

# GATEWAY WATER MANAGEMENT AUTHORITY

*Los Angeles Gateway Region  
Integrated Regional Water Management  
Joint Powers Authority*

16401 Paramount Blvd., Paramount, CA 90723 ☐ 562.663.6850 phone 562.634.8216 fax ☐ [www.gatewayirwmp.org](http://www.gatewayirwmp.org)

## AGENDA

**Regular Meeting of the Board of Directors**  
**Thursday, August 13, 2015 at 11:30 a.m.**  
**Progress Park Plaza, 15500 Downey Avenue, Paramount, CA**

- 1. Roll Call**
- 2. Determination of a Quorum**
- 3. Additions to Agenda (Govt. Code Sec. 54954.2(b))**
- 4. Oral Communications to the Board**  
This is an opportunity for members of the public to address the Board on any item under the jurisdiction of the agency. Depending upon the subject matter, the Board may be unable to respond until the item can be posted on the agenda at a future meeting in accordance with provisions of the Brown Act.
- 5. Consent Calendar: (Acted as one item unless withdrawn by request)**
  - a. Minutes of the Board Meeting of July 9, 2015 (Enclosure)
  - b. Warrant Register Report and List of Warrants for August 2015 (Enclosure)
  - c. Resolution No. 15-4, A Resolution of the Gateway Water Management Authority "GWMA" Recognizing and Commending Kevin L. Wattier, P.E. (Enclosure)
- 6. PRESENTATION: Recognizing and Commending Kevin L. Wattier, P.E. for his Contribution to GWMA**
- 7. PRESENTATION: 710 Livability Initiative (Yvette Kirrin)**
- 8. PRESENTATION: Project Briefing - Cadiz Valley Water Conservation, Recovery and Storage Project (Rich Lambros) (Enclosure)**
- 9. Discussion/Action Regarding GWMA Grant Policy (Enclosure)**
- 10. Gateway Region Watershed Management Plan (WMPs) and MOU and/or Amendment Activities**
  - a. Lower Los Angeles River Upper Reach 2 Watershed Group
  - b. Lower Los Angeles River Watershed Group
  - c. Los Cerritos Channel Watershed Group
  - d. Lower San Gabriel River Watershed Group

**Christopher Cash, Board Chair ☐ Adriana Figueroa, Vice-Chair ☐ Charlie Honeycutt, Secretary/Treasurer ☐ Kevin Wattier, Chair Emeritus**

**Proudly serving Gateway cities and agencies in Southeastern Los Angeles County**

Members: Artesia · Avalon · Bell · Bell Gardens · Bellflower · Central Basin Municipal Water District · Cerritos · Commerce · Cudahy · Downey · Hawaiian Gardens · Huntington Park · La Mirada · Lakewood · Long Beach · Long Beach Water Department · Lynwood · Maywood · Montebello · Norwalk · Paramount · Pico Rivera · Santa Fe Springs · Signal Hill · South Gate · Vernon · Water Replenishment District of Southern California · Whittier

*With Technical Support From The Sanitation Districts Of Los Angeles County*

# GATEWAY WATER MANAGEMENT AUTHORITY

*Los Angeles Gateway Region  
Integrated Regional Water Management  
Joint Powers Authority*

16401 Paramount Blvd., Paramount, CA 90723 ☐ 562.663.6850 phone 562.634.8216 fax ☐ [www.gatewayirwmp.org](http://www.gatewayirwmp.org)

## 11. Executive Officer's Report

## 12. Directors' Comments/Reports

## 13. Adjournment

**Christopher Cash, Board Chair ☐ Adriana Figueroa, Vice-Chair ☐ Charlie Honeycutt, Secretary/Treasurer ☐ Kevin Wattier, Chair Emeritus**

**Proudly serving Gateway cities and agencies in Southeastern Los Angeles County**

Members: Artesia · Avalon · Bell · Bell Gardens · Bellflower · Central Basin Municipal Water District · Cerritos · Commerce · Cudahy · Downey · Hawaiian Gardens · Huntington Park · La Mirada · Lakewood · Long Beach · Long Beach Water Department · Lynwood · Maywood · Montebello · Norwalk · Paramount · Pico Rivera · Santa Fe Springs · Signal Hill · South Gate · Vernon · Water Replenishment District of Southern California · Whittier

*With Technical Support From The Sanitation Districts Of Los Angeles County*

## **AGENDA ITEM NO. 5A**

### **MINUTES OF THE GATEWAY WATER MANAGEMENT AUTHORITY LOS ANGELES GATEWAY REGION INTEGRATED REGIONAL WATER MANAGEMENT JOINT POWERS AUTHORITY BOARD AT PARAMOUNT, CALIFORNIA THURSDAY, JULY 9, 2015**

A regular meeting of the Board of Directors of the Gateway Water Management Authority was held on Thursday, July 9, 2015 11:30 a.m. at the Progress Park Plaza, 15500 Downey Avenue, Paramount, CA 90723.

Chair Chris Cash called the meeting to order at 11:42 a.m. Roll was called by Ms. Penn and a quorum of the Board was declared.

#### **BOARD MEMBERS PRESENT:**

Okina Dor	Artesia
Jordan Monroe	Avalon
Al Cablay (alternate)	Bell
Young Park (proxy)	Bell Gardens
Len Gorecki	Bellflower
Tammy Hierlihy	Central Basin MWD
Mike O'Grady (alternate)	Cerritos
Aaron Hernandez-Torres	Cudahy
Mohammad Mostahkami	Downey
Christina Dixon (alternate)	Huntington Park
Mark Stowell	La Mirada
Lisa Rapp	Lakewood
Derek Wieske (alternate)	Long Beach
Kevin Wattier	Long Beach MWD
William Stracker	Lynwood
Danilo Batson	Montebello
Adriana Figueroa	Norwalk
Chris Cash	Paramount
Gladis Deras (alternate)	Pico Rivera
Noe Negrete (alternate)	Santa Fe Springs
Charlie Honeycutt	Signal Hill
Chris Castillo (proxy)	South Gate
Bill DeWitt	South Gate
Claudia Arellano (proxy)	Vernon
Esther Rojas (Alternate)	Water Replenishment District

#### **STAFF AND GUESTS ON SIGN-IN SHEET:**

Grace Kast	Executive Officer
Toni Penn	Administrative/Accounting Assistant
Shad Rezai	Southern California Edison
Bill Minasain	Downey Resident
Anthony Arevelo	Long Beach
John Oropeza	Bell Gardens

**ITEM 3 - ADDITIONS TO THE AGENDA**

None.

**ITEM 4 – ORAL COMMUNICATIONS TO THE BOARD**

None.

**ITEM 5 – CONSENT CALENDAR**

Director Mostahkami moved to approve the consent calendar. The motion was seconded by Director Figueroa and was approved by the following voice votes:

**AYES: DOR, PARK, GORECKI, HIERLIHY, O’GRADY, HERNANDEZ-TORRES, MOSTAHKAMI, DIXON, STOWELL, RAPP, WIESKE, WATTIER, STRACKER, BATSON, FIGUEROA, CASH, DERAS, NEGRETE, HONEYCUTT, CASTILLO, ARELLANO**

**NOES: NONE**

**ABSTAIN: MONROE**

**ITEM 6 – APPROVE NEW JPA MEMBERSHIP**

Ms. Kast reported that the Water Replenishment District of Southern California (WRD) had expressed its desire to join GWMA by approving the JPA Agreement on June 18<sup>th</sup>. She stated that WRD would participate as a full-paying member, which would result in additional appropriations paid to GWMA annually.

Director Figueroa moved to approve WRD membership to the GWMA. The motion was seconded by Director Mostahkami and was approved by the following voice votes:

**AYES: DOR, MONROE, PARK, GORECKI, HIERLIHY, O’GRADY, HERNANDEZ-TORRES, MOSTAHKAMI, DIXON, STOWELL, RAPP, WIESKE, WATTIER, STRACKER, BATSON, FIGUEROA, CASH, DERAS, NEGRETE, HONEYCUTT, CASTILLO, ARELLANO**

**NOES: NONE**

**ABSTAIN: NONE**

Director Cablay entered at 11:45 a.m.

**ITEM 7 – FY 2015/16 BUDGET**

Ms. Kast provided a detailed overview of the proposed budget for FY 2015/16. She stated that the proposed budget included available funds of \$750,500 and expenditures of up to \$509,670. She indicated that the projected FY 2015/16 ending fund balance was estimated at \$240,830.

After detailed discussions, Director Mostahkami moved to adopt the 2015/16 Budget as presented. The motion was seconded by Director Negrete and was approved by the following voice votes:

**AYES: DOR, MONROE, PARK, GORECKI, HIERLIHY, O'GRADY, HERNANDEZ-TORRES, MOSTAHKAMI, DIXON, STOWELL, RAPP, WIESKE, WATTIER, STRACKER, BATSON, FIGUEROA, CASH, DERAS, NEGRETE, HONEYCUTT, CASTILLO, ARELLANO**

**NOES: NONE**

**ABSTAIN: CABLAY**

Director Rapp moved to adopt member and non-member administrative fees for MOUs at 3% and 5% respectively. The motion was seconded by Director Figueroa and was approved by the following voice votes:

**AYES: DOR, CABLAY, MONROE, PARK, GORECKI, HIERLIHY, O'GRADY, HERNANDEZ-TORRES, MOSTAHKAMI, DIXON, STOWELL, RAPP, WIESKE, WATTIER, STRACKER, BATSON, FIGUEROA, CASH, DERAS, NEGRETE, HONEYCUTT, CASTILLO, ARELLANO**

**NOES: NONE**

**ABSTAIN: NONE**

Director Wattier moved to approve the annual membership appropriation of \$15,000, except for Board approved reduced dues. The motion was seconded by Director Honeycutt and approved by the following voice votes:

**AYES: DOR, CABLAY, MONROE, PARK, GORECKI, HIERLIHY, O'GRADY, HERNANDEZ-TORRES, MOSTAHKAMI, DIXON, STOWELL, RAPP, WIESKE, WATTIER, STRACKER, BATSON, FIGUEROA, CASH, DERAS, NEGRETE, HONEYCUTT, CASTILLO, ARELLANO**

**NOES: NONE**

**ABSTAIN: NONE**

**ITEM 8 – APPROVAL OF JPA MEMBERSHIP REDUCED DUES APPLICATIONS FOR FY 2015/16**

Ms. Kast reported that currently, GWMA had 5 memberships with reduced dues. She indicated that at the last board meeting, the Board approved annual reduced dues applications for Artesia, Bell, Cudahy, and Maywood and recommended that the Board approve Hawaiian Gardens' annual reduced dues application.

After general discussion the Chair recommended reviewing and possibly changing the policy for reduced membership dues in the future and that it be brought before the Board prior to next year's budget approval.

Director Negrete moved to approve Hawaiian Gardens' annual reduced dues application. The motion was seconded by Director Figueroa and was approved by the following voice votes:

**AYES: DOR, CABLAY, MONROE, PARK, GORECKI, HIERLIHY, O'GRADY, HERNANDEZ-TORRES, MOSTAHKAMI, DIXON, STOWELL, RAPP, WIESKE, WATTIER, STRACKER, BATSON, FIGUEROA, CASH, DERAS, NEGRETE, HONEYCUTT, CASTILLO, ARELLANO**

**NOES: NONE**

**ABSTAIN: NONE**

**ITEM 9 – DISCUSSION/ACTION REGARDING AB1217 – GOVERNANCE STRUCTURE OF JPAs**

Ms. Kast reported on AB 1217 that was introduced by Assembly Member Daly. She stated that AB 1217 would alter the form and make-up of the Orange County Fire Authority (OCFA), a JPA and would impair the terms of the existing JPA. She indicated that, although this bill is specifically for the OCFA, it could set a precedent.

After general discussions, the board directed staff to contact the Council of Governments to see if they have or would be addressing this legislation.

Director Rapp moved to direct staff to send a letter opposing AB1217 if the Council of Government was also opposing of this legislation. The motion was seconded by Director Figueroa and was approved by the following voice votes:

**AYES: MONROE, PARK, GORECKI, HIERLIHY, O'GRADY, MOSTAHKAMI, STOWELL, RAPP, WATTIER, STRACKER, BATSON, FIGUEROA, CASH, DERAS, NEGRETE, DEWITT, ARELLANO**

**NOES: NONE**

**ABSTAIN: HONEYCUTT, CABLAY, DOR, WIESKE, DIXON, HERNANDEZ-TORRES**

Director DeWitt entered and replaced Director Castillo as voting member for the remainder of the Board meeting.

**ITEM 10 – APPROVE MOU WITH LA COUNTY FLOOD CONTROL DISTRICT TO PAY FOR IRWM GRANT APPLICATION COSTS**

Ms. Kast reported that in May, the Leadership Committee voted to support all of the sub-region's selected projects including the four (4) GWMA's projects included in the Lower SG and Lower LA subregion. She stated that to ensure all projects were solidly competitive; a final detailed analysis was being performed by the consultant retained by the Leadership Committee for each project from very sub-region.

Ms. Kast reported that the total cost of the Leadership Committee's consultant services was estimated to be \$323,315. She stated, that based on the cost allocation formula contained in Exhibit A of the MOU that was included in the agenda packet, the total cost per project, when divided equally among the 20 projects in the application was estimated at \$16,165.75. In closing, Ms. Kast recommended that the Board approve the MOU with the LA County Flood Control District to pay for the Integrated Regional Water Management "IRWM" grant application costs as presented.

Director Rapp moved to approve the MOU with the LA County Flood Control District to pay for the Integrated Regional Water Management "IRWM" grant application costs (4 GWMA projects) and authorized the Chair to sign and execute the agreement. The motion was seconded by Director DeWitt and was approved by the following voice votes:

**AYES: DOR, CABLAY, MONROE, PARK, GORECKI, HIERLIHY, O'GRADY, HERNANDEZ-TORRES, MOSTAHKAMI, DIXON, STOWELL, RAPP, WIESKE, WATTIER, STRACKER, BATSON, FIGUEROA, CASH, DERAS, NEGRETE, HONEYCUTT, DEWITT, ARELLANO**

**NOES: NONE**

**ABSTAIN: NONE**

**ITEM 11 – PROFESSIONAL SERVICES AGREEMENT "PSA" WITH PLATINUM CONSULTING GROUP ("CONSULTANT") FOR ACCOUNTING TRANSITION SERVICES AND ONGOING FINANCIAL SERVICES**

Ms. Kast reported that in March, GWMA released a Request for Qualifications (RFQ) to establish a contract with a qualified individual or firm to provide GWMA with assistance with accounting services. She stated that in May, GWMA appointed an Ad Hoc Committee to review the SOQs received and recommend the selection of an accounting transition firm from those received.

Ms. Kast reported that, after reviewing the SOQ's received, the Ad Hoc Committee recommended that the Board retain Platinum Group Consulting to assist GWMA in transitioning accounting services from the City of Signal Hill to GWMA and also provide GWMA with ongoing accounting consulting services on an as-needed basis and recommend that the Board approve the PSA with Platinum Consulting Group as presented and authorize the Chair to execute this Agreement.

After general discussion, the Board directed staff to revise the PSA under Section 5 to reflect the total compensation shall not exceed \$39,000.

Director Rapp moved to approve the PSA with Platinum Consulting Group as amended and authorized the Chair to execute this Agreement. The motion was seconded by Director Negrete and was approved by the following voice votes:

**AYES: DOR, CABLAY, MONROE, PARK, GORECKI, HIERLIHY, O'GRADY, HERNANDEZ-TORRES, MOSTAHKAMI, DIXON, STOWELL, RAPP, WIESKE, WATTIER, STRACKER, BATSON, FIGUEROA, CASH, DERAS, NEGRETE, HONEYCUTT, DEWITT, ARELLANO**

**NOES: NONE**

**ABSTAIN: NONE**

Ms. Kast and Ms. Penn exited the meeting during the discussions regarding the agreement with GK Consulting.

#### **ITEM 12 – DISCUSSION/ACTION REGARDING AGREEMENT WITH GK CONSULTING FOR MANAGEMENT AND ADMINISTRATIVE CONSULTING SERVICES**

Chair Chris Cash reported that based on the extensive staff needs that GWMA now had, Grace Kast was asked to explore the option of transitioning her services and that of Toni Penn to a consulting contract that would be handled through Ms. Kast's consulting firm, GK Consulting. He stated that the Agency Counsel had also advised that GWMA assumed some potential tax liability from contracting with individuals, which would greatly reduce utilizing a consultant firm for services. He also stated that transitioning from a direct contract service to a consultant contract gave GWMA more staffing flexibility and reduced any potential tax liability from directly employing contract employees.

Chair Chris Cash reported that under the terms of the proposed contract, GK Consulting would provide all management and administrative services that are currently handled through contracts with Grace Kast and Toni Penn. He stated that GK would also assume additional duties relating to the transition of some of the financial duties from our Lead Agency Signal Hill to GWMA. The annual not to exceed amount of the contract is \$260,000, unless the Board approves additional services. In closing, he indicated that currently, GWMA paid \$245,000/year for the existing contract services that would be absorbed by GK Consulting.



Director Rapp moved to approve the contract with GK Consulting for management and administrative services and authorized the Chair to execute the agreement. The motion was seconded by Director Wieske and was approved by the following voice votes:

**AYES: DOR, MONROE, PARK, GORECKI, HIERLIHY, O'GRADY, HERNANDEZ-TORRES, STOWELL, RAPP, WIESKE, WATTIER, STRACKER, BATSON, FIGUEROA, CASH, DERAS, HONEYCUTT, DEWITT, ARELLANO**

**NOES: MOSTAHKAMI, CABLAY, DIXON, NEGRETE**

**ABSTAIN: NONE**

Ms. Kast and Ms. Penn re-entered the meeting.

**ITEM 13 – GATEWAY REGIONAL WATERSHED MANAGEMENT PLANS (WMPS) AND MOU AND/OR AMENDMENTS**

Lower Los Angeles River Upper Reach 2 Watershed Group

None.

Lower Los Angeles River Watershed Group

None.

Los Cerritos Channel Watershed Group

None.

Lower San Gabriel River Watershed Group

None.

**ITEM 12 – EXECUTIVE OFFICER'S REPORT**

None.

**ITEM 13 – DIRECTORS' COMMENTS/REPORT**

None.

The meeting was adjourned at 12:53 p.m.

---

Charlie Honeycutt, Secretary/Treasurer

---

Date

**AGENDA ITEM NO. 5B**

# **GATEWAY WATER MANAGEMENT AUTHORITY**

*Los Angeles Gateway Region  
Integrated Regional Water Management  
Joint Powers Authority*

16401 Paramount Blvd., Paramount, CA 90723

• 562.663.6850 phone 562-634-8216 fax

• [www.gatewayirwmp.org](http://www.gatewayirwmp.org)

August 13, 2015

SECTION NO. 7(b) Warrant Register Dated August 13, 2015

SUMMARY:

The Warrant Register is a listing of general checks issued since the prior warrant register and warrants to be released by the City of Signal Hill, serving as Treasurer of the Gateway Water Management Authority, upon Board approval.

DISCUSSION:

The Warrant Register for expenditures dated August 13, 2015 in the amount of \$98,371.43 is submitted for approval. Invoices and supporting documentation are available for review at the City of Signal Hill Department of Finance.

FISCAL IMPACT:

The Warrant Register totals \$98,371.43. Funds to cover payment are available in the Gateway Authority budget.

RECOMMENDATION:

Approve the Warrant Register as presented.

**Christopher Cash, Board Chair • Adriana Figueroa, Vice-Chair • Charlie Honeycutt, Secretary/Treasurer • Kevin Wattier, Chair Emeritus**

**Proudly serving Gateway cities and agencies in Southeastern Los Angeles County**

Members: Artesia • Avalon • Bell • Bell Gardens • Bellflower • Central Basin Municipal Water District • Cerritos • Commerce • Cudahy • Downey • Hawaiian Gardens • Huntington Park • La Mirada • Maywood • Lakewood • Long Beach • Long Beach Water Department • Lynwood • Montebello • Norwalk • Paramount • Pico Rivera • Santa Fe Springs • Signal Hill • South Gate • Vernon • Water Replenishment District of Southern California • Whittier

*With Technical Support From The Sanitation Districts Of Los Angeles County*

# AGENDA ITEM NO. 5B

## WARRANT REGISTER

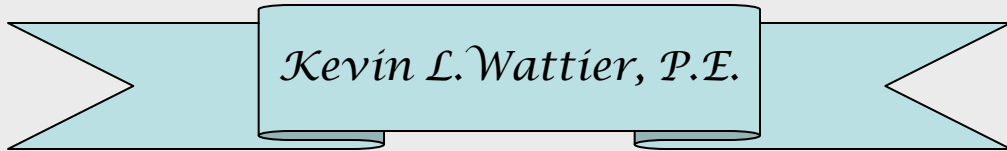
### Disbursement Journal

August 13, 2015

Invoice Date	Vendor	Invoice Number	Description	Amount
07/27/2015	Grace J. Kast	15-GJK-GA-7	Executive Director	\$ 13,333.33
07/27/2015	Toni Penn	15-7-27	Admin/Acct. Services	\$ 7,087.50
06/10/2015	GEI Consulting	715548	2015 Implementation Grant	\$ 17,684.62
07/07/2015	GEI Consulting	715711	2015 Implementation Grant	\$ 18,519.06
07/08/2015	Richard Watson & Assoc.	15-192-003-008	LCC Watershed Management Program	\$ 18,579.21
07/20/2015	Richards Watson & Gershon	202633	Legal Services - MS4 Permit MOU	\$ 450.00
06/30/2015	Richards Watson & Gershon	202256	Legal Services - MS4 Permit MOU	\$ 4,072.50
05/31/2015	Richards Watson & Gershon	201923	Legal Services - MS4 Permit MOU	\$ 585.00
07/20/2015	Richards Watson & Gershon	202632	Legal Services - General	\$ 1,752.21
06/30/2015	Richards Watson & Gershon	202255	Legal Services - General	\$ 5,249.43
05/31/2015	Richards Watson & Gershon	201922	Legal Services - General	\$ 8,975.24
07/22/2015	Joe. A Gonsalves & Son	25452	Legislative Advocacy Services	\$ 2,083.33
Total Disbursements				\$ 98,371.43

## Resolution 15-4

A Resolution of the Gateway Water Management Authority “GWMA”  
recognizing and commending Kevin Wattier



*Whereas*, Kevin Wattier has served the public and provided expertise in the field of water and water resources for the past 30 years;

*Whereas*, Kevin Wattier was appointed as the Long Beach Water Department representative on the Board of GWMA at its inception on November 8, 2007;

*Whereas*, Kevin Wattier was the first Chair of the Gateway Water Management Authority serving from November 2007 to November 2009;

*Whereas*, Kevin Wattier has spent countless hours supporting GWMA, providing leadership and enhancing the goals and objectives of the GWMA;

*Whereas*, Kevin Wattier was instrumental in the formation and success of the GWMA;

*Now Therefore Be It Resolved*, Kevin Wattier, on this 13<sup>th</sup> day of August, 2015, is hereby highly commended and given gratitude for his outstanding leadership and service to the GWMA on behalf of the 2 million residents in the Gateway Region of Southeastern Los Angeles County.

---

Christopher S. Cash, Chair

---

Adriana Figueroa, Vice-Chair

---

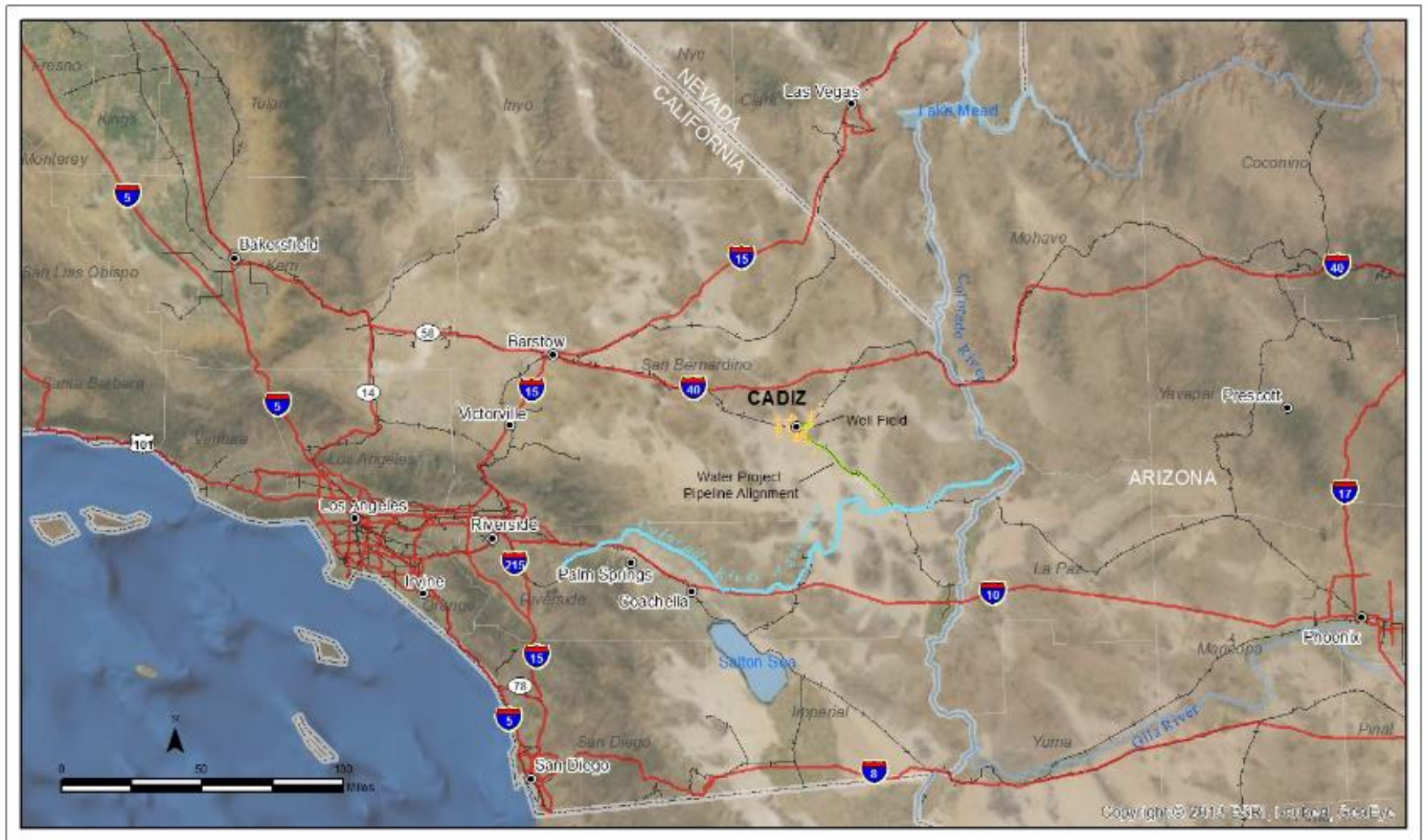
Charlie Honeycutt, Treasurer

# Cadiz Valley Water Conservation, Recovery & Storage Project



Gateway Water Management Authority  
August 13, 2015

# A New Southern California Source





# Project Governance

## Public-Private Partnership

### ○ Cadiz

- Provides private equity to fund entitlement and infrastructure
- Leases infrastructure to Fenner Valley Mutual Water Company
- Delivers water at wellhead that meets MWD water quality requirements

### ○ SMWD/Other Participants

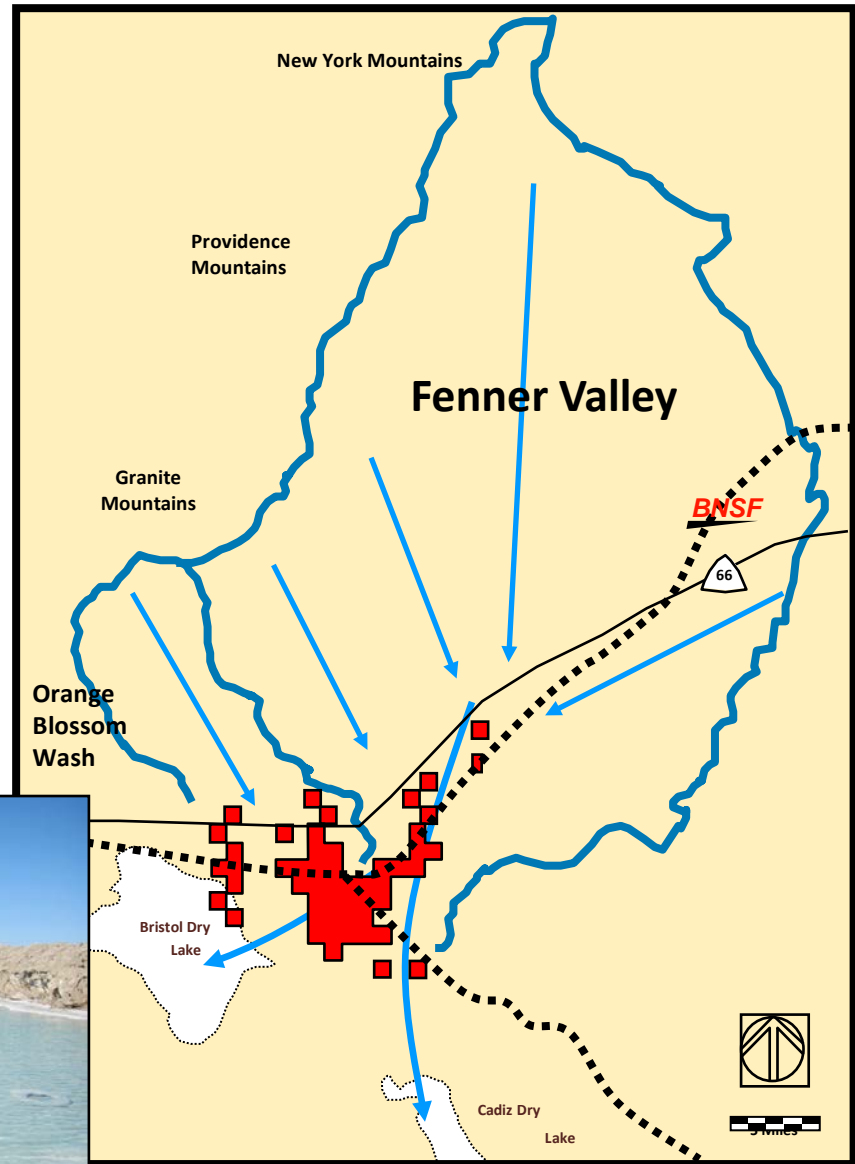
- SMWD serves as CEQA Lead Agency; works with San Bernardino Co. on management plan
- Operate Fenner Valley Mutual Water Company and Fenner Valley Water Authority (JPA)
- Commit to purchases with carry-over rights





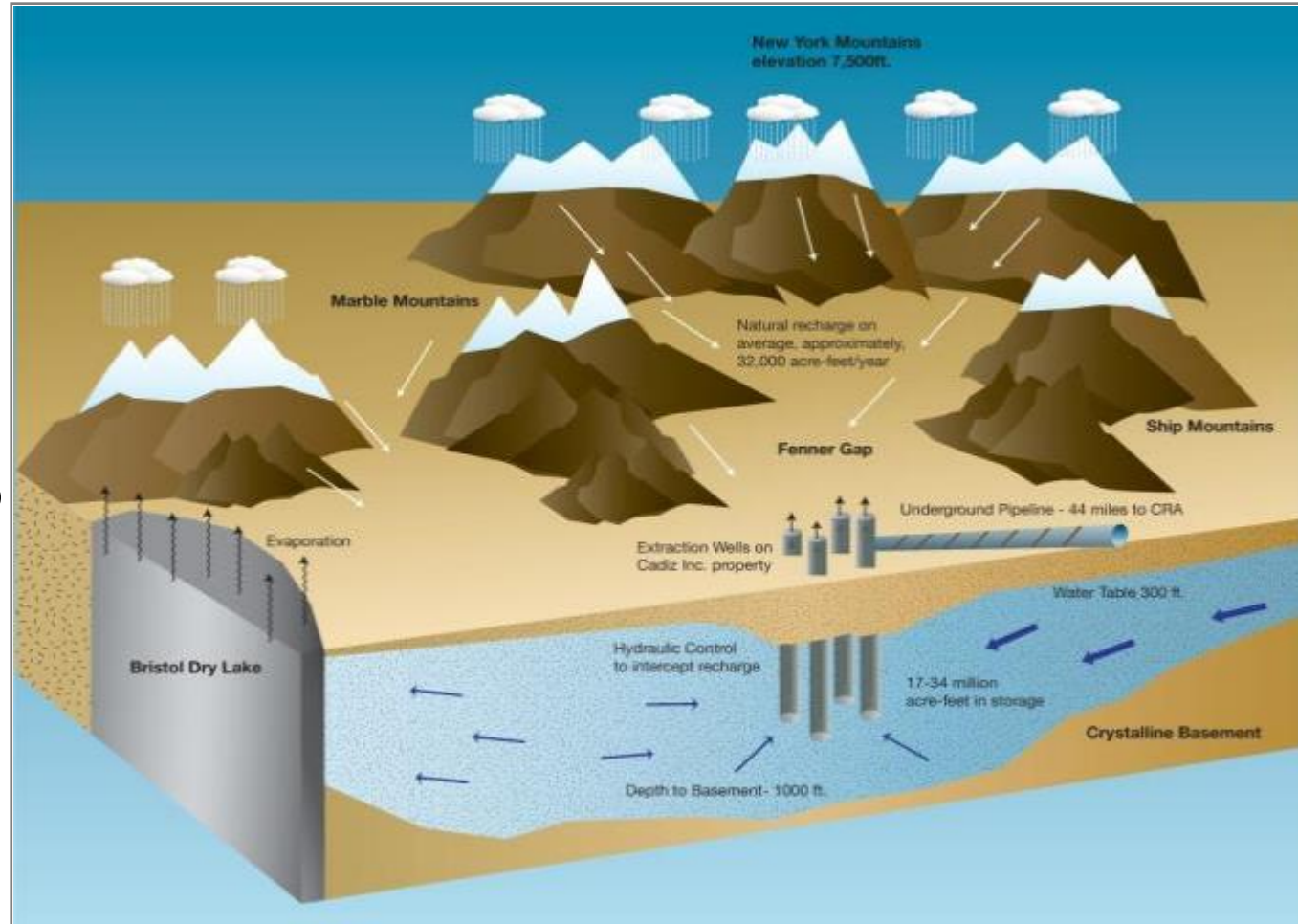
# The Cadiz Valley

- 1,300 sq. mile watershed - size of Rhode Island
- Approx. 20 million AF stored, comparable to Lake Mead
- Water Cycle: Rain and snow adds  $\approx 32,500$  AF/year;  $\approx 32,500$  AF/year evaporates from dry lakes



# Project Design

- Intercept groundwater before it turns hyper-saline
- Keep billions of gallons of water from being lost to evaporation
- Save 50,000 AF/Y for beneficial use in So. California water system



# How Much Water Is This?

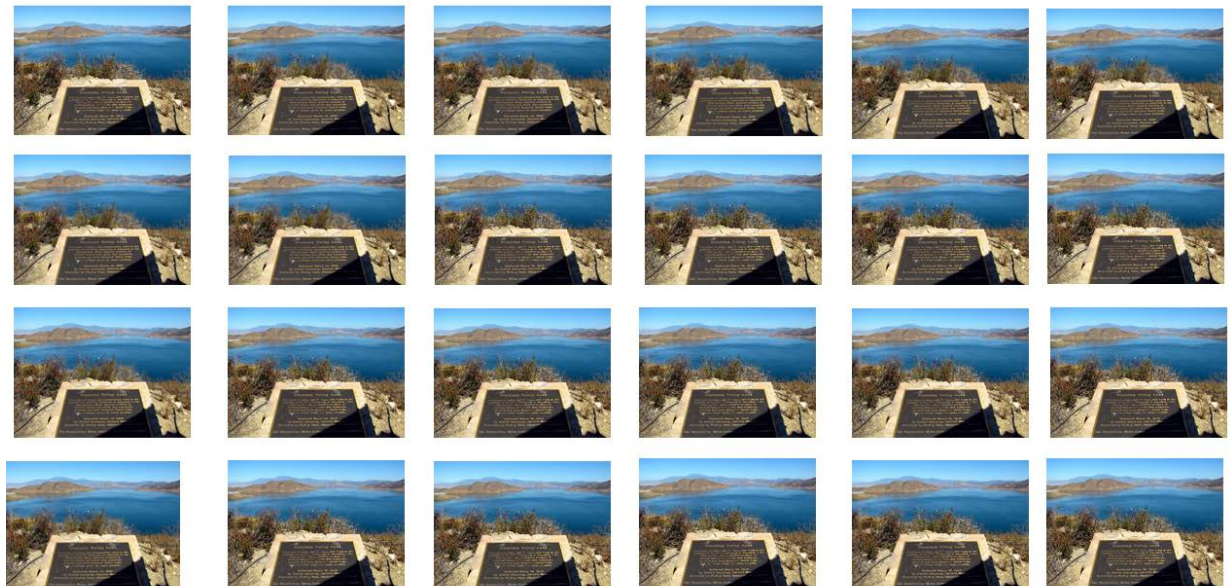


Diamond Valley Lake, MWD's largest reservoir, built as "a lifeline for Southern California," holds 810,000 AF

## Total Cadiz Deliveries



## Total Cadiz Aquifer Volume



# Groundwater Management Plan

- Independent enforcement by San Bernardino County under Desert GW Ordinance.
- Over 40 monitoring features throughout watershed, including –
  - Measured water levels in private wells
  - Air quality monitoring installations
  - Subsidence monitoring devices
- Regular monitoring reports prepared by technical experts will be reviewed and posted online.
- 80 ft floor on Project operations and multiple additional “action triggers” with strict corrective actions, including shutdown of operations.





# Questions We Often Receive

## How is the water quality?

- Natural, non-industrial watershed
- Meets nearly all state and federal quality standards
- Low salt content beneficial to high-TDS Colorado River Aqueduct
- Low levels of naturally occurring CR6 will be treated to MWD requirements

## What is the cost?

- \$960/AF plus wheeling
- MWD Tier 2: \$1,055/AF in 2015, \$1,076 in 2016 ...
- BDCP, Delta Tunnels will cause additional increases



# Questions We Often Receive

## Is there capacity in the aqueduct?

- Drought & interstate allocation agreements among Colorado River users have kept Aqueduct below capacity since 2003
- Project will meet MWD requirements for CRA access



Colorado River Aqueduct Available Capacity <sup>1</sup>													
	(million acre feet/year)												
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015 <sup>2</sup>
<b>Design Capacity</b>	1.250	1.250	1.250	1.250	1.250	1.250	1.250	1.250	1.250	1.250	1.250	1.250	1.250
<b>Volume Carried</b>	0.684	0.760	0.875	0.632	0.713	0.904	1.105	1.099	0.699	0.736	1.013	1.176	0.900
<b>Potential Available Capacity</b>	0.566	0.490	0.375	0.618	0.537	0.346	0.145	0.151	0.551	0.514	0.237	0.074	0.350
Proposed average annual Cadiz water transfer of 50,000 AF = 0.050 MAF													

<sup>1</sup> Source: "Divisions from Mainstream-Available Return Flow and Consumptive Use of Such Water," pg. 13, U.S. Bureau of Reclamation "Managing Water in the West: Colorado River Accounting and Water Use Report; Arizona, California, Nevada" for years 2006-2013.

Reports for all years can be found here: <http://www.usbr.gov/lc/region/g4000/wtracct.html>

<sup>2</sup> Estimated

# Pathway to Construction

---

- ☑ EIR Certification: July 2012, by unanimous vote of Santa Margarita Water District Board of Directors
- ☑ Groundwater Management, Monitoring and Mitigation Plan: October 2012, by unanimous vote of San Bernardino County Board of Supervisors
- ☑ CEQA Challenges: December 2014, Orange County Superior Court dismisses all litigation; appeals filed
- ☐ Use of RR Right-of-Way for Pipeline: Administrative review by BLM expected to be completed later this year
- ☐ Use of Colorado River Aqueduct: MWD review expected to be completed later this year

# Phase 1 – Project Participants

## Signed Contracts for Annual Supplies

- **Santa Margarita Water District**

## Option Agreements (Reserved supplies subject to approval)

- **Golden State Water Company** – *Serving LA and OC, including:*
  - Artesia, Bell, Bell Gardens, Cerritos, Cudahy, Downey, Hawaiian Gardens, Huntington Park, La Mirada, Lakewood, Long Beach, Norwalk, Paramount, Santa Fe Springs, South Gate, Vernon
- **Suburban Water Systems** – *Serving LA and OC, including:*
  - La Mirada, Whittier
- **Three Valleys Municipal Water District**
- **California Water Service Company**
- **Lake Arrowhead CSD**
- **City of Indio**

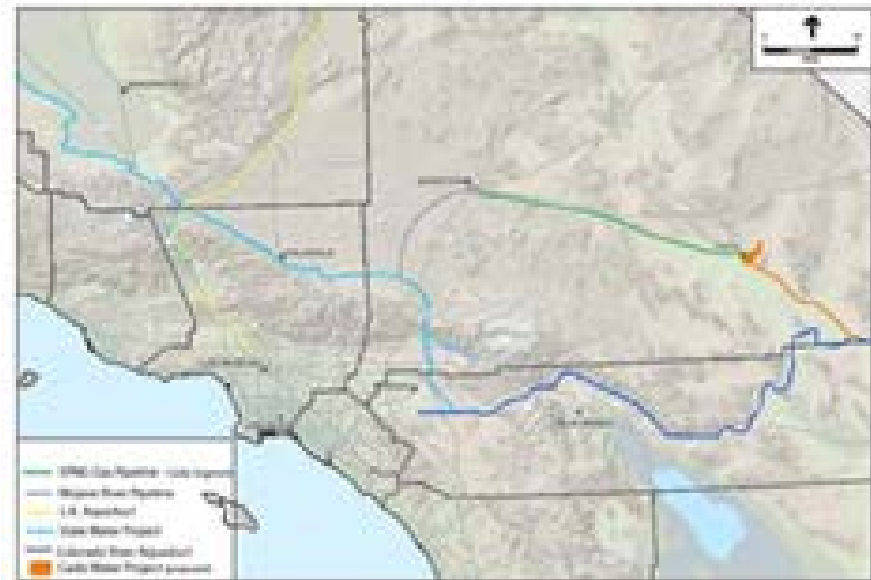




# Phase 2 – Project Description

## Imported Water Storage

- Import water in wet years from SWP or CRA to store in the aquifer system for use when needed in dry years
  - Cadiz-owned 30" Barstow-to-Cadiz natural gas pipeline will be converted to water conveyance upon CEQA approval
- 1 million acre-foot total storage capacity
- Project subject to future CEQA review



# Economic Benefits

Inland Empire economist Dr. John Husing estimates:

- **\$878 M total economic benefit** from construction
- **5,900 jobs** created – 1,500/year during construction
- **\$19.6 million** in new state and local tax revenues in Phase 1 construction
- **\$6 million/year** in local tax revenue once operational



# Regional Water Benefits

PhD Economist Rod Smith: Project will provide **\$6.1 Billion** regional benefit to So Cal:

- **New Supply:** Reliable 50,000 AF/year supply ~ ***\$3 Billion***
- **Groundwater Storage:** 1 million AF underground storage capacity for imported water ~ ***\$631 Million Benefit***
- **Improved Water Quality:** Low salt content will reduce treatment costs and economic damages from high salinity ~ ***\$240 Million Benefit***
- **New Intentionally Created Storage Credits:** New storage in Lake Mead would help So Cal avoid the economic cost of water shortages ~ ***\$2.2 Billion Benefit***

# Broad Support

---

- **U.S. Representatives:** Members of Congress Ken Calvert, Paul Cook, Jim Costa, Duncan Hunter, Darrell Issa, Scott Peters, Ed Royce, Dana Rohrabacher, Mimi Walters and retired members John Campbell, Gary Miller and Gloria Negrete-McLeod
- **CA Legislature:** Pat Bates, Bill Brough, Ian Calderon, Ling Ling Chang, Tom Daly, Eric Linder, Janet Nguyen, Ray Haynes (retired), Dennis Hollingsworth (retired)
- **Labor/Employers:** International Union of Operating Engineers Local 12, Laborers International Union of North America, Local 783, Northwest Pipe Company, NOV Ameron Co., Roscoe Moss Co.
- **Regional Organizations:** BizFed, Inland Empire Economic Partnership, Morongo Basin Economic Development Consortium, Building Industry Association, Association of California Cities – Orange County, Orange County Business Council.

(Complete list at [www.cadizinc.com/projectsupport](http://www.cadizinc.com/projectsupport))



For more information, visit  
[www.CadizInc.com](http://www.CadizInc.com)

Stay in Touch: Log on to  
[www.Water4SoCal.com](http://www.Water4SoCal.com)  
and click "Show Your Support"

# An Improved, Sustainable Project

FEATURE	2001	CURRENT PLAN
Pipeline Capacity	150,000 AFY	75,000 AFY
Cap on Production of Native Groundwater	None	50,000 AFY Average
Storage of Imported Water	Up to 1,000,000 AFY	Deferred to Phase II
Pipeline Route	Open Federal Land to CRA	Disturbed Land, Active Railroad Right-of-Way to CRA
Alternative Pipeline and Source of Supply for Storage	None	Connection to SWP Deferred to Phase II Evaluation
Participants	MWD	Public Water systems and ARZC Railroad
Operator	MWD	Non-Profit Mutual Water Company
Potential Intentionally Created Surplus Credits	None	2,500,000 AF

# About Cadiz

- Publicly owned  
(NASDAQ- listed)  
California company  
founded in 1983
- 45,000 acres and water  
rights in three San  
Bernardino County  
locations
- 20-year organic farm  
operation in Cadiz Valley



## AGENDA ITEM NO. 9

# GATEWAY WATER MANAGEMENT AUTHORITY

*Los Angeles Gateway Region  
Integrated Regional Water Management  
Joint Powers Authority*

16401 Paramount Blvd., Paramount, CA 90723 • 562.663.6850 phone 562-634-8216 fax • [www.gatewayirwmp.org](http://www.gatewayirwmp.org)

August 13, 2015

### **Section 9 – GWMA Grant Policy**

#### **SUMMARY**

Due to the increasing opportunities that GWMA has had and will now have with Proposition 1, a draft guidance document called “GWMA Grant Policy” has been developed over the past few months. It is recommended that the GWMA Grant Policy be approved by the board to provide guidelines moving forward.

#### **BACKGROUND**

In response to the passage of Proposition 1 last November, an Ad Hoc Committee was formed to review opportunities for grants from Proposition 1. Committee members are: Adriana Figueroa, Gladis Deras, Art Cervantes, Anthony Arevalo and Grace Kast. At its first meeting earlier this year, the committee reviewed the many opportunities available through Proposition 1 and other grant programs and decided to first develop a grant policy for board consideration. The committee felt it was important to have a clear understanding of the types of grants which should be pursued and how the costs to apply would be paid and/or shared. The attached draft Grant Policy is a result of several committee conference calls. The approach used by the committee was to focus on cost benefit while still allowing for case-by-case situations.

#### **FISCAL IMPACT**

No immediate impact. Fiscal impacts will only be realized if the board approves expenditures and/or staff/legal time to pursue certain grant opportunities.

#### **RECOMMENDATION**

Approve GWMA 2015 Grant Policy.

**Christopher Cash, Board Chair • Adriana Figueroa, Vice-Chair • Charlie Honeycutt, Secretary/Treasurer • Kevin Wattier, Chair Emeritus**

**Proudly serving Gateway cities and agencies in Southeastern Los Angeles County**

Members: Artesia • Avalon • Bell • Bell Gardens • Bellflower • Central Basin Municipal Water District • Cerritos • Commerce • Cudahy • Downey • Hawaiian Gardens • Huntington Park • La Mirada • Maywood • Lakewood • Long Beach • Long Beach Water Department • Lynwood • Montebello • Norwalk • Paramount • Pico Rivera • Santa Fe Springs • Signal Hill • South Gate • Vernon • Water Replenishment District of Southern California • Whittier

*With Technical Support From The Sanitation Districts Of Los Angeles County*



**DRAFT**  
**GWMA GRANT POLICY**

- GWMA to fund application development and submission costs:
  - Single project with multiple benefits or specific beneficiaries
  - On a case by case basis, GWMA Board may consider funding other grant applications if project is a priority and has special circumstances
- Criteria for Grant Applications
  - \$1M project cost minimum
  - No minimum or maximum application cost
  - If project is mandated by a regulatory agency, seek all grants without consideration of minimum match
  - If project is voluntary, seek grants with no more than 40% minimum match required
- GWMA will consider, on a case-by-case basis, funding Feasibility Studies and/or Planning to assist with multi-party project development
- GWMA and Sub-recipient agreements
  - GWMA will only support projects with executed sub-recipient agreements that transfers grant responsibilities to sub-recipient
  - GWMA Administrative Costs must be included in total project costs
  - GWMA Administrative Costs are defined as administrative, project management, and technical costs in support of a project
  - GWMA Administrative Costs must be paid and shared proportionately by grant beneficiaries and/or fully reimbursed by the grant
  - GWMA with board approval, may consider entering into consultant and/or construction contracts on behalf of a multi-party project if 100% of the funds are collected prior to contract/agreement execution
  - GWMA will not “front” direct project costs on behalf of beneficiaries regardless of grant reimbursement policies or schedules

Adopted: \_\_\_\_\_