

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

October 19, 2017

DIRECTORS PRESENT

Robert Magee, Chair
Vicki Warren
Kevin Jeffries
Brenda Dennstedt

REPRESENTING

City of Lake Elsinore
City of Canyon Lake
County of Riverside
Santa Ana Watershed Project Authority

DIRECTORS ABSENT

Phil Williams

Elsinore Valley Municipal Water District

OTHERS PRESENT

Nancy Horton
Liselle DeGrave
Nicole Dailey
Jason Uhley

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

LESJWA STAFF

Mark Norton
Karen Williams
Dawna Munson

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

The Regular Board of Directors meeting of the Lake Elsinore and San Jacinto Watersheds Authority was called to order at 4:01 p.m., by Chair Robert Magee at the Elsinore Valley Municipal Water District, located at 31315 Chaney Street, Lake Elsinore, California. Chair Magee asked for roll call. Representation from four of the five member agencies, with no representation for the EVMWD, was duly noted by the Board Clerk.

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

1.0: CONSENT CALENDAR

Chair Magee presented the Consent Calendar for approval. Upon motion by Director Jeffries, seconded by Director Warren, the motion unanimously carried,

2017/10-1

MOVED, approval of the Consent Calendar including the June 15, 2017 Board Meeting Minutes, the Treasurer's Reports from June and July, 2017, the September 12, 2017 Lake Elsinore and Canyon Lake TMDL Task Force Meeting Notes, and the July 11, 2017 Education & Outreach Committee Meeting Notes.

with the following vote:

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

2.0: Local Agency Investment Fund (Memo #LES816)

Karen Williams, SAWPA’s Chief Financial Officer, said that staff requests approval of Resolution No. 2017-01, which adds the new SAWPA General Manager onto the signatory for the Local Agency Investment Fund (LAIF). With former General Manager Celeste Cantú retiring from SAWPA, and Rich Haller is now the new General Manager, his name must be added.

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

2017/10-2

MOVED, approval of Resolution No. 2017-01, authorizing monies in the Local Agency Investment Fund (LAIF), which updates the General Manager signatory to new SAWPA General Manager, Richard Haller.

with the following vote:

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

3.0: Canyon Lake Alum Application (Memo #LES817)

Mark Norton said this informational item regarding the Canyon Lake alum application conducted September 25-29, 2017, which included treatment of the main body, the north causeway, and the East Bay. As suggested by the Technical Advisory Committee and in conjunction with EVMWD, alum dosage levels were adjusted per the most recent bathymetric survey analysis by Dr. Michael Anderson/UCR. There were no alum application issues reported by the Canyon Lake POA, EVMWD staff, or the consultant, Aquatechnex.

Since that time, concern had been expressed about some recent algae blooms in one cove area. Staff in response when such complaints arise will try to contact those who express concern and explain the alum benefits and that sometimes conditions occur for algae to grow, such as when the lake level drops, but we emphasize that the algae blooms come and go and they aren’t a permanent condition. People are instructed to keep their pets and children away from the algae bloom when it occurs, and that LESJWA is doing everything possible to prevent it. The alum application is overall still producing positive results and will continue to be done twice per year.

In July 2017, the EPA published draft water quality criteria for a new alum standard that’s been circulated, which is only guidance at this point; however, the State will most likely adopt this guidance at its next triannual review. Mr. Norton explained how it has changed from the 1988 criteria. It is a variable equation and the criteria are derived upon adjustments to ambient pH, hardness, and dissolved organic carbon. The EPA published a type of spreadsheet where states can input information for a particular waterbody and calculate the aluminum standard.

The LE/CL Task Force believes that this approach is a significant change to the 1988 EPA criteria, and is concerned that the proposed water quality criteria for aluminum may adversely impact the successful alum treatment programs being used in Canyon Lake and Lake Elsinore. One issue is that the amount of aluminum normally found in alum will make it extremely difficult to comply with the effluent limits State authorities must develop to meet the EPA criteria. It would be nearly impossible to comply with these criteria when using alum at Canyon Lake.. The Task Force is preparing a letter expressing its concerns and will submit it to the EPA. Currently, alum sulfate has been viewed as very effective and economical. If we lose this opportunity, we’d have to look at other options to address the algae and chlorophyll A. An oxygen injection system is very expensive and that is not something that really would help in the East Bay. This is something we’re watching and hoping that the EPA will re-examine.

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

2017/10-3

MOVED, receive and file a status report on the Canyon Lake alum application and draft EPA aluminum criteria.

with the following vote:

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

4.0: LESJWA Education and Outreach (Memo #LES818)

Liselle DeGrave of DeGrave Communications provided a PowerPoint presentation to update the Board on LESJWA’s current Education and Outreach activities. After a brief outreach recap, she provided some of the highlighted news releases such as the study results from Dr. Michael Anderson of UCR, and the news releases each time an alum application was done. There also are news releases and a fact sheet on the website, and a list of all the media that has covered LESJWA topics over the last year.

For the last alum application, a notice to the community went out that also told a bit about it and why LESJWA chose to use the alum. The Friday Flyer and the Community POA each did two stories on it.

A Facebook page was established October 2016 and there has been an increase in followers. For only being established for a year, the Facebook page is doing well in comparison to the more well-known sites such as EVMWD and the City of Lake Elsinore. She highlighted some of the posts attracting higher engagement, such as the replacement of the alum application sign. The sign’s text was made more understandable and in laymen’s terms and with an added cartoon graphic of the alum boat. Another shared post was information on the fish die offs over the summer. People are starting to engage and recognize who LESJWA is as an organization. She displayed charts of impressions and engagements, and a graph comparing this year to last year, showing the increase in followers.

She next discussed outreach and administration, and issues management support – Lake Watch 2017, and the response to the Temecula Canyon High School class letters that students sent to local elected officials. She noted that “Watershed Wonders” was recently created to provide better information. They will provide tours and can be available to go to the classroom to share what’s actually happening in the watershed.

Ms. DeGrave discussed some of the community outreach activities such as working with the Lake Elsinore Chamber of Commerce where she gave a presentation and provided an editorial story for their newsletter, and attending the Save the Lake Committee meeting. She also noted the next steps using the Facebook page in communicating with the audience and establishing community partnerships and media outreach.

Chair Magee commented that the teacher from the high school hadn’t responded, so he appreciates that Ms. DeGrave is following up on it. He asked her to keep him apprised as to whether a classroom visit is needed as well. He also noted that the Save the Lake Committee was absent during the fish clean up, and didn’t appear to be working in that area toward saving the lake.

Chair Magee suggested adding a video to the Media Contacts section of the website, and suggested a couple of video pieces to share; for example, clips from the Lake Elsinore fish stockings. The Angler Chronicles did their annual visit and that was very good as well. Ms. DeGrave will work with Nicole Dailey to obtain the video clips.

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

2017/10-4

MOVED, receive and file a status report by DeGrave Communications on LESJWA's Education and Outreach activities.

with the following vote:

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

5.0: Lake Elsinore/Water Quality Conditions (Memo #LES819)

Mark Norton reviewed how the LE/CL TMDL Task Force had learned last year of challenges facing the lakes associated with harmful algal blooms (HABs) due to cyanotoxin concentrations. A concern arose due to ongoing monitoring efforts by the Southern California Coastal Water Research Project (SCCWRP) in evaluating the impacts of freshwater harmful algal blooms in Lake Elsinore and Canyon Lake. A SCCWRP key researcher provided a presentation to the Task Force about the need to conduct monitoring of the HABs in relation to updating the TMDL for the lakes. The Task Force then recommended conducting a one-year monitoring program to collect a baseline data level associated with specific cyanotoxins. It's important to note that the type of data used to develop the revised TMDL, particularly the water quality modeling for the lakes, is different from the type of data required in making decisions as to when and where to post public health warnings. The Task Force determined that the TMDL-related sampling data would serve to supplement other cyanotoxin monitoring programs being conducted by lake managers. He introduced Nicole Dailey/City of Lake Elsinore to provide an update on the recent Lake Elsinore water quality results associated with cyanotoxin concentrations.

Ms. Dailey first discussed what was learned from the experience in July 2016, wherein the City was notified by SCCWRRP of toxins in the lake, which ultimately resulted in closing the lake. Via PowerPoint presentation, she reviewed the harmful cyanotoxin (blue-green algae) types that need to be considered in terms of notice for closing the lake, some of the risks associated with the toxins for humans and animals; the parameters for how the State views the toxin limits; the draft recommended cyanotoxin detection limits, and the recommended public notification stages – from Caution to Warning to Danger.

In striving to always be prepared for an algal bloom event, the City began its own sampling work, initially performed every two weeks. This year, there hasn't been as much and they adjusted the sampling to how the lake looks. She displayed the lake sampling sites that focus on the beaches, and noted the challenges in notifying everyone of a warning or closure. She displayed LESJWA's sampling site for the TMDL; the City's and LESJWA's sampling results by categories of caution, warning, and danger, and reviewed the State's sampling results. The State's numbers tend to be higher because they take the scum samples, but now their numbers are closer to the numbers for Lake Elsinore.

Ms. Dailey next reviewed the City's response in chronological order from summer 2016 to September 2017. She discussed the City's Public Notification methods, including the 27 notification signs installed for public and private beaches, the Lake Watch webpage, emails to stakeholders, handouts at boat launches, and the social media and news media efforts. She noted the challenge in trying to better address, from the public's standpoint, how there are danger signs in one section of the lake, but not the other. They inform people that it is what the State recommends, and ultimately the decision is up to the individual.

As to what's next, they are meeting and collaborating with lake partners, refining a formal action plan for sampling and public notification, relying on existing sampling when possible, and continuing to explore the long-term strategies for the overall health of Lake Elsinore.

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

2017/10-5

MOVED, receive and file a status report from LESJWA staff and Nicole Dailey of the City of Lake Elsinore about the Lake Elsinore and Canyon Lake water quality conditions.

with the following vote:

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

6.0: Lake Elsinore Advanced Pumped Storage Project Update (Memo #820)

Mark Norton said this is an informational item and staff seeks the Board's direction to respond to the Federal Energy Regulatory Commission (FERC) solicitation for additional study needs regarding the Lake Elsinore Advanced Pumped Storage Project (LEAPS). He provided background regarding the Nevada Hydro Company (Nevada Hydro) who is filing a license application for the LEAPS project, and noted the five main components that comprise the project. In essence, the project is to pump out water from the Lake when the cost of energy rates are low and store it into a reservoir in the mountains, and then as the water is released, it actually generates power and they are able to sell it at a higher rate. It's a very large, 500 megawatt, project with a lot of pipelines and turbines that would connect into the existing Edison transmission lines and the San Diego Gas & Electric Company transmission line.

When the project was first proposed in 2007, it initially was supported by some local agencies, but then lost favor and faded out. Then on June 1, 2017, Nevada Hydro filed a Notice of Intent and requested a waiver of the pre-filing requirements based on what they had done before, to allow them to directly file a final license application. The FERC staff was supportive and on August 23, 2017, issued a notice of comments on Nevada Hydro's NOI and waiver request, with comments due by September 22nd. FERC received numerous comments about the potential project effects need to be considered, and deemed that perhaps this needs to be opened up again for comments to request additional studies as appropriate. Attached in the Board packet is the notice from FERC inviting additional studies. This could have a major impact on Lake Elsinore.

On the face of it, there is potential where it could be a positive, such as they want to pump water from Lake Elsinore, but the Lake is too low, so they'd need to bring in and pay for the water, creating a full lake. Second, by the process of bringing the water up and releasing it back in, it could aid aeration and mixing; and third, if alum were added, there could be some suppression of the nutrients. So, there is some potential.

There also are some negative elements such as the environmental impacts and the aesthetics of the Lake, and concern by the local residents with putting in a big reservoir along the mountains. Staff had invited a representative from Nevada Hydro, as well as from EVMWD. Both declined due to current litigation over this project. Mr. Norton noted that this item was placed on the agenda at the last moment, so he will need to do more research on it as to what studies have been done and the water quality impacts. Staff will do further investigation on this if it is the will and direction of the Board.

Chair Magee thanked Mark Norton for getting this item on the agenda in short notice. It needed to get on the agenda as there is a 60-day window to comment, and this Board will not meet again before that 60 day period ends on December 1. He also noted for the record that Director Williams is not in attendance as his district does have a conflict, and he is not able to comment on this. He stated that he hopes his colleagues will agree that a letter does need to move forward to FERC, as this Board's primary charge is water quality in the two lakes. As this project came back, letters of opposition were generated by homeowners groups, businesses, private citizens, City of Lake Elsinore, EVMWD, Senator Stone, the entire Board of Supervisors, and Congressman Calvert, with no letters of support. However, in Washington, far away from Lake Elsinore, somehow the decision to move forward on the previous 10-year old EIR sounded like a good idea. The original proposal was as Mark outlined – Nevada Hydro would provide for and pay for water and 9,000 lbs. of fish per year for the City of Lake Elsinore. In his opinion, that really wasn't enough to offset the impacts

that were going to be faced by the valley. There are five areas of concern that our letter should address: 1) the shoreline impacts to private and public properties, 2) the water quality impacts, 3) the impacts to the fishery, 4) compliance with the MSHCP (in that both the lake body and the forest are listed as public/quasi-public properties in the MSHCP, meaning it must be mitigated acre for acre in other like habitats), and 5) as the Army Corps of Engineers (Corps) was not a party to the MSHCP, we need to assure that there is compliance with the Corps.

Supervisor Jeffries commented that he isn't certain that it's within the jurisdiction of this Board to provide a letter. With such a large quantity of water needed, where they would get the water and under whose umbrella would that water quantity be purchased? Will it be EVMWD's allotment or WMWD's or EMWD's allotment? And with that purchase, does it push that entity into the penalty rates for all its customers for future purchases? Or will they be granted a special privilege to buy the water directly from MWD or from the Colorado River, or the State Water Project? These questions need to be answered because it impacts all the customers in Elsinore Valley. This project first came about in 1991, so it's been around for quite some time.

Director Warren suggested that the letter also should address redevelopment from the beginning.

Director Dennstedt said she read Congressmen's letter drafted on September 6th, and in the second paragraph, it says how the EIS was ultimately denied. It concerns her that FERC would take what originally was denied and move forward; it doesn't make sense. She suggested entering into the language that asks if the 2007 EIS filing was denied in 2011, why would FERC approve the EIS filing in 2017. She agreed that we need to better understand where they plan to get the water to offset the evaporation.

Director Magee added that item 6 would be the questions of the water purchase: where, under whose authority, and impact on repairs; and item 7 would be the EIR, or the supplement to the EIR, but it needs to be compliant. He looks forward to seeing the letter.

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

2017/10-6

MOVED, receive a report on the status of the LEAPS project, and directed staff to prepare a comment letter to the Federal Energy Regulatory Commission, from LESJWA, under their solicitation for requests for additional study by the December 1, 2017 deadline.

with the following vote:

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

7.0: ADMINISTRATOR'S COMMENTS

There were no comments.

8.0: DIRECTORS' COMMENTS

Director Dennstedt expressed her gratitude to SAWPA, LESJWA, and the County of Riverside for the kindness and compassion shown to her and her family in the recent loss of her daughter, Lianne.


As there was no further business, Chair Magee adjourned the meeting at 5:02 p.m.

APPROVED: December 21, 2017



Robert Magee, Chair

ATTEST: December 21, 2017



Dawna Munson, Board Clerk