Southeast Water Coalition
A joint powers authority to protect the Central Groundwater Basin

AGENDA
SOUTHEAST WATER COALITION
REGULAR MEETING OF THE ADMINISTRATIVE ENTITY

City of Vernon
City Hall
4305 S. Santa Fe Avenue
Vernon, CA 90058

THURSDAY, MAY 18, 2023
12:00 PM

1. **ROLL CALL**

2. **PUBLIC COMMENTS**

3. **CONSENT CALENDAR**

   ****Consent Calendar items will be considered and approved in one motion unless removed by an Administrative Entity Member for discussion.****

   a. **SEWC ADMINISTRATIVE ENTITY MINUTES OF MARCH 16, 2023 REGULAR MEETING**
   Recommendation: Approve minutes as submitted.

   ****End of Consent Calendar****

4. **APPROVAL OF FISCAL YEAR 2023 – 2024 SEWC DRAFT BUDGET**
   Joanna Moreno, AE Chair, City of Vernon
   Recommendation: That the Administrative Entity take the following action:
   Approve and recommend adoption of the Fiscal Year 2023 – 2024 SEWC Budget to the Board of Directors at their next regular meeting.

5. **SEWC PROGRAM MANAGEMENT SUPPORT**
   Joanna Moreno, AE Chair, City of Vernon
   Recommendation: That the Administrative Entity take the following action:
   Discuss Program Management Services starting FY 2023-2024. No responses were received for the RFP issued on April 11, 2023; responses were due May 8, 2023.

6. **WATER REPLENISHMENT DISTRICT'S (WRD) REPLENISHMENT ASSESSMENT**
   Joanna Moreno, AE Chair, City of Vernon
   Recommendation: That the Administrative Entity take the following action:
   Receive and File an update on the WRD's passage of the Replenishment Assessment for FY 23/24.

7. **CALIFORNIA ANNOUNCES 100% WATER ALLOCATIONS FROM THE STATE WATER PROJECT**
   Joanna Moreno, AE Chair, City of Vernon
   Recommendation: That the Administrative Entity take the following action:

Receive and File an update on the State of California's decision to provide 100% requested water allocations from the State Water Project.

8. JUNE 1, 2023 BOARD OF DIRECTORS AGENDA

Kevin Sales, KJServices Environmental Consulting

Recommendation: Consider Draft SEWC JPA Board of Directors Agenda

9. WRITTEN COMMUNICATIONS

10. ADMINISTRATIVE ENTITY MEMBER COMMENTS

On May 15, 2023, the foregoing agenda was posted in accordance with the applicable legal requirements. Regular and Adjourned Regular meeting agendas may be amended up to 72 hours and Special meeting agendas may be amended up to 24 hours in advance of the meeting.

Disability-related services are available to enable persons with a disability to participate in this meeting, consistent with the Federal Americans with Disabilities Act of 1990. Please contact City of Vernon Public Utilities Department at least 24 hours in advance of the meeting at (323) 583-8811 ext. 888.

The next meeting of the Southeast Water Coalition Administrative Entity will be on Thursday, July 20, 2023, 12:00 p.m., at Vernon City Hall, 4305 South Santa Fe Ave., Vernon, CA 90058.

MINUTES OF THE

SOUTHEAST WATER COALITION

JOINT POWERS AUTHORITY

REGULAR MEETING OF THE ADMINISTRATIVE ENTITY

THURSDAY, MARCH 16, 2023
12:00 NOON

The Regular Meeting of the Southeast Water Coalition Joint Powers Authority Administrative Entity, held in-person at the City of Vernon, was called to order at 12:00 p.m. by AE Chair Joanna Moreno (Vernon). At the time the meeting was called to order a quorum of members were present. Kevin Sales (KJServices Environmental Consulting) called the roll call and the following Administrative Entity members were present:

1. ROLL CALL

Jaime Moralez	City of Cerritos
Andrew Caraveo	City of Commerce
Dan Mueller	City of Downey
Derek Nguyen	City of Lakewood
Sarah Ho	City of Paramount
Adrian Rodriguez	City of Pico Rivera
Jesse Sira	City of Santa Fe Springs
Joanna Moreno, AE Chair	City of Vernon
Ray Cordero	City of Whittier

Others in Attendance

Kevin Sales	KJServices Environmental Consulting

2. PUBLIC COMMENTS

No Public Comments were received.

3. CONSENT CALENDAR

Dan Mueller (Downey) made a motion to approve the Consent Calendar. The motion was seconded by Derek Nguyen (Lakewood). The AE approved the Consent Calendar as submitted.

4. ASSESSMENT BILLING FOR FY 2023 / 2024

Administrative Entity Chair Moreno presented a review of this item.

The City of Vernon prepared and sent out the annual SEWC Assessment Billing to each of the member cities. The FY 22/23 Assessment Billing amount is $10,000 with an applied credit of $7,000 for a net change for the fiscal year of $3,000 as approved by the Board at their June 2022 meeting.

The AE received and filed the report as presented.

5. NOTIFICATION AND RESPONSE LEVELS FOR MANGANESE IN DRINKING WATER

Chair Moreno presented an overview of the State Water Board Division of Drinking Water's proposed establishment of a notification level of 20 micrograms per liter and a response level of 200 micrograms per liter. The AE members were notified that the State Water Board would be including an information item on these proposed notification and response levels of manganese at their March 1, 2023 meeting.

The AE received and filed the report as presented.

6. UPDATE ON THE OMEGA (WHITTIER) SUPERFUND SITE CLEANUP

Chair Moreno presented an overview of this item to the Administrative Entity members.

As outlined in the staff report, the AE members reviewed the current activities being undertaken as part of the EPA's Superfund cleanup of the Omega Chemical site in Whittier. There are currently four (4) monitoring wells in place in Santa Fe Springs, though the extraction and treatment plant to address the contamination plume is yet to be constructed.

Ray Cordero (Whittier) reported that the PCE and TCE levels related to the Omega Chemical Superfund site, when measured in Whittier's groundwater, are remaining steady.

The AE received and filed the report as presented.

7. EXECUTIVE ORDER N-3-23 – WATER DISCHARGES FROM RESERVOIRS

Chair Moreno presented an overview of this item to the Administrative Entity members.

As outlined in the staff report, Governor Newsom signed executive order N-3-23, limiting some wet-weather flows from California reservoirs, required under Water Rights decision 1641, to allow more water to be kept in storage for later drinking water and agricultural use.

The AE discussed the issue in light of the fact that most of the cities use primarily or exclusively ground water. Additionally, the members discussed the impact that the State would face once the record-breaking snowpack melts. It may be that much of that runoff will need to be allowed to flow to the ocean because there is insufficient

space in existing reservoirs and in the current groundwater infiltration network. Much of the reason for lack of sufficient water storage and infiltration capacity is due to conflicting political goals among the many stakeholders.

The AE received and filed the report as presented.

8. AVAILABLE PFAS REMEDIATION FUNDING

AE Chair Moreno provided the members with an update on this item and lead a discussion of available sources of PFAS remediation funding. Several member cities (Pico Rivera, Downey, and South Gate) stated that they had applied for the PFAS remediation funding available from the Water Replenishment District. Additionally, the members discussed available Federal funding sources.

The AE received and filed the report as presented.

9. SEWC PROGRAM MANAGEMENT SUPPORT

AE Chair Moreno lead a discussion of the process that needs to be followed to identify and hire an individual or firm to provide Administrative Services to SEWC.

The AE members requested that SEWC's current admin support staff, Kevin Sales of KJServices, prepare an RFP for submittal to the SEWC Board for approval at their April 6, 2023 meeting. Assuming that the Board approved the release of an RFP, the AE will implement the following schedule:

1. Release the RFP immediately after its approval by the SEWC Board for a 25-day response period.

2. Review the received proposals and select firms for interview, as necessary. This process will be conducted by an ad-hoc committee made up of three AE members.

3. The ad-hoc committee will make their recommendation to the full Administrative Entity panel at their May 18, 2023 meeting.

4. Present the recommended consultant or firm to the SEWC Board for approval at their June 1st meeting.

   In addition, the AE will recommend to the Board that KJServices' contract be extended for 60-days to assist with the transition to the new administrative support person of firm.

   The AE received and filed the report as presented.

10. FEBRUARY 2, 2023 BOARD OF DIRECTORS AGENDA

Kevin Sales, KJServices Environmental Consulting
Recommendation: That the Administrative Entity include the following items on the next SEWC Board meeting agenda:

1. Water Replenishment District's Proposed Replenishment Assessment Increase for FY 23/24.

2. Request for Proposals for SEWC Program Management Services.

3. PFAS Litigation Update and Review of Available PFAS Mitigation Funding Sources.

4. Governor Newsom's Executive Order N-3-23 – Temporary Suspending Wet-Weather flows from California Reservoirs.

11. WRITTEN COMMUNICATIONS

No written comments were received.

12. ADMINISTRATIVE ENTITY MEMBER COMMENTS

The AE members discussed the FY 23/24 SEWC Budget to be presented for consideration at the May 2023 meeting. The AE established a Budget preparation committee consisting of the AE representatives from the cities of Downey, Vernon, and Whittier.

13. ADJOURNMENT

AE Chair Joanna Moreno adjourned the meeting at 1:10 p.m.

_____

CHAIR

ATTEST: _____

Southeast Water Coalition
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SOUTHEAST WATER COALITION
JOINT POWERS AUTHORITY
AGENDA REPORT

Date: May 18, 2023
To: Southeast Water Coalition Administrative Entity
From: Joanna Moreno, AE Chair, City of Vernon

Subject: APPROVAL OF FISCAL YEAR 2023 – 2024 SEWC DRAFT BUDGET

Recommendation: That the Administrative Entity take the following action:
Approve and recommend adoption of the Fiscal Year 2023 – 2024 SEWC budget to the Board of Directors at their next regular meeting.

Background
Each year, SEWC approves the Fiscal Year (FY) budget for the year that follows. Budgets commonly include revenue from memberships and anticipated expenditures for services such as program management, legal services, legislative advocacy services, financial audit, and Policy Board compensation.

The Fiscal Year 2023-2024 SEWC Draft Budget (attached*)* assumes a credit of $7,000 off of $10,000 member agency annual dues, resulting in total annual dues of $3,000. This is the same as the previous fiscal years' dues amount.

The FY 2023-2024 Draft Budget keeps many of the expenditure amounts the same as previous year's budget, with the following exceptions:

1. Program Management Services increases from $20,000 to $25,000.
2. As Needed Government Relations decreases from $20,000 to $10,000.
3. Administrative Entity Meetings increases from $1,000 to $1,800.
4. Consultant Services decreases from $60,000 to $30,000.

The total draft budget for FY 23/24 is $97,800 compared to an approved FY 22/23 budget of $132,000.

The FY 22/23 Budget would result in a projected total expenditure of $38,550 and an ending balance of $190,384.

The SEWC Budget for FY 2023-2024 should be approved prior to the beginning of the new Fiscal Year. As such, it is recommended that the AE review the draft budget and

recommend to the Board of Directors to approve the Fiscal Year 2023-2024 SEWC Draft Budget at their June 1, 2023 meeting.

Attachments:

1. FY 23/24 Draft Budget

SOUTHEAST WATER COALITION JOINT POWERS AUTHORITY
FISCAL YEAR 2023-2024 DRAFT BUDGET

	FY 2022-2023		FY 2023-2024
	Approved Budget	**Total Projected Expenditures**	**Draft Budget**
Carryover Balance	***$194,934***	***$194,934***	***$190,384***
Revenues:			
Annual Assessments for Member Agencies	$110,000	$110,000	$110,000
Less Credits to Member Agencies	($77,000)	($77,000)	($77,000)
Interest Income	$1,000	$1,000	$1,000
Total Revenues	**$34,000**	**$34,000**	**$34,000**
Available Funds	***$228,934***	***$228,934***	***$224,384***
Expenditures:			
Program Management Services	$20,000	$19,000	$25,000
As Needed Government Relations	$20,000	$0	$10,000
Legal Services	$10,000	$6,000	$10,000
Board/Staff Travel/Meeting Expense	$1,000	$0	$1,000
Financial Audit	$7,000	$5,550	$7,000
Policy Board Compensation	$9,900	$6,600	$9,900
Office Supplies	$100	$0	$100
Policy Board Meetings	$3,000	$800	$3,000
Administrative Entity Meetings	$1,000	$600	$1,800
Consultant Services	$60,000	$0	$30,000
Consultant Services Contingencies	$0	$0	$0
Total Expenditures	**$132,000**	**$38,550**	**$97,800**
Ending Balance	***$96,934***	***$190,384***	***$126,584***

Notes:

1. Draft Budget (B) - Assumes credit of $7,000 off of $10,000 member agency annual dues resulting in total annual dues of $3,000

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SOUTHEAST WATER COALITION
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AGENDA REPORT

Date: May 18, 2023
To: Southeast Water Coalition Administrative Entity
From: Joanna Moreno, AE Chair, City of Vernon

Subject: SEWC PROGRAM MANAGEMENT SUPPORT

Recommendation: That the Administrative Entity take the following action:
Approve the recommended Program Management firm selected via the SEWC RFP process and submit the chosen firm to the SEWC Board of Directors for approval at their next meeting. The selected firm will begin their contract effective July 1, 2023.

Background
At their April 6, 2023 meeting, the SEWC Board voted to approve the release of a Request for Proposals (RFP) for SEWC's Program Management Services.

The RFP's schedule is as follows:

1. Release the RFP immediately after its approval by the SEWC Board for a 25-day response period. RFP responses to be due May 5, 2023.

2. Review the received proposals and select firms for interview, as necessary. This process will be conducted by an ad-hoc committee made up of three AE members.

3. The ad-hoc committee will make their recommendation to the full Administrative Entity panel at their May 18, 2023 meeting.

4. Present the recommended consultant or firm to the SEWC Board for approval at their June 1st meeting.

RFP for Program Management Services was issued via Planet Bids on 4/22/23. The RFP was closed for submissions on May 8, 2023. 201 potential vendors received notification of the RFP. As of May 11th, no responses to the RFP have been received.

Attachments:
None

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SOUTHEAST WATER COALITION
JOINT POWERS AUTHORITY
AGENDA REPORT

Date: May 18, 2023
To: Southeast Water Coalition Administrative Entity
From: Joanna Moreno, AE Chair, City of Vernon

Subject: WATER REPLENISHMENT DISTRICT'S (WRD) REPLENISHMENT ASSESSMENT

Recommendation: That the Administrative Entity take the following action:
Receive and file an update on the WRD's passage of the Replenishment Assessment for FY 23/24.

Background
On May 4, 2023, the WRD Board approved a 3.1% increase to the Replenishment Assessment (RA) for FY 2023 / 2024.

In addition, due to the many concerns expressed by water purveyors, the WRD Board also agreed to the following changes to the way the RA is currently being established:

1. Adopt a process and policy that would define how disagreements between the Budget Advisory Committee (BAC) and the Board (Finance and Audit Committee-FAC) should be resolved when setting the RA upper limits, possibly through third party fact finding and/or mediation.
2. Increase the number of members on the BAC and the Technical Advisory Committee (TAC) so that each category of pumpers has equal representation (3-3-3).
3. Implement a system for a Carryover Conversion fund, reserving funds in an account when paid, so that it could be used when storage water is pumped to avoid revenues losses from storage pumping.

Attachments:
1. May 2, 2023 WRD meeting – Item 7 staff report - *CONTINUATION AND CLOSING OF THE PUBLIC HEARING ON THE FISCAL YEAR 2023/24 PROPOSED REPLENISHMENT ASSESSMENT PER WATER CODE §60306 AND §60307*

MEMORANDUM

ITEM NO. 7

DATE: **MAY 2, 2023**

TO: **BOARD OF DIRECTORS**

FROM: **STEPHAN TUCKER, GENERAL MANAGER**

SUBJECT: **CONTINUATION AND CLOSING OF THE PUBLIC HEARING ON THE FISCAL YEAR 2023/24 PROPOSED REPLENISHMENT ASSESSMENT PER WATER CODE §60306 AND §60307**

SUMMARY

In compliance with Water Code Section 60306 and 60307, the Public Hearing on the fiscal year 2023/24 Replenishment Assessment ("RA") was opened at the regular Board meeting of April 18, 2023 and is being continued to the Special Board meeting of May 2, 2023. The purpose of the Public Hearing is to comply with the Water Code to determine whether and to what extent the estimated cost of (1) purchasing water for groundwater replenishment for the ensuing year and accomplishing acts necessary for replenishment, (2) removing contaminants from groundwater supplies and undertaking other groundwater quality projects, and (3) the District's operating and administrative expenses, shall be paid for by a RA levied upon groundwater producers within the WRD Service Area.

At the April 18, 2023 Water Code Public Hearing, the public was invited to provide comment on the previously released March 9, 2023 Engineering Survey and Report, the April 18, 2023 Cost of Service report, the preliminary Fiscal Year 2023/24 budget, and any other information related to the proposed 2023/24 Replenishment Assessment. At the May 2, 2023 continuation of the Public Hearing, the public is again invited to make any comments regarding these items.

It is anticipated that after receiving any public comments at the Board meeting on May 2, 2023, the Board will close the Water Code Public Hearing on the 2023/24 RA.

FISCAL IMPACT

The budget and RA have a direct fiscal impact to the District's operations. The amount of the impact will depend on the adopted budget and RA.

RECOMMENDATION

The Board of Directors convene the continued Water Code Public Hearing from the April 18, 2023 Board meeting, receive any staff reports and public comment, and close the Water Code Public Hearing.

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SOUTHEAST WATER COALITION
JOINT POWERS AUTHORITY
AGENDA REPORT

Date: May 18, 2023
To: Southeast Water Coalition Administrative Entity
From: Joanna Moreno, AE Chair, City of Vernon

Subject: CALIFORNIA ANNOUNCES 100% WATER ALLOCATIONS FROM THE STATE WATER PROJECT

Recommendation: That the Administrative Entity take the following action:
Receive and file an update on the State of California's decision to provide 100% of requested water allocations from the State Water project.

Background
On April 20, 2023, the State of California announced a 100% water allocation for the State Water project, the highest since 2006.

With reservoirs nearing capacity and snowmelt runoff beginning, the state today announced that it will boost water deliveries for state water contractors to 100% of requested supplies for 29 public water agencies that serve 27 million Californians.

This is the highest allocation since 2006, with the state actively managing water supplies to distribute it throughout the state, mitigate flooding, expand storage, benefit the environment, and help replenish groundwater and aquifers that have been depleted from years of extreme drought.

"California is taking action to maximize the capture and storage of water from recent storms and snowpack, increasing water deliveries to 100% for the first time in nearly two decades," said Governor Newsom. "California is moving and storing as much water as possible to meet the state's needs, reduce the risk of flooding, and protect our communities, agriculture, and the environment."

On top of the 100% allocation, the state is also sending additional water to regions for groundwater recharge and added reservoir supplies. Since March 22, the state has delivered 228,000 acre-feet of water to local water agencies for groundwater recharge and boosting reservoir supplies, with 37,000 acre-feet planned for next week.

Statewide, reservoir storage is at 105 percent of average for this date.

Attachments:

1. State of California press release – April 20, 2023 – *California to Deliver 100% Water Supply Allocation*

California to Deliver 100% Water Supply Allocation

Published: Apr 20, 2023

WHAT TO KNOW: *California is managing water supplies to expand storage, maximize delivery throughout the state, mitigate flooding, and help communities recover from years of extreme drought – announcing a 100% water allocation for the State Water Project, the highest since 2006.*

SACRAMENTO – With reservoirs nearing capacity and snowmelt runoff beginning, the state today announced that it will boost water deliveries for state water contractors to 100% of requested supplies for 29 public water agencies that serve 27 million Californians.

This is the highest allocation since 2006, with the state actively managing water supplies to distribute it throughout the state, mitigate flooding, expand storage, benefit the environment, and help replenish groundwater and aquifers that have been depleted from years of extreme drought.

"California is taking action to maximize the capture and storage of water from recent storms and snowpack, increasing water deliveries to 100% for the first time in nearly two decades," **said Governor Newsom**. "California is moving and storing as much water as possible to meet the state's needs, reduce the risk of flooding, and protect our communities, agriculture, and the environment."

On top of the 100% allocation, the state is also sending additional water to regions for groundwater recharge and added reservoir supplies. Since March 22, the state has delivered 228,000 acre-feet of water to local water agencies for groundwater recharge and boosting reservoir supplies, with 37,000 acre-feet planned for next week.

Statewide, reservoir storage is at 105 percent of average for this date.

Here's what the Newsom Administration, in partnership with the Legislature, has also done:

- **TULARE LAKE BASIN FLOOD RESPONSE:** Governor Newsom signed an executive order to expedite levee repairs, floodwater diversion, and other emergency response activities in the Tulare Lake Basin. California has also secured a Presidential Major Disaster Declaration to support storm response and recovery. State agencies and departments are on the ground to support impacted communities, assist local agencies managing the flood response and provide runoff modeling and forecasts to assist flood planning efforts.
- **EXPANDING SUPPLY & STORAGE BY 1.1 MILLION ACRE-FEET:** California has bolstered supply and storage through groundwater recharge and other projects, including a combined 1.1 million acre-feet of water – enough for 2.2 million households' yearly usage.
- **EXECUTIVE ORDERS TO CAPTURE & STORE MORE WATER:** During recent storms, Governor Newsom signed executive orders to accelerate stormwater capture to boost groundwater recharge and other conservation measures.
- **FAST-TRACKING GROUNDWATER RECHARGE:** The state is expanding groundwater recharge by at least 500,000 acre-feet in potential capacity – streamlining permits and $1 billion for groundwater recharge projects for 88,000 more acre-feet per year.
- **MAXIMIZING STORMWATER CAPTURE:** $176 million for 67 stormwater projects and streamlining permitting to take advantage of major storm events.
- **EXPANDING STORAGE ABOVE & BELOW GROUND:** California is supporting seven locally-driven water storage projects that would expand the state's capacity by 2.77 million acre-feet – about three times as much water as Folsom Lake can hold.
- **ADVANCING CLEAR, AMBITIOUS TARGETS:** 142 actions to improve water resilience and bolster water supplies, and a roadmap for expanding urban stormwater capture capacity by 250,000 acre-feet and adding 4 million acre-feet of water storage capacity.
- **MODERNIZING WATER INFRASTRUCTURE:** California is working to modernize aging water conveyance systems across the state to safeguard long-term water reliability and help carry

winter storm runoff into storage.

# # #