybrid Treatment Project and the Lake Elsinore & Canyon Lake Nutrient Total Maximum Daily Load (TMDL).

MWH Americas, Inc. was selected by a proposal technical review committee composed of Task Force agencies based upon the consultant's approach to the tasks, technical expertise, and costs to conduct the work laid out in their proposal.

The Change Order with MWH Americas, Inc. will be to conduct additional monitoring for the Alum dosing in Canyon Lake to support the implementation of the Phase 1- Canyon Lake Hybrid Treatment Project and the Lake Elsinore & Canyon Lake Nutrient TMDL. The Change Order includes a scope of work and budget providing a detailed description of support services to be performed by the consultant, as highlighted below:

Additional Canyon Lake Monitoring

- Conduct Jar Tests to assess the impacts of additional alum dosing on the natural alkalinity of the East Bay of Canyon Lake

- Conduct Monthly Canyon Lake Alum Effectiveness Water Quality Monitoring
- Conduct Gold Cove Monitoring to assess the impacts of additional alum dosing to the East Bay of Canyon Lake

The LE/CL TMDL Task Force has recommended approval of this proposal and will fund from Task Force Budget contingency funds.

BACKGROUND

In July 2012, LESJWA submitted a grant proposal to SAWPA for funding of the Canyon Lake Hybrid Treatment Project under the Proposition 84 Integrated Regional Water Management (IRWM) Program Round 2. Although the grant program is administered ultimately by the CA Department of Water Resources, SAWPA is the designated IRWM region for the Santa Ana River Watershed. The Lake Elsinore and San Jacinto River sub-watersheds are located within the Santa Ana River Watershed.

A DWR Proposition 84 grant through SAWPA provides \$500,000 in funding for the Canyon Lake Hybrid Treatment Process, alum and/or oxygenation, if necessary. In 2010, a preliminary design report for the Hypolimnetic Oxygenations System (HOS) was completed by PACE, Inc. The preliminary design report was funded by the Lake Elsinore/Canyon Lake (LE/CL) TMDL Task Force. In 2011 and early 2012, additional studies by Dr. Michael Anderson showed that a more effective strategy would be to first apply alum to Canyon Lake for a few years, and then consider if a downsized HOS is necessary to assure that TMDL response targets are met. Consequently, a hybrid approach was deemed by the LE/CL TMDL Task Force to be a more appropriate path.

On June 5, 2013, the CEQA was approved by the City of Canyon Lake. The City will serve as the lead CEQA agency, and LESJWA as a responsible agency for the project, and EVWMD has agreed to provide staff to conduct on-site application inspection of the process and alum application rates for the project.

On August 7, 2013, the LESJWA Board of Directors approved Task Order No. MWH160-01 with MWH Americas, Inc. to conduct Effectiveness Monitoring for the Alum Dosing in Canyon Lake, as part of the Phase 1- Canyon Lake Hybrid Treatment Project.

RESOURCES IMPACT

All staff administration time for the MWH task order and change order has been budgeted under the LE/CL TMDL Task Force budget that also is shown in the LESJWA budget.

MN/RW:dm

Attachments:

1. Change Order No. 2 to Task Order MWH160-01
2. Change Order No. 1 to Task Order MWH160-01
3. Task Order MWH160-01

LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY

CHANGE ORDER NO. 2 To Task Order No. MWH160-01

CONSULTANT: MWH Americas, Inc.
300 N. Lake Avenue, Ste. 400
Pasadena, CA 91101

VENDOR NO. 1129

PROJECT: Canyon Lake Alum Treatment Effectiveness

COST: \$42,423

REQUESTED BY: Rick Whetsel, Sr. Watershed Planner

February 25, 2015

FINANCE: _____
Karen Williams, CFO Date

FINANCING SOURCE: Acct. Coding: 160-TMDL-6113-01
Acct. Description: General Consulting

BOARD AUTHORIZATION REQUIRED FOR THIS CHANGE: YES (X) NO ()

Funding for this work previously was authorized by Board Memo No.LES761

Consultant is hereby directed to provide the extra work necessary to comply with this change order.

DESCRIPTION/ JUSTIFICATION OF CHANGE: Additional Scope of Work as follows:

Task 1: Jar Tests for the main body and the East Bay of Canyon Lake – Jar tests will be conducted on the two water sample types and a range of alum concentrations. A memorandum summarizing jar test results will be prepared.

Task 2: Monthly Water Quality Sampling – Monitoring will be conducted monthly for the remainder of 2015, from February to December. As per the existing scope of work, monitoring results will be submitted to LESJWA as an Excel file, and a comprehensive water quality report will be prepared upon receipt of all sampling results.

Task 3: Gold Cove Sampling – In order to assess the effectiveness of additional alum application in the East Bay of Canyon Lake, special water quality monitoring will be conducted in the Gold Cove area of the East Bay.

CHANGE IN CONTRACT TIME: June 30, 2016

CHANGE IN TASK ORDER PRICE:	Original Task Order Amount	\$ 94,650
	Change Order No. 1 Amount	\$ 2,500
	Change Order No. 2 Amount	<u>\$ 42,423</u>
	Amended Contract Total	\$139,573

ACCEPTANCE:

Consultant accepts the terms and conditions stated above as full and final settlement of any claims arising from or related to this Change Order. Consultant agrees to perform the above described work in accordance with the terms and in compliance with applicable sections of the Contract Specifications. This Change Order is hereby agreed to, accepted and approved, all in accordance with the General Provisions of the Contract Specifications.

LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY


Robert Magee, LESJWA Chair Date

MWH AMERICAS, INC.

(Signature) Date Typed/Printed Name

ATTACHMENT A

LESJWA
Task Order MWH160-01
Amendment No. 2 - Additional Canyon Lake Water Quality Monitoring
Man Hours and Fee Estimate
Attachment 1

<div> MWH</div> <div>Contract Hourly Rate</div>										Other Direct Costs (ODCs)	Subconsultants			TOTAL TASK PROPOSAL FEE
											Certification			
											WBE	MBE	OBE	
	ACTIVITY DESCRIPTION	Principal Professional II	Principal Professional I	Supervising Professional	Senior Professional	Professional	Sr. Contracts Administrator	Administrative Assistant	TOTAL HOURS	M W H LABOR FEE			California State University San Bernardino	TOTAL FEE for SUBCONSULTANTS
CO 3														
1	Monthly Water Quality Monitoring February through December 2015		12				8		20	\$3,200			\$26,497	\$26,497
2	Jar Tests		4						4	\$800			\$6,309	\$7,109
3	Gold Cove Sampling		4						4	\$800			\$4,818	\$5,618
	TOTALS		20				8		28	\$4,800			\$37,623	\$42,423

Current Contract Value = \$97,150
Amendment No. 2 = \$42,423
Total Proposed Contract Value = \$139,573

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LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY
CHANGE ORDER NO. 1
To Task Order No. MWH160-01

CONSULTANT: MWH Americas, Inc. **VENDOR NO.** 1129
618 Michillinda Ave., Ste. 200
Arcadia, CA 91007

PROJECT: Canyon Lake Alum Treatment Effectiveness

COST: \$2,500

REQUESTED BY: Rick Whetsel, Sr. Watershed Planner **May 2014**

FINANCE: K. Williams 5-12-14
Karen Williams, CFO Date

FINANCING SOURCE: Acct. Coding: 160-TMDL-6113-01
Acct. Description: General Consulting

BOARD AUTHORIZATION REQUIRED FOR THIS CHANGE: YES () NO (X)

Funding for this work previously was authorized by Board Memo No. LES730

Consultant is hereby directed to provide the extra work necessary to comply with this change order.

DESCRIPTION/ JUSTIFICATION OF CHANGE: A depth profile will be conducted at Station 7 to characterize the stratification of the lake. Three grab samples also will be collected in the hypolimnion: one near the bottom (0.5-1.0 m from bottom, avoiding any floc), one just beneath the thermocline, and one mid-thermocline. Grab samples will be analyzed for soluble reactive phosphorus (SRP) and ammonia. Results will be included in the water quality reports. Samples will be collected monthly through August 2014 (total of five events).

CHANGE IN CONTRACT TIME: No change – December 31, 2015

CHANGE IN TASK ORDER PRICE:	Original Task Order Amount	\$94,650
	Change Order No. 1 Amount	<u>\$ 2,500</u>
	Amended Contract Total	\$97,150

ACCEPTANCE:

Consultant accepts the terms and conditions stated above as full and final settlement of any claims arising from or related to this Change Order. Consultant agrees to perform the above described work in accordance with the terms and in compliance with applicable sections of the Contract Specifications. This Change Order is hereby agreed to, accepted and approved, all in accordance with the General Provisions of the Contract Specifications.

LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY

Mark Norton 5/12/14
Mark Norton, Authority Administrator Date

MWH AMERICAS, INC.

G. A. Carthew 8/4/14
(Signature) Date

G. A. CARTHEW
Typed/Printed Name

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LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY
TASK ORDER NO. MWH160-01

CONSULTANT: MWH Americas, Inc.
618 Michillinda Ave., Ste. 200
Arcadia, CA 91007

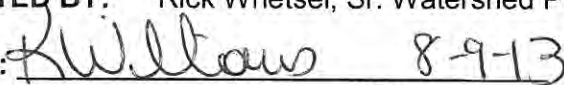
VENDOR NO. 1129

COST: \$94,650

PAYMENT: Upon receipt of proper invoice

REQUESTED BY: Rick Whetsel, Sr. Watershed Planner

August 7, 2013

FINANCE:  8-9-13
Karen Williams, CFO

FINANCING SOURCE:	Acct. Coding	160-TMDL-6113-01
	Acct. Description	General Consulting

BOARD AUTHORIZATION REQUIRED: YES (X) NO ()

Funding for this work was authorized by Board Memo LES730.

This Task Order is issued by the Lake Elsinore & San Jacinto Watersheds Authority (hereafter "LESJWA") to **MWH Americas, Inc.** (hereafter "Consultant") pursuant to the Agreement between LESJWA and Consultant entitled *Agreement for Services*, dated August 7, 2013 (expires December 31, 2017).

I. PROJECT NAME OR DESCRIPTION

Canyon Lake Alum Treatment Effectiveness

II. SCOPE OF WORK/TASKS TO BE PERFORMED

Consultant shall provide all labor, materials and equipment for the Project to perform the specific work of preparing a Sampling and Laboratory Analysis Plan (SLAP) to describe the effectiveness of monitoring activities conducted within the lake, and the analysis methods to be conducted in the CSUSB laboratory. The MWH team will perform sampling and analysis from September 2013 through September 2015 before and after five alum application events. MWH will present in a report the water quality monitoring results for each of the five alum application events. Further details are provided in Attachment A.

Deliverables

Consultant shall deliver to LESJWA a report for each of the five alum application events:

Please refer to Appendix X for acceptable formats, found at www.sawpa.org/html/e_req.htm

III. PERFORMANCE TIME FRAME

Consultant shall begin work within five days of the date this Task Order is signed by the Authorized Officer and shall complete performance of such services by or before **December 31, 2015**.

IV. LESJWA LIAISON

Rick Whetsel shall serve as liaison between LESJWA and Consultant.

V. COMPENSATION

For all services rendered by Consultant pursuant to this Task Order, Consultant shall receive a total not-to-exceed sum of **\$94,650** in accordance with the rate schedule, attached hereto. Payment for such expenses shall be made monthly upon receipt of proper invoices from Consultant, as required by the above-mentioned Agreement. Each such invoice shall be provided to LESJWA by Consultant within 15 days after the end of the month in which the services were performed.

VI. CONTRACT DOCUMENTS PRECEDENCE

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


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

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

LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY

Nancy E. Horton 8-7-2013
Nancy Horton, Chair Date

MWH AMERICAS, INC.


(Signature) Date

Steven Weber
Print or Type Name

Canyon Lake Alum Treatment Effectiveness Monitoring

MWH, together with our subconsultant partner, California State University San Bernardino (CSUSB), is pleased to submit this proposal to provide water quality monitoring services on Canyon Lake.

Section 1 – Project Understanding

Canyon Lake is listed on the Clean Water Act Section 303(d) list as impaired for excessive nutrients and high bacteria concentrations. Consequently, the Santa Ana Regional Water Quality Control Board (Regional Board) adopted Resolution No. R8-2004-0037 in December 2004 to amend the Water Quality Control Plan for the Santa Ana River Basin (Basin Plan) to incorporate total maximum daily loads (TMDLs) for Lake Elsinore and Canyon Lake. The TMDLs address beneficial use impairment due to excessive nutrients (phosphorus and nitrogen) discharged to the lakes from various sources.

From 2006 to 2012, a formal monitoring program for Canyon Lake (in compliance with the TMDL program) was conducted. The in-lake samples were analyzed for a suite of parameters from four stations (two to three depths monitored bi-weekly in the wet season and three depths monitored once per month in the dry season). Modifications to the sampling program adopted in 2011 eliminated one of the sampling stations and several parameters (BOD, COD, TOC, and DOC). MWH conducted water quality reporting during this period with sample collection and analysis by CSUSB from 2007 to 2012. MWH also coordinated with Regional

Board staff in 2011 to reduce the scope of the sampling program based on monitoring results.

To control nutrients and resultant algae blooms in Canyon Lake, the LESJWA Task Force is planning to implement five alum applications to the lake, over approximately the next 2 years. Alum will be applied in two locations: the Main Lake and the East Bay. Water quality monitoring at four stations will establish the effectiveness of alum applications for phosphorus removal, and the resultant effect on algal concentrations and water quality.

Section 2 - Qualifications and Experience

MWH conducts a range of regulatory compliance projects for our clients, including technical studies to support environmental documents and environmental restoration and remediation projects. Relevant surface water quality monitoring programs and watershed studies conducted by MWH are highlighted below.

MWH is proud of our past work. The references listed for the related projects will confirm that the MWH Team has the technical excellence and responsiveness required to meet LESJWA's water quality monitoring needs.

Lake Elsinore and Canyon Lake TMDL Water Quality Monitoring Program

Canyon Lake Bacteria Monitoring and Assessment Project

Canyon Lake Alum Jar Tests

Client: Elsinore Valley Municipal Water District

Period of Service: 2006 to 2012

Project Manager: Sarah Garber, PMP, CPP

Laboratory Manager: Dr. Jim Noblet

Technical Reviewer: Dr. Janet Fahey, PE



Project Description: The Regional Board identified Lake Elsinore as an impaired water body, due in part to excessive levels of nutrients (hypereutrophication), algae blooms and fish kills. In an effort to improve water quality conditions in the lakes, the Regional Board adopted Resolution No. R8-2004-0037 in December 2004 to amend the Water Quality Control Plan for the Santa Ana River Basin (Basin Plan) to incorporate TMDLs for Lake Elsinore and Canyon Lake. The TMDLs address beneficial use impairment due to excessive nutrients (phosphorus and nitrogen) discharged to the lakes from various sources.

Canyon Lake TMDL Water Quality Monitoring. MWH, in coordination with CSUSB, conducted water quality monitoring for 6 years on both Lake Elsinore and Canyon Lake as required by the California Regional Water Quality Control Board, Santa Ana Region (Regional Board) total maximum daily load (TMDL) program for both lakes, and NPDES No. CA8000027 for the Regional Water Reclamation Plant (Regional Plant) for discharges to Lake Elsinore. The objective of the monitoring program is to describe water quality trends in both lakes. For Lake Elsinore, water quality conditions before and after operation of an in-lake mixing and aeration system and recycled water addition can be compared. MWH managed sample collection, data analysis, report preparation, and coordination with Regional Board staff and the TMDL stakeholders. MWH also prepared the Quality Assurance Project Plan (QAPP) for the sampling program. Sarah Garber served as the Quality Assurance Manager for the program.

Canyon Lake Bacteria Monitoring. 2009, MWH and CSUSB conducted additional monitoring on Canyon Lake to determine if Canyon Lake is in continuous compliance with the EPA promulgated water quality objective for *E. coli*. Grab samples of lake water were collected during two periods of the year (winter and summer) on a weekly basis at six locations. MWH also updated the QAPP for the Canyon Lake Bacteria Monitoring and Assessment Project.

Based on the data collected from these six stations during the wet and dry season sampling periods, the geometric means of *E. coli* densities at each station were consistently below the 126 per 100/ml standard.

Canyon Lake Alum Jar Tests. In 2012, CSUSB conducted jar tests on Canyon Lake water to investigate the feasibility of treating lake water with alum (hydrated Aluminum Sulfate) for the removal of the turbidity and phosphorus. Four field samples were collected from Canyon Lake - two locations in the Main Body, and two locations in the East Bay. Jar tests were performed on the collected samples using 1.0 L samples, using a 10,000 ppm alum stock solution. Before and after treatment, samples were measured for pH, temperature, turbidity, conductivity, dissolved aluminum concentration, total nitrogen and total phosphorus. The goal of the testing was to identify the dose of alum required to achieve a turbidity of less than 1.0 NTU.

Reference

Mr. Norris Brandt, EVMWD

31315 Chaney Street

P.O. Box 3000

Lake Elsinore, CA 92531

Phone: 951-674-3146, Fax: (951) 674-1752, Email: nbrandt@evmwd.net

San Gabriel River Sediment Management Plan Water Quality and Sediment Monitoring

Client: Los Angeles County Department of Public Works
[MWH as sub-consultant to Chambers Group, Inc.]

Period of Service: 2001 to 2006

Project Manager: Sarah Garber, PMP, CPP

Technical Reviewer: Dr. Janet Fahey, PE



Project Description: The County of Los Angeles Department of Public Works (LADPW) developed a Sediment Management Plan to guide the removal of accumulated sediments from the San Gabriel and Morris Reservoirs. In order to maintain capacity in the reservoirs, sediment removal was initially to be accomplished via sluicing and flushing the sediments downstream. LADPW monitored conditions (riparian habitat, wildlife, hydrological regime, aquatic habitat, and water and sediment quality) on the San Gabriel River prior to sluicing of Morris Reservoir in late 1998. Monitoring requirements related to sediment removal are described in the environmental document for the project and in permits issued to the County.

MWH was responsible for water and sediment quality monitoring for the 2001 baseline sampling period and continued to perform these services from 2002 through 2006. Sampling stations from Bear Creek to below Santa Fe Dam were sampled twice per year. The MWH Work Plan was specifically intended to meet the requirements of the Regional Board Monitoring and Reporting Program No. 7905. The Work Plan also incorporated the requirements of Section 5.3 of the Final EIS/EIR for the project, the California

Department of Fish and Wildlife Streambed Alteration Agreement and the U.S. Army Corps of Engineers 404 Permit. Monitoring included field and laboratory water quality analysis, stream morphology and flow measurements, and streambed sediment characterization.

Reference:

Ms. Mari Quillman, Principal Biological Resources Program Manager/Wildlife Biologist
ECORP Consulting, Inc. (formerly with Chambers Group)
1801 Park Court Place, B-103, Santa Ana, CA 92701
Phone: 714.648.0630, Cell: 714.222.5932, Fax: 714.648.0935, Email: mquillman@ecorpconsulting.com

Tujunga Wash Water Quality Monitoring Program

Client: Los Angeles County Department of Public Works
[MWH as subconsultant to ECORP Consulting, Inc.]

Period of Service: 2000 – present
Project Manager: Sarah Garber, PMP, CPP
Technical Reviewer: Dr. Janet Fahey, PE



Project Description: Since 2000, MWH has conducted water quality and streamflow monitoring at Big Tujunga Wash. The 207-acre project site is a mitigation bank for flood control projects implemented by the LADPW. Potential impacts to aquatic species from pesticide and nutrient-laden run-on to the site are key issues for the sampling program. Sampling of two on-site creeks and two on-site ponds is conducted. Water quality samples are analyzed at Eurofins Eaton Analytical (formerly MWH Laboratories) in Monrovia.

Reference:

Ms. Mari Quillman
Contact information as above

Temescal Wash Vegetation and Hydrologic Monitoring Program

Client: Elsinore Valley Municipal Water District

Period of Service: 2007 - 2008

Project Manager: Sarah Garber, PMP, CPP



Project Description: EVMWD effluent from its Regional Plant has been a major contributor to flow in Temescal Wash. However, since late June 2007, EVMWD has diverted most wastewater flows from Temescal Wash to Lake Elsinore in order to maintain lake levels. Therefore, MWH conducted the Temescal Wash monitoring program to assess hydrologic and biologic conditions in and along the Wash from the Regional Plant to Lee Lake (Corona Lake) to identify the impacts of decreased flows resulting from changes in effluent discharges to the Wash. The Temescal Wash monitoring program was originally defined as a mitigation measure in the 2005 LESJWA Program EIR for Lake Elsinore Stabilization and Enhancement and subsequently refined in the EVMWD Mitigated Negative Declaration for the Recycled Water Use Ordinance in 2006.

The monitoring program, which began in Spring 2007, consisted of surface water quantity monitoring, shallow groundwater level monitoring and vegetation monitoring at identified locations in and adjacent to Temescal Wash between the Regional Plant and Lee Lake. Vegetation monitoring focused on the health of the riparian forest as this habitat supports least Bell's vireo, an endangered species, and other riparian-obligate birds.

Reference

Mr. Norris Brandt, *Contact information as above*

San Jacinto Watershed Sanitary Survey

Client: Elsinore Valley Municipal Water District; **Refs:** Mr. Norris Brandt, *contact information as above*

Period of Service: 1996 (original WSS), updated in 2001, updated in 2006, updated in 2012

Project Manager: Sarah Garber, PMP, CPP (2001 and 2006; Technical Reviewer in 2012)

Project Description: MWH prepared the original, and all subsequent updates to, the Watershed Sanitary Survey for the 718 sq mi San Jacinto Watershed tributary to Canyon Lake. This comprehensive document was prepared in compliance with Surface Water Treatment Rule and the 2006 version was also submitted to the California Legislature in compliance with Senate Bill 979.

Section 3 - The MWH Team

The project team comprises the same Project Manager from MWH and Laboratory Director from CSUSB who recently completed the NPDES monitoring and TMDL coordination for Canyon Lake and Lake Elsinore. Sarah Garber, Principal Environmental Scientist, will serve as the Project Manager and will coordinate sampling and reporting. Sarah will monitor the project to ensure the LESJWA's goals are met through timely and prompt allocation of resources. Sample collection, field analyses, and laboratory analyses will be conducted by Dr. Noblet and his students. A field team of at least two CSUSB students will collect water quality samples. For the first sampling event, students will be accompanied by Dr. Noblet. Dr. Janet Fahey, MWH Principal Environmental Scientist, will perform Quality Control review. Brief summaries of key personnel are provided below; full resumes for key staff are appended.

Sarah Garber, PMP, CPP – Project Manager.

Ms. Garber is a principal environmental scientist with 25 years of experience in environmental impact assessments for infrastructure projects. In addition to National Environmental Policy Act (NEPA) and California Environmental Quality Act (CEQA) documentation, Ms. Garber also specializes in permit acquisition from a wide-range of regulatory agencies. Ms. Garber routinely conducts public scoping meetings for environmental documents, participates in stakeholder coordination meetings, and presents the environmental issues of projects at public hearings. In addition, Ms. Garber is involved in surface water investigations and permitting for stream discharges. She has worked as a field biologist, concentrating in water quality analysis, including fisheries investigations and natural resource surveys. Ms. Garber is also a certified Project Management

Professional (PMP) with the Project Management Institute (PMI).

James A. Noblet, Ph.D., Professor and Director, CSUSB Water Quality Laboratory

(Subconsultant to MWH). Dr. Noblet has over 20 years of experience in environmental sampling, analysis and project management. He has been involved in projects encompassing all types of aquatic systems - coastal marine, estuarine, stormwater, rivers, lakes, streams and creeks, and groundwater. Past projects include 6 years of water quality monitoring of Canyon Lake and Lake Elsinore, special Fecal Indicator Bacteria study on Canyon Lake, A Study on the use of Alum for the Removal of Turbidity and Nutrients in Canyon Lake, and 2 years of bacteriological monitoring of Lytle Creek. Current projects include removal of arsenic from rural groundwater systems in Coachella Valley, and a study of the occurrence of manganese precipitation problems in drinking water wells in Hinkley, CA. Dr. Noblet and his students are also working with a local company to evaluate a new nanomaterial for potential use in water treatment.

Dr. Janet Fahey, PE – Quality Control Reviewer.

Dr. Fahey is a technical reviewer for many of MWH's environmental studies and regulatory compliance projects. She has over 36 years of experience, both domestic and overseas, in the areas of water supply and wastewater facilities planning and analysis, watershed and receiving water studies, wastewater reclamation, and environmental permitting and analysis. Her background includes evaluation of environmental impacts relative to water development, treatment, and storage; wastewater collection, treatment, and disposal including recharge; wastewater reuse and recycling; endangered species evaluation; and revegetation. Dr. Fahey has worked in the Lake Elsinore area for over 30 years, and served

as the Quality Control Reviewer for the Lake Elsinore and Canyon Lake Water Quality Monitoring Program from 2006 to 2012.

Student Field and Laboratory Technicians. In addition to the Laboratory Director, the CSUSB Water Quality Laboratory is staffed by undergraduate and/or graduate students of the University. All students recruited to work for the laboratory must have at minimum completed 1 year of general chemistry, and must have completed or be currently enrolled in organic chemistry and analytical chemistry. Students must have received a grade of B or better in these courses, as well as have an overall GPA of 3.0 or better in their science courses. They must be chemistry or biochemistry majors. With these requirements, the students working in the lab are at least sophomores, but more frequently juniors and seniors. Special consideration is given to hiring those students who have expressed an interest in the water industry as a career, or in water as a field of interest for graduate study. All students are trained starting with washing glassware, sampling containers and equipment as per EPA protocols. Students are trained on various analytical methods as needed and then allowed to perform only those methods in which they have demonstrated proficiency. All training and evaluation of lab personnel is under the general supervision of the Laboratory Director, Dr. Noblet.

The training of field personnel is done initially by Dr. Noblet, and then continued under the supervision of senior field staff. All field work will be conducted by two students; students will be highly proficient in all aspects of the sampling and field parameter measurements. All students performing field work must know how to swim. For each round of sampling events, Dr. Noblet will accompany students in the field to ensure that all equipment is working

properly and that students are proficient in the sampling methodologies. Subsequently, student teams will be allowed to perform field work on their own, but Dr. Noblet will be available by cell phone at all times during the field work to address any questions or problems that may arise.

Current CSUSB Water Lab Personnel

Many students are interested in working in the CSUSB Water Quality Laboratory for both the interesting nature of the work, and the valuable experience they gain. For the past 10 years, more than 30 talented students have been employed in the water quality laboratory. Dr. Noblet has his choice of outstanding students to staff the laboratory. CSUSB will be able to meet the personnel requirements of this project by hiring new students and training them as necessary. Brief biographies of current laboratory personnel follow.

Emmett Campbell - Senior Laboratory Analyst. Emmett is a senior Biochemistry major, and has been working in the lab for nearly 2 years. He is proficient in nearly all the analyses the water quality lab performs, and is quite proficient in all of the methods and procedures that will be used for this project. Emmett worked on the Canyon Lake and Lake Elsinore monitoring programs in 2012. Moreover, he was the primary student that performed the lab and field work on the alum jar test study in 2012. He is thoroughly familiar with Canyon Lake and the pertinent water quality issues. In addition to being an excellent analyst and student, Emmett is working on his D1 and T1 certifications through the Office of Water Programs at CSU Sacramento. He will be available for the initial phase of the project (through December 2013, and possibly February 2014).

Ingrid Williams - Laboratory Analyst. Ingrid is a recent addition to the lab and a junior Chemistry major. She has a deep interest in water quality, and has had previous internships with the US Forest Service and the Santa Ana Watershed Project Authority (SAWPA). She recently completed Dr. Noblet's analytical chemistry course and was one of the top students in the class. She is an outdoor type of person who will excel in both field and laboratory work. It is anticipated that Ingrid will be working in the laboratory for the duration of the project.

Crystal Carver Steil - Laboratory Analyst. Crystal is a senior Chemistry major. She also just completed Dr. Noblet's analytical chemistry class with top marks. She has a profound interest in pursuing a career in the water industry, and wants to gain experience working in our laboratory. She has shown an aptitude for analytical work and she has an outstanding work ethic. It is anticipated that Crystal will be on staff for the first two rounds of sampling and analysis, December 2013 and February 2014.

Section 4 - Scope of Work

Alum application in Canyon Lake is proposed in order to remove nutrients from the water column that contribute to algal blooms in the lake. By binding phosphorus and reducing algae growth, the continued use of alum is expected to reduce nutrient cycling and associated sediment oxygen demand in the lake sediments. The goal is compliance with the interim and final chlorophyll *a* TMDL targets. Alum application is also anticipated to indirectly increase dissolved oxygen in the hypolimnion as well as reduce the frequency of ammonia toxicity. MWH understands that the LESJWA Task Force wants to establish the effectiveness of alum applications in binding phosphorus, reducing algal growth, and indirectly increasing

oxygen levels. Additionally, monitoring results will be used to evaluate, and hopefully confirm, that alum addition does not result in acute or chronic aluminum toxicity. Water quality monitoring results will help assess alum application effectiveness, the extent of the lake-wide impact, seasonal variations and impacts of various alum doses. Both winter (February - following wet season storms, prior to spring algal bloom) and late summer (September - prior to turnover/fall algal bloom) applications are proposed.

Since the effectiveness of in-lake alum addition will be evaluated as part of the adaptive management process, water quality monitoring prior to and after alum application will provide important data for modification of the program. Ultimately, based on the effectiveness of alum addition, the LESJWA Task Force may need to evaluate constructing supplemental in-lake management systems such as aeration or hypolimnetic oxygenation (HOS) and/or supplemental watershed based source controls.

The following scope of work and fee estimate are based on the sampling program described in the Request for Proposal. However, the LESJWA Task Force may want to modify the sampling program after review of initial data. After initial results are available from the first sampling event, the MWH Team will review the data with the LESJWA Task Force. Modifications to sampling stations, frequency of post application monitoring, water quality parameters, or depth of sample collection will be considered. If applicable, changes to the monitoring program may result in reduction and/or amendment to the scope of work.

Task 1 – Prepare Sampling and Analysis Plan
A Sampling and Laboratory Analysis Plan (SLAP) will be prepared to describe the effectiveness monitoring activities conducted within the lake

and the analysis methods to be conducted in the CSUSB laboratory. The SLAP will be consistent with the Water Quality Monitoring Plan and Quality Assurance Project Plan (QAPP) prepared in April 2007. Sarah Garber was the Quality Assurance Manager identified in the QAPP for the 2007 - 2012 Lake Elsinore and Canyon Lake Monitoring Program. Sarah will ensure that quality control procedures are again followed for the Alum Effectiveness Monitoring.

Task 2 - Conduct Canyon Lake Alum Effectiveness Water Quality Monitoring

The MWH team will perform sampling and analysis from September 2013 through September 2015 before and after five alum application events. Sampling will be conducted up to 25 times (one week before application, and once per week for four weeks after application) at four locations in the lake. Water quality parameters, collection location, analysis method, and quality control procedures are summarized in **Table 1**. MWH understands that the LESJWA Task Force may also collect monthly data to evaluate long term water quality trends.

Sampling Stations. Samples will be collected in the morning hours (approximately 0800 to 1200) at the following four stations:

- CL7 - deepest part of the lake near the dam (33 deg 40.675 N / -117 deg 16.517 W)
- CL8 - mid-lake, main body of lake (33 deg 41.296 N / -117 deg 16.155 W)
- CL9 - shallow site in the East Bay (33 deg 40.874 N / -117 deg 15.528 W)
- CL10 - shallow site without thermal stratification in the East Bay (33 deg 40.779 N / -117 deg 15.046 W)

Description of Equipment: Individual water samples and depth integrated samples will be collected from specified depths using a 2.2 L horizontal beta-plus type clear acrylic van Dorn Sampler. For depth integrated samples, a water

sample will be collected at 1 meter intervals, and a consistent volume will be delivered to a polypropylene bucket, and mixed. Then a single homogenized sample will be poured from the bucket into the sample bottles. Samples will be collected in pre-cleaned brown opaque HDPE bottles, and kept on ice until returned to the laboratory. All samples will be stored at 4 degrees C until processed and preserved if necessary according to method protocols. As in the previous sampling program, it is assumed that watercraft and pilots for the sampling team will be provided by the Canyon Lake Marine Patrol for all sampling events.

Depth profiles for temperature, pH, turbidity, and dissolved oxygen will be measured using a Hach Hydrolab DS-5 water quality sonde connected via a 30 m cable to a Surveyor 4 data display. Data will be collected at 1 meter intervals and recorded on field data sheets. Data from the sheets will be transferred to and stored in an electronic database as soon as possible.

Task 3 – Prepare and Distribute Monitoring Reports, Attend Meetings

MWH will present the water quality monitoring results for each of the five alum application events in a report. After each event, the data set will be expanded and the report updated. Report sections will include: Introduction, Background and Objective, Materials and Methods, and Results. MWH will prepare a draft report for LESJWA Task Force review, incorporate comments, and prepare and distribute up to 10 copies of the final report. Additionally, data will be submitted in Excel.

MWH will attend up to three meetings at EVMWD, SAWPA, or Regional Board offices to present the results of the monitoring program and coordinate with LESJWA Task Force members regarding lake monitoring issues.

Table 1. Summary of Analysis Method and Quality Control Notes by Parameter

Parameter	Sample Collection	Sample Analysis	QA/QC Notes
Temperature	Vertical profile at each station (4 stations) (1 m intervals)	Field Measurements Hydrolab DataSonde 5 and Surveyor	<ul style="list-style-type: none">Hydrolab is calibrated against solutions of known pH, DO and turbidity each morning. Calibration check values are recorded on a Hydrolab calibration sheet.Concentration of DO standard is calculated from known temperature-dependence of O₂ solubility in water corrected for local atmospheric pressure/elevation; over a lab temperature (T) range of 20-25 °C and elevation of 1600 ft above MSL.Turbidity is calibrated against a 40 NTU Hach StablCal Primary turbidity standard.
Dissolved Oxygen (DO)			
pH			
Turbidity			
Secchi Depth (transparency)	1 reading per station (4 stations)	Visual observation in field	<ul style="list-style-type: none">Measured to nearest 0.01 m
Total Phosphorus (TP)	Three samples per station (3 stations): Epilimnion Hypolimnion Depth Integrated (when lake is stratified) and One single depth-integrated sample at East Bay station CL10	Laboratory Analyses: SM 4500-P F (total); Lachat 10-115-01-4-B	<ul style="list-style-type: none">Laboratory duplicates at a frequency of no less than one per 10 samples. Duplicate analyses of field splits will be used to assess the precision of analytical methods. Duplicate analysis of a sample on the same instrument will provide instrumental precision data.Reference materials to be run with each batch of laboratory samples.Spike samples to be run at a frequency of no less than one per 20 samples or one per batch (whichever is more frequent).Matrix spike replicates to be run at a frequency of no less than one duplicate per 20 samples or one per batch (whichever is more frequent).Laboratory and field blanks.Samples for analysis of dissolved constituents will be filtered and acidified as appropriate.
Soluble Reactive Phosphorus (SRP)		SM 4500-P C (SRP)	
Total Nitrogen (TN)		SM 4500-N C; Lachat 10-107-04-4-B	
Ammonia (NH ₃)		SM 4500-NH3 D	
Aluminum – dissolved (Al _{diss})		EPA 200.9	
Aluminum – total (Al _{total})			
Total Dissolved Solids (TDS)		SM 2540 C	
Total Suspended Solids (TSS)		SM 2450D	
Chlorophyll a		SM 10200 H	

Source for laboratory methods: American Public Health Association, American Waterworks Association, and Water Environment Federation. 1992 and 2005. Standard Methods for the Examination of Water and Wastewater, 18th and 21st Editions.

Section 5 - Project Schedule

The SLAP will be prepared and distributed for LESJWA Task Force review prior to the first sampling event.

Water quality samples will be collected from the four compliance monitoring sites (CL07, CL08, CL09, and CL10) once within one week prior to the alum application and for four consecutive weeks following the alum applications. Each alum application is anticipated to take approximately 7 – 10 days to complete. A total of 25 water quality monitoring events will be conducted: 5 each, starting in September 2013, February 2014, September 2014, February 2015, and September 2015.

Date	Milestone	Reporting
September - October 2013	5 sampling events over 5-6 weeks	Initial Data Summary Report
February - March 2014	5 sampling events over 5-6 weeks	Updated Report
September - October 2014	5 sampling events over 5-6 weeks	Updated Report
February - March 2015	5 sampling events over 5-6 weeks	Updated Report
September - October 2015	5 sampling events over 5-6 weeks	Updated Report

A draft report will be prepared within 2 weeks of receipt of final laboratory data for each round of sampling (five sampling days). The report will be submitted to the LESJWA Task Force for review, and after incorporation of

comments, distributed to interested parties as appropriate.

The MWH Team, including the CSUSB students, are available to begin the water quality sampling program in September 2013.

Section 6 - Compensation Budget

The compensation budget is based on a schedule of approximately 2 years - sampling from September 2013 to September 2015, and analysis and report until December 2015. Hourly rate schedules for MWH personnel classifications are presented in Table 2. Hourly rates are inclusive of salary, overhead, and fee. A breakdown of the cost by personnel classification for each task is included as Table 3. The anticipated budget for this project is \$94,650.

Table 2. MWH Schedule of Hourly Billing Rates

Job Titles / Classification	Hourly Rate
Principal Professional II (Engineer/Scientist) (Janet Fahey, Technical Reviewer)	\$ 225
Principal Professional I (Engineer/Scientist) (Sarah Garber, Project Manager)	\$ 200
Supervising Professional (Engineer/Scientist)	\$ 180
Senior Professional (Engineer/Scientist) (Jackie Silber, GIS)	\$ 160
Professional (Engineer/Scientist)	\$ 140
Associate Professional (Engineer/Scientist)	\$ 125
Assistant Professional (Engineer/Scientist)	\$ 100
Sr. Contracts Administrator (Belinda Howell)	\$ 125
Administrative Assistant	\$ 100

Compensation is based on a single not-to-exceed fee based on the following contract terms:

1. Payment of the invoiced amount for the professional engineering services shall be based on monthly invoices describing the work performed and expenses incurred during the preceding month.
2. Non-salary expenses and outside services attributable to the Project shall include:
 - Living and traveling expenses including mileage of employees and subcontractors when away from the home office on business connected with the services.
 - The identifiable costs of reproduction, printing and binding applicable to the Project.
 - The actual cost of outside and subcontracted services, and other direct costs identifiable to the Project will be charged at cost plus MWH General and Administrative (G&A) costs plus 10 percent.
3. Payment shall be due within 30 days after date of monthly invoice describing the work performed and expenses incurred during the preceding month.

Rates will be escalated on an annual basis in January to account for labor cost increases based on the Global Insights index forecast for Private, Professional, Scientific, Technical wages for the Western US. The rate increase will not exceed the change in Consumer Price Index (CPI), for Los Angeles, Riverside, and Orange County Area, all urban consumers for the most recently available 12 month period or as approved by the LESJWA Task Force.

MWH has reviewed the Draft LESJWA Contract Agreement. We request the following modifications of the text contained in the sample LESJWA AGREEMENT FOR SERVICES BY INDEPENDENT CONSULTANT attached to the Request for Proposal for Canyon Lake Alum Treatment Effectiveness Monitoring dated July 2013:

1. At the bottom of page 2 (hanging paragraph of Section 4.03), insert "to the extent" before "caused by the negligence"
2. In 4.04 (third line), insert "to the extent" before "caused by the negligence"
3. In 6.04 strike "as determined by LESJWA".

Table 3
Lake Elsinore and San Jacinto Watersheds Authority
Canyon Lake Alum Treatment Effectiveness Monitoring
MWH Fee Proposal

	MWH	Hourly Rate	Principal Professional II	Principal Professional I	Supervising Professional	Senior Professional	Project Professional	Associate Professional	Assistant Professional	Sr. Contracts Administrator	Administrative Assistant	TOTAL HOURS	MWH LABOR FEE	Other Direct Costs (ODCs)	Subconsultant (CSUB)	TOTAL TASK PROPOSAL FEE
			\$225	\$200	\$180	\$160	\$140	\$125	\$100	\$125	\$100	\$100				
		ACTIVITY DESCRIPTION														
1		Prepare Sampling Plan		10		2				2	2	16	\$2,770		\$500	\$3,270
2		Conduct Monitoring and Lab Analysis		30		6				12	12	60	\$9,860		\$51,700	\$61,360
3		Reporting and Meetings	6	58		2		80		12	20	178	\$26,770	\$1,250	\$2,000	\$30,020
		TOTALS	6	98	0	10	0	80	0	26	34	254	\$39,200	\$1,250	\$54,200	\$94,650

LESJWA BOARD MEMORANDUM NO. 762

DATE: February 25, 2015

SUBJECT: Canyon Lake Alum Application Status

TO: Board of Directors

FROM: Mark R. Norton, P.E., Authority Administrator

RECOMMENDATION

Staff recommends that the Board of Directors receive and file a status report for the Canyon Lake Alum Application by Aquatechnex.

BACKGROUND

As of Feb. 13th, the fourth of five alum applications was originally scheduled at Canyon Lake to be conducted on March 2-5 in order to continue progress in meeting the TMDL requirements. However, on Feb. 17th, LESJWA staff learned from Dr. Noblet of CSUSF, who was sampling Canyon Lake, that the lake was undergoing a major shift toward a major algae bloom and high oxygen levels in the upper portion of the water column in the main lake body. The East Bay appeared relatively clear of algae at this time. Based on this observation, the Canyon Lake Alum Application Technical Advisory Committee (TAC), which includes the participation of EVWMD staff, City of Canyon Lake staff, Canyon Lake POA, Dr. Michael Anderson, MWH staff, CDM Staff, Dr. Noblet, RCFCWCD staff and LESJWA staff, was contacted and has elected to defer the early March application until conditions in the lake improve. Concerns were raised that conditions of Canyon Lake could be similar to last February 2014 in which an algae bloom and high oxygen levels result in the alum not being quickly dispersed in the lake column and sitting at the surface for several days and upsetting residents around the lake.

Prior to the recent conditions, the pre and post monitoring data was reviewed by the TAC, and Dr. Michael Anderson advocated for higher alum dosing in the East Bay. After discussion, the TAC recommended that before significant funding and additional alum dosing can occur, a CEQA amendment may be necessary and should be undertaken before increased alum dosing for the entire lake. For March 2015, an experimental heavier dosing of just one cove, Gold Cove, was recommended to determine if the increased dosing results in significant lowering of the phosphorus and chlorophyll *a* concentrations. Consequently, the amount of overall dosage to the lake will not change, but slightly less alum will be applied to the main body of Canyon Lake with increased dosing in one cove. Jar tests and laboratory analysis will be conducted of the Gold Cove water to determine what level of increased dosing is practical.

The March application was to be conducted with pre and post monitoring as has been the case in all past applications, and EVMWD staff on the boats will continue to ensure quality control by the contractor, Aquatechnex. Outreach and public information presentations were conducted by staff on Feb. 3rd with the Canyon Lake POA and the City of Canyon Lake City Council on Feb. 4th. At all events there were very few comments and limited concerns. Based on these limited concerns, a special panel of experts was deemed not necessary. Outreach will be undertaken with the two local newspapers and multiple social media outlets to ensure the public is informed before the application occurs.

Based on a past request by LESJWA Board member Phil Williams, attached to the memo are data tables and graphs that show the pre and post monitoring results reflecting trends of continued water quality improvement with each alum application at Canyon Lake.

In response to the delay from the March 2-5 application date, a press release was prepared to inform the public that the alum application will be delayed until after the current algae bloom subsides and the high oxygen levels at the surface dissipate.

RESOURCES IMPACT

All staff time associated with the Canyon Lake alum application has been budgeted under the LE/CL TMDL Task Force budget that is also shown in the LESJWA budget.

MN/dm

Attachment:

1. Monitoring Results Data Tables/Graphs

Secchi Depth

Station	Depth	Canyon Lake Secchi Depth (cm) (Fall 2013)					Canyon Lake Secchi Depth (cm)													
	(cm)	9/17/2013	10/1/2013	10/8/2013	10/15/2013	12/18/2013	2/4/2014	2/18/2014	3/6/2014	3/13/2014	3/20/2014	4/24/2014	6/25/2014	7/23/2014	8/27/2014	9/18/2014	10/15/2014	11/12/2014	12/11/2014	2/9/2015
7		110	100	85	85	135	75	90	80	190	120	190	180	215	160	120	135	105	60	70
8		106	115	90	80	70	70	90	80	250	121	-	252	270	192	137	125	78	60	70
9		38	55	35	39	80	75	70	50	60	78	-	130	150	117	102	80	58	20	108
10		30	40	25	35	70	35	50	50	40	78	-	79	70	95	80	60	40	20	121

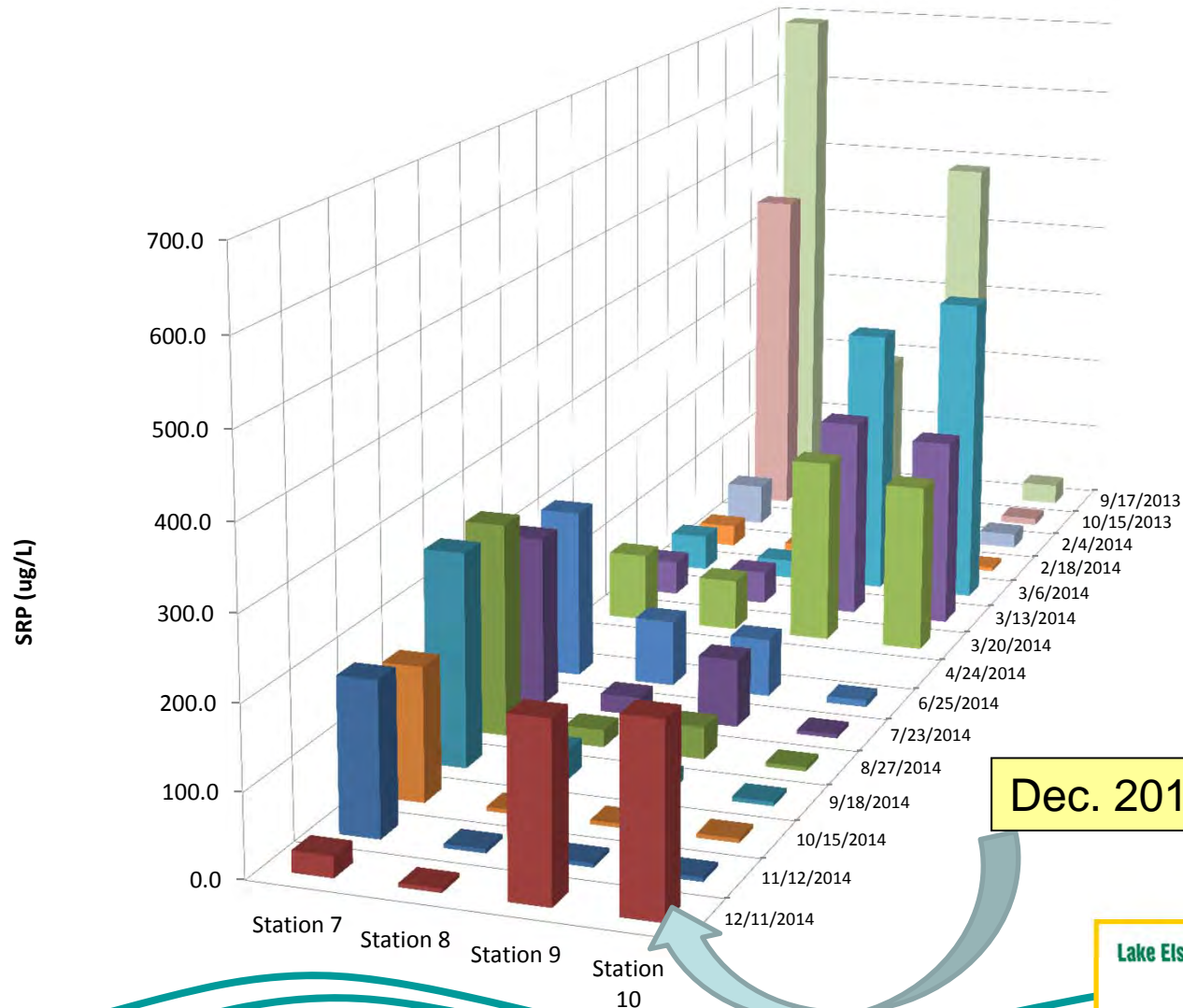
Monitoring locations



Lake Elsinore & San Jacinto Watersheds Authority



Pre & Post Monitoring Results – Soluble Reactive Phosphorus

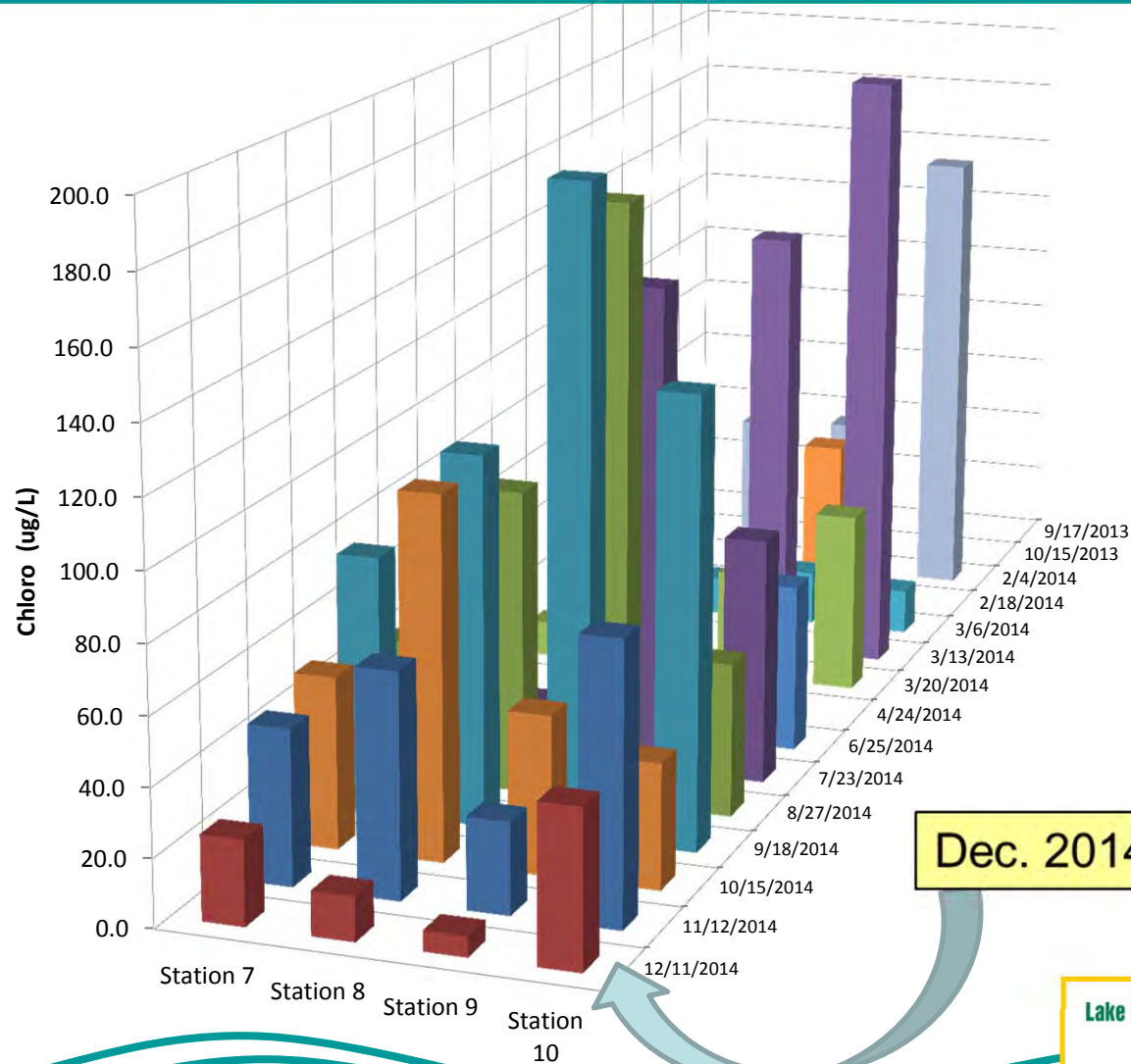


Dec. 2014 Storms

Lake Elsinore & San Jacinto Watersheds Authority



Pre & Post Monitoring Results – Chlorophyll a



Dec. 2014 Storms

Lake Elsinore & San Jacinto Watersheds Authority



LESJWA MEMORANDUM NO. 763

DATE: February 25, 2015
SUBJECT: Certificate of Appreciation for Joe Aklufi
TO: LESJWA Board of Directors
FROM: Mark Norton, P.E., Authority Administrator

RECOMMENDATION

Staff recommends that the Board of Directors authorize issuance of a Certificate of Appreciation to Joe Aklufi, Aklufi & Wysocki, in appreciation of his long service as LESJWA Legal Counsel and its predecessor lake management agency, Lake Elsinore Management Authority (LEMA). The certificate of appreciation is attached.

RESOURCES IMPACT

None.

MN:dm

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CERTIFICATE OF APPRECIATION

to

Joseph Aklufi

FOR HIS DEDICATION TO LESJWA

WHEREAS, Joseph (“Joe”) Aklufi has served as Legal Counsel for the Lake Elsinore & San Jacinto Watersheds Authority (LESJWA), and its predecessor lake management agency, LEMA, since 2001;

WHEREAS, Joe has counseled at numerous LESJWA Board meetings, using judicious values and measures in evaluating its many programs for the protection and betterment of water resources in the Lake Elsinore and San Jacinto Watersheds; and

WHEREAS, Joe has now retired from the law firm of Aklufi & Wysocki, and therefore from serving as Legal Counsel for LESJWA.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors for the Lake Elsinore & San Jacinto Watersheds Authority extends its sincere appreciation to Joe Aklufi for his dedication and contributions to LESJWA, and extends best wishes to him upon his well-earned retirement.

ADOPTED this 25th day of February, 2015.

LAKE ELSINORE & SAN JACINTO WATERSHEDS AUTHORITY

City of Lake Elsinore, Board Chair

LESJWA Authority Administrator

City of Canyon Lake

Elsinore Valley Municipal Water District

County of Riverside

Santa Ana Watershed Project Authority