

**DESERT WATER AGENCY
JANUARY 17, 2017**



**BOARD OF DIRECTORS
REGULAR MEETING AGENDA**

REGULAR MEETING 8:00 A.M. OPERATIONS CENTER - 1200 SOUTH GENE AUTRY TRAIL – PALM SPRINGS – CALIFORNIA

About Desert Water Agency:

Desert Water Agency operates independently of any other local government. Its autonomous elected board members are directly accountable to the people they serve. The Agency is one of the desert's two State Water Contractors and provides water and resource management, including recycling, for a 325-square-mile area of Western Riverside County, encompassing parts of Cathedral City, Desert Hot Springs, outlying Riverside County and Palm Springs.

- 1. PLEDGE OF ALLEGIANCE**
- 2. APPROVAL OF MINUTES –**
 - A. December 6, 2016 CIOFFI
 - B. December 15, 2016 (Special) CIOFFI
 - C. December 20, 2016 CIOFFI
- 3. GENERAL MANAGER'S REPORT** KRAUSE
- 4. COMMITTEE REPORTS –**
 - A. Executive – December 29, 2016 & January 11, 2017 CIOFFI
 - B. Conservation & Public Affairs – January 5, 2017 CIOFFI
- 5. PUBLIC INPUT:**

Members of the public may comment on any item not listed on the agenda, but within the jurisdiction of the Agency. In addition, members of the public may speak on any item listed on the agenda as that item comes up for consideration. Speakers are requested to keep their comments to no more than three (3) minutes. As provided in the Brown Act, the Board is prohibited from acting on items not listed on the agenda.
- 6. SECRETARY-TREASURER'S REPORT - DECEMBER** BLOOMER
- 7. ITEMS FOR ACTION**
 - A. Water Use Violation – Civil Penalty Hearing (s) KRAUSE
 - B. Request Authorization for Board Attendance/Urban Water Institute Conference KRAUSE
- 8. ITEMS FOR DISCUSSION**
 - A. 2016 Capital Improvement Projects Presentation KRAUSE
 - B. December Water Use Reduction Figures KRAUSE
 - C. Lake Perris Seismic Remediation Update KRAUSE
 - D. State Water Contractors' Meeting – December 15, 2016 RIDDELL
 - E. DWA Website Update METZGER
- 9. OUTREACH & CONSERVATION** METZGER
 - A. Media Information
 - B. Activities
- 10. DIRECTORS COMMENTS AND REQUESTS**
- 11. CLOSED SESSION**
 - A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
 - Pursuant to Government Code Section 54956.9 (d) (1)
 - Name of Case: Agua Caliente Band of Cahuilla Indians vs. Coachella Valley Water District, et al
 - B. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
 - Pursuant to Government Code Section 54956.9 (d) (1)
 - Name of Case: Agua Caliente Band of Cahuilla Indians vs. County of Riverside, et al

- C. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Pursuant to Government Code Section 54956.9 (d) (1)
Name of Case: Desert Water Agency vs. U.S. Department of Interior
- D. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Pursuant to Government Code Section 54956.9 (d) (1)
Name of Case: Mission Springs Water District vs. Desert Water Agency
- E. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Pursuant to Government Code Section 54956.8
Property: 1.17 acre lot North of the Northeast corner of Sunrise Way and Mesquite Avenue,
APN No. 502-560-038
Agency Negotiators: Mark S. Krause, General Manager and Steve L. Johnson, Asst. General Manager
Negotiating Parties: Chris Thomsen, New Mesquite HOA
Under Negotiation: Price and terms of possible acquisition

12. RECONVENE INTO OPEN SESSION – REPORT FROM CLOSED SESSION

13. ADJOURN

**MINUTES
OF THE REGULAR MEETING
OF THE
DESERT WATER AGENCY
BOARD OF DIRECTORS**

December 6, 2016

DWA Board:	James Cioffi, President)	Attendance
	Joseph K. Stuart, Vice President)	
	Patricia G. Oygar, Director)	
	Craig A. Ewing, Director)	
Absent:	Kristin Bloomer, Secretary-Treasurer)	
DWA Staff:	Mark S. Krause, General Manager)	
	Steve Johnson, Asst. General Manager)	
	Martin S. Krieger, Finance Director)	
	Sylvia Baca, Asst. Secretary of the Board)	
	Ashley Metzger, Outreach & Conserv. Mgr.)	
Consultant:	Michael T. Riddell, Best Best & Krieger)	
Public:	David Freedman, P.S. Sustainability Comm.)	

17651. President Cioffi opened the meeting at 8:00 a.m. and asked everyone to join Director Oygar in the Pledge of Allegiance. **Pledge of Allegiance**

17652. President Cioffi called for approval of the November 1, 2016 Regular Board meeting minutes. **Approval of 11/01/16 Regular Board Mtg. Minutes**

Director Oygar moved for approval. After a second by Vice President Stuart, the minutes were approved as written (Director Ewing abstained due to his absence, Secretary-Treasurer Bloomer absent).

17653. President Cioffi called upon General Manager Krause to provide an update on Agency operations. **General Manager's Report**

Mr. Krause stated on October 31 staff discovered two storage containers and the outer perimeter of the Reclamation Plant had been vandalized, broken into and burglarized. Over \$3,000 of copper wire, metal clad cabling and aluminum wire had been stolen. Palm Springs Police were contacted and a report was filed.

**Reclamation Plant
Fence/Copper Wire
Theft**

Mr. Krause stated on November 22 at approximately 2:30 a.m., stand-by was called to assist the fire department with turning the water off near the Riviera Hotel due to a traffic accident. A vehicle hit and destroyed the hotel's 8" fire service device and two potable service backflows. There were many repairs made by the hotel's contractors and DWA. Service was back on November 25.

Hit air release/vacuum

Mr. Krause reported on November 26 at approximately 11:30 a.m. staff responded to a hit 2" air release/vacuum valve at Sanborn Way, south of Racquet Club Dr. The valve was repaired and a cracked union and cover were replaced. A police report was filed.

SWP Allocation

Continuing his report, Mr. Krause announced that the initial 2017 allocation was set at 20%. DWR used the 30% delivery schedules as submitted earlier by SWP contractors to arrive at the 20% schedule.

Christmas Holiday
Office Closure

Mr. Krause reminded everyone that DWA offices will be closed on Friday, December 23 and Monday, December 26 for the Christmas holiday. He also reminded everyone about the Proposition 218 hearing to be held on Thursday, December 15, 6:00 p.m. Cielo Vista Charter School Cafeteria, 650 S. Paseo Dorotea.

Prop. 218 Hearing

Concluding his report, Mr. Krause noted several meetings and activities he participated in during the past several weeks.

General Manager's
Meetings & Activities

17654. President Cioffi noted the minutes for the November 10, 2016 Conservation & Public Affairs Committee were provided in the Board's packet.

Committee Reports
Conserv. & PA
11/10/16

President Cioffi noted the minutes for the November 23, 2016 Executive Committee were provided in the Board's packet.

Executive 11/23/16

17655. President Cioffi opened the meeting for public input.

Public Input

There being no one from the public wishing to address the Board, President Cioffi closed the public comment period.

17656. President Cioffi called upon Finance Director Krieger to provide an overview of financial activities for the month of October 2016.

Secretary-Treasurer's
Report (October 2016)

Finance Director Krieger reported that the Operating fund received \$2,265,210 in Water Sales Revenue. \$164,184 was received in Reclamation Sales Revenue. \$54,630 was received in Advanced Work Order deposits. Included in the Miscellaneous receipts is \$283,834 in Proposition 84 Grant Funds (Turf Buy Back), \$31,840 from City of Palm Springs (Annual Option Property Lease), and \$10,854 from Southern California Edison (Solar Field II Rebate-September 2016). \$2,348,964 was paid out in Accounts Payable. Year-to-date Water Sales are 16% over

budget, Year-to-date Total Revenues are 15% over budget, and Year-to-date Total Expenses are 17% under budget. There were 22,326 active services as of October 31, 2016 compared to 22,309 as of September 30, 2016 and compared to 21,816 as of October 31, 2013.

Reporting on the General Fund, Mr. Krieger stated that \$1,350,110 was received in Groundwater Replenishment Assessments (\$1,010,014 from the Operating Fund, \$340,096 from private pumpers). \$411,787 was received in State Water Project Refunds (2014/2015). \$32,804 was received in Whitewater Hydro Power Sales (September 2016). \$755,515 was paid out in State Water Project Charges (YTD SWP payments – July thru October \$6,729,323).

Regarding the Wastewater Fund, \$8,952 was received in Sewer Capacity Charges. There are a total of 69 contracts (48 Cathedral City Cove and 21 Dreams Homes) with 26 delinquent (38%). In the Miscellaneous Receipts category, \$56,438 was received from Riverside County for reimbursement of W/O # 14-001 (Perez Rd. sewer installation). \$64,264 was paid out in Accounts Payable.

17657. President Cioffi called upon Outreach and Conservation Manager Metzger to present the civil penalty hearings for water use violations.

Mrs. Metzger noted there have been more than 420 violations issued and that recipients have 7 days to request a hearing in writing. Staff has received three hearing requests for today. There are no appellants present for today's hearing.

Mrs. Metzger announced the first appellant is Mervis Ellis. She then presented information and noted the violations: 1) Irrigating during restricted hours, and 2) Runoff. It was noted that in September 2014, staff issued a warning call regarding the restricted period. The fine is \$50 and the reason for appeal is the customer was not aware that irrigation timer was not set properly.

Vice President Stuart noted the importance of making sure appellants are aware of the issues causing their violations.

Vice President Stuart made a motion to uphold the appeal; violation occurred and waive the penalty. After a second by Director Oygur, the motion carried unanimously (Secretary-Treasurer Bloomer absent).

Mrs. Metzger stated the second appellant is Nabil Ali. She presented information and noted the violations: 1) Irrigating during restricted hours, and 2) Runoff. It was noted in July 2015 a warning letter was issued regarding watering during restricted period and excessive runoff. The fine is \$50 and the reasons for appeal; should have received

warning; second home which has power outages; not aware of battery backup; two broken sprinklers; has already conserved; and request concession for reseeded.

Action Items:
Water Use Violations
– Civil Penalty
Hearings
 (Cont.)

Vice President Stuart made a motion to deny the appeal; violation occurred and issue penalty. After a second by Director Ewing, the motion carried unanimously (Secretary-Treasurer Bloomer absent).

Deny Appeal/Violation
 Occurred/Issue Penalty

Mrs. Metzger stated the third appellant is Deepwell Apartments. Information was presented and the violation was noted as:

Deepwell Apartments

1) Irrigating during restricted hours. This is a commercial property, its third violation and the fine amount is \$500. Previous violations occurred in June 2016 and October 2016 and two warnings were issued before the violations. The reasons for appeal; he does not receive the bills, so unaware of restrictions; the new manager is unaware of guidelines and confusion by media coverage.

Director Ewing made a motion to deny the appeal; violation occurred and issue penalty. After a second by Vice President Stuart, the motion carried unanimously (Secretary-Treasurer Bloomer absent).

Deny Appeal/Violation
 Occurred/Issue Penalty

17658. President Cioffi asked General Manager Krause to present staff's request for Board action regarding a claim for damages filed by Russell Lane.

Claim for
 Damages/Russell Lane

Mr. Krause stated that Mr. Lane is claiming the Agency is responsible for injury to his knees, lower back and shoulders due to a loose manhole cover at 1580 Cabildo Circle on July 5, 2016. The Construction Superintendent and Assistant Construction Superintendent viewed the location and have determined that the cover is not the property of the Agency. Staff requests the Board reject the claim for damages filed by Russell Lane.

Vice President Stuart made a motion to approve staff's recommendation to reject the claim for damages filed by Russell Lane. After a second by Director Ewing, the motion carried unanimously (Secretary-Treasurer Bloomer absent).

17659. President Cioffi asked General Manager Krause to present approval of the contract extension with Reeb Government Relations, LLC.

Reeb Government
 Relations LLC

Mr. Krause stated that Reeb Government Relations, LLC has contracted with the Agency since December 2004 for legislative representation. The proposed contract renewal includes a 3.4% increase and will extend through December 31, 2018. Staff requests authorization for the General Manager to execute the proposed contract with Reeb Government Relations, LLC through December 31, 2018.

Director Ewing made a motion to approve staff's recommendation for the General Manager to execute the proposed contract extension with Reeb Government Relations, LLC. After a second by Vice President Stuart, the motion carried unanimously (Secretary-Treasurer Bloomer absent).

Action Items:
(Cont.)
Reeb Government
Relations LLC

17660. President Cioffi asked Agency Counsel Riddell to provide a report on the November 17, 2016 Board of Directors of the State Water Contractors, Inc. meeting.

Items for Discussion:
11/17/16 SWC Meeting

Mr. Riddell provided a report on the following items: 1) Board Action Items, 2) Water Supply Report, 3) General Manager's Report; and 4) Water Supply Objectives Update.

17661. President Cioffi asked General Manager Krause to report on the October Water Production Comparison.

Mr. Krause reported that the Agency and its customers achieved a 16 percent reduction during October 2016 compared to October 2013. He noted the cumulative savings June 2015 through October 2016 is 24 percent.

17662. President Cioffi asked General Manager Krause to present staff's request for adoption of Resolution No. 1143 Placing in Nomination Joseph K. Stuart as a member of ACWA Region 9 Board.

Action Item:
Resolution No. 1143
Nominate Joseph K.
Stuart/ACWA Region 9
Board

Mr. Krause stated that ACWA Region 9 Board declared a vacancy on December 1, 2016 and directed ACWA staff to take necessary steps to solicit candidates for election to the remainder of the open term. Vice President Stuart has expressed an interest in serving on the ACWA Board. Staff prepared Resolution No. 1143, which expresses the Agency's support for Vice President Stuart's nomination, as required by ACWA.

Director Oygar moved to adopt Resolution No. 1143. After a second by President Cioffi, the motion carried unanimously (Secretary-Treasurer Bloomer absent).

Resolution No. 1143
Adopted

RESOLUTION NO. 1143
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE DESERT WATER AGENCY
PLACING IN NOMINATION JOSEPH K. STUART
AS A MEMBER OF THE REGION 9 BOARD OF
THE ASSOCIATION OF CALIFORNIA
WATER AGENCIES

17663. President Cioffi and Vice President Stuart noted their attendance at the recent NWRA conference held in San Diego.

Items for Discussion:
Directors Reports on
NWRA Conference
Attendance

President Cioffi, Vice President Stuart and Director Ewing noted their attendance at the recent ACWA conference held in Anaheim.

**Discussion Items:
(Cont.)**

Directors Reports on
ACWA Conference
Attendance

17664. President Cioffi noted that Board packets included Outreach & Conservation reports for November 2016.

**Outreach &
Conservation –
November 2016**

Mrs. Metzger noted the preliminary production numbers for November show a 21 percent reduction.

17665. Director Ewing noted his attendance at three of the Prop. 218 workshops.

**Directors
Comments/Requests**
Director Ewing – Prop
218 Workshops

17666. At 9:51 a.m., President Cioffi convened into Closed Session for the purpose of Conference with Labor Negotiators, (A) pursuant to Government Code Section 54957.6, Agency Designated Representatives: General Manager Krause, Assistant General Manager Johnson, Human Resources Manager Gaudinez, Employee Organization: DWA Employees' Association; Conference with Legal Counsel, (B) Existing Litigation, pursuant to Government Code Section 54956.9 (d) (1), Agua Caliente Band of Cahuilla Indians vs. Coachella Valley Water District, et al; (C) Existing Litigation, pursuant to Government Code Section 54956.9 (d) (1), ACBCI vs. County of Riverside, et al; (D) Existing Litigation, pursuant to Government Code Section 54956.9 (d) (1), Desert Water Agency vs. U.S. Department of Interior; (E) Existing Litigation, pursuant to Government Code Section 54956.9 (d) (1), Mission Springs Water District vs. Desert Water Agency; (F) Real Property Negotiators, pursuant to Government Code Section 54956.8, Property-APN 502-560-038, Agency Negotiators: Mark S. Krause, General Manager and Steve L. Johnson, Assistant General Manager, Negotiating Parties: Chris Thomsen, New Mesquite HOA, Under Negotiation: Price and terms of possible acquisition; and (G) Real Property Negotiators, pursuant to Government Code Section 54956.8, Property-0.504 acre west of Indian Canyon Drive between Racquet Club Rd. and Via Olivera, Agency Negotiators: General Manager Krause, Assistant General Manager Johnson, Negotiating Parties: Ayres Advisors, Under Negotiation: Price and terms.

Closed Session:

A. Conference with
Labor Negotiators
B. Existing Litigation –
ACBCI vs. CVWD, et
al.
C. Existing Litigation –
ACBCI vs. Riverside
County
D. Existing Litigation –
DWA vs. U.S. Dept. of
Interior
E. Existing Litigation –
MSWD vs. DWA
F. Real Property
Negotiators
G. Real Property
Negotiators

17667. At 11:27 a.m., President Cioffi reconvened the meeting into open session and announced there was no reportable action for Items B through G.

**Reconvene –
Reportable Action**

Regarding Item 11-A and 7-D, Director Ewing made a motion to approve the January 1, 2017 Position Classification Schedule Change and authorize the General Manager to make the proposed changes. After a second by Vice President Stuart, the motion carried unanimously (Secretary-Treasurer Bloomer absent).

Approve January 1,
2017 Position
Classification Schedule

Regarding Item 11-A and 7-E, Director Ewing made a motion to approve the 2016 Desert Water Agency Salary Survey. After a second by Vice President Stuart, the motion carried unanimously (Secretary-Treasurer Bloomer absent).

17668. In the absence of any further business, President Cioffi adjourned the meeting at 11:29 a.m. **Adjournment**

James Cioffi, President

ATTEST:

Kristin Bloomer, Secretary-Treasurer

**MINUTES
OF THE SPECIAL MEETING
OF THE
DESERT WATER AGENCY
BOARD OF DIRECTORS**

December 15, 2016

DWA Board:	James Cioffi, President)	Attendance
	Joseph K. Stuart, Vice President)	
	Kristin Bloomer, Secretary-Treasurer)	
	Patricia G. Oygar, Director)	
	Craig A. Ewing, Director)	
DWA Staff:	Mark S. Krause, General Manager)	
	Steve Johnson, Asst. General Manager)	
	Martin S. Krieger, Finance Director)	
	Sylvia Baca, Asst. Secretary of the Board)	
	Ashley Metzger, Outreach & Conserv. Mgr.)	
	Vicki Petek, Outreach & Conserv. Associate)	
	Kim McCance, Senior Admin. Assistant)	
Consultant:	Michael T. Riddell, Best Best & Krieger)	
	Kim Boehler, NBS Local Gov't. Solutions)	
Public:	Michael Reandeau, Palm Springs resident)	
	Eric Dufair, Palm Springs resident)	
	Sheila Cobrin, Palm Springs resident)	
	John Rutenberg, Palm Springs resident)	
	Andrew Sawyer, Palm Springs resident)	
	Pat Ching, Palm Springs resident)	
	Pat ElSharei, Palm Springs resident)	
	Roxanne Ploss, Palm Springs resident)	
	Tom Kieley III, Palm Springs resident)	
	Rick Purnell, Palm Springs resident)	
	Larry Wright, Palm Springs resident)	
	David E. Bell, Palm Springs resident)	
	Michele Johnson, Palm Springs resident)	
	Melanie Mikulic, Palm Springs resident)	
	Craig Mahaffey, Cathedral City resident)	
	Deiter Crawford, Palm Springs resident)	

17669. President Cioffi opened the meeting at 6:00 p.m. and asked everyone to join him in the Pledge of Allegiance. **Pledge of Allegiance**

17670. President Cioffi called upon General Manager Krause for staff's presentation regarding the Proposition 218 notice and hearing. **DWA Rate Study/Proposition 218 Notice & Hearing**

Mr. Krause provided a presentation on the Proposition 218 public hearing process. He noted that on September 28, 2016, the Board of Directors set a public hearing for tonight to consider adjustments to rates, fees and charges for domestic water, recycled water, groundwater replenishment and sewer services.

Continuing his report, Mr. Krause explained the Agency's various expenses and costs.

Conservation and Outreach Manager Metzger discussed the various community outreach efforts, the Proposition 218 process and the customer assistance program. She noted if the proposed rate adjustments are approved tonight, they would become effective January 1, 2017.

Kim Boehler, NBS Local Government Solutions, provided a PowerPoint presentation that detailed its cost of service study, recommendations and proposed rate adjustments.

Agency Counsel Riddell explained the hearing process and stated proper notice was given and that the Agency has met all the necessary requirements. He indicated that protests have to be in writing showing the parcel, what charge it is regarding and signed by the property owner. These protests must be submitted by the end of tonight's hearing. If there is less than 50 percent protests received of the affected parcels, the Board can legally proceed with the recommended action on the rate adjustments.

President Cioffi opened the public hearing at 6:42 p.m.

Public Hearing - Open

The following individuals spoke in opposition of the proposed rate adjustments: Michael Reandean, John Rutenberg, Andrew Sawyer, Pat Ching, Pat ElSharei, Roxanne Ploss, Rick Purnell, Larry Wright, David E. Bell, Michele Johnson, Melanie Mikulic, Craig Mahaffey, and Deiter Crawford.

The following individual spoke in support of the proposed rate adjustments: Tom Kieley III.

There being no one else wishing to address the Board, President Cioffi closed the public hearing at 7:23 p.m. He then announced a short recess for staff to calculate the protests.

Public Hearing - Close

President Cioffi asked Assistant Board Secretary Baca to report on the protests that were received both before tonight's hearing and at the hearing.

Ms. Baca reported that assuming all protests received both prior and during the hearing are valid, the protests are counted as the following: Out of 142 parcels impacted by the recycled water rates, there were no protests received; Out of 48,479 parcels impacted by the proposed replenishment assessment charge there was 1 protest (.003%) received for the Whitewater River Subbasin, there were 8 protests (.07%) received for the Mission Creek Subbasin, and 0 protests received for the Garnet Hill Subbasin; Out of 2,180 parcels impacted by the proposed sewer rates, there were 3 protests (.14%); and out of 36,707 parcels impacted by the proposed domestic water rates, there were 159 protests (.43%).

Mr. Riddell acknowledged there were not sufficient protests received; therefore, the Board may take action and consider adoption of the proposed rates.

President Cioffi clarified that staff's recommendation is for approval and adoption of the first round of rate adjustments, to be effective on January 1, 2017. A public hearing is not required for the remaining adjustments, which will be considered at a future Board meeting in June 2017.

Vice President Stuart made a motion to approve and adopt Resolution No. 1144 Establishing Rates, Fees and Charges for Domestic Water Service. After a second by Director Ewing, the motion carried unanimously.

Resolution No. 1144
Adopted

**RESOLUTION NO. 1144
RESOLUTION OF THE BOARD OF DIRECTORS
OF DESERT WATER AGENCY
ESTABLISHING RATES, FEES & CHARGES
FOR DOMESTIC WATER SERVICE**

Director Ewing made a motion to approve and adopt Resolution No. 1145 Establishing Rates, Fees and Charges for Sewer Service. After a second by Vice President Stuart, the motion carried unanimously.

Resolution No. 1145
Adopted

**RESOLUTION NO. 1145
RESOLUTION OF THE BOARD OF DIRECTORS
OF DESERT WATER AGENCY
ESTABLISHING RATES, FEES AND CHARGES
FOR SEWER SERVICE**

Vice President Stuart made a motion to approve and adopt Resolution No. 1146 Establishing Rates, Fees and Charges for Recycled Water Service. After a second by President Cioffi, the motion carried unanimously.

Prop. 218 Hearing
(Cont.)
Resolution No. 1146
Adopted

RESOLUTION NO. 1146
RESOLUTION OF THE BOARD OF DIRECTORS
OF DESERT WATER AGENCY
ESTABLISHING RATES, FEES AND CHARGES
FOR RECYCLED WATER SERVICE

17671. In the absence of any further business, President Cioffi adjourned the meeting at 8:14 p.m. **Adjournment**

James Cioffi, President

ATTEST:

Kristin Bloomer, Secretary-Treasurer

**MINUTES
OF THE REGULAR MEETING
OF THE
DESERT WATER AGENCY
BOARD OF DIRECTORS**

December 20, 2016

DWA Board:	James Cioffi, President)	Attendance
	Joseph K. Stuart, Vice President)	
	Kristin Bloomer, Secretary-Treasurer)	
	Patricia G. Oygar, Director)	
	Craig A. Ewing, Director)	
DWA Staff:	Mark S. Krause, General Manager)	
	Steve Johnson, Asst. General Manager)	
	Martin S. Krieger, Finance Director)	
	Sylvia Baca, Asst. Secretary of the Board)	
	Ashley Metzger, Outreach & Conserv. Mgr.)	
Consultant:	Michael T. Riddell, Best Best & Krieger)	
	Linda Devlin, Ahern-Adcock-Devlin, LLP)	
Public:	David Freedman, P.S. Sustainability Comm.)	
17672. President Cioffi opened the meeting at 8:00 a.m. and asked everyone to join Secretary-Treasurer Stuart in the Pledge of Allegiance.		Pledge of Allegiance
17673. President Cioffi called upon General Manager Krause to provide an update on Agency operations.		General Manager's Report
Mr. Krause stated at last month's ACWA Fall Conference, the Agency was recognized by ACWA/JPIA for its loss ratio for the Liability and Property programs. The Agency received the "President's Special Recognition Award" certificate (loss ratio of 20% or less).		ACWA/JPIA Recognition
Mr. Krause reminded everyone that the Agency's offices will be closed Friday, December 23 and Monday, December 26 for the Christmas holiday.		Christmas Holiday Closure
Concluding his report, Mr. Krause noted several meetings and activities he participated in during the past several weeks.		General Manager's Meetings & Activities
17674. President Cioffi noted the minutes for the December 12, 2016 Executive Committee were provided in the Board's packet.		Committee Reports Executive 12/12/16

17675. President Cioffi opened the meeting for public input.

Public Input

There being no one from the public wishing to address the Board, President Cioffi closed the public comment period.

17676. President Cioffi called upon Secretary-Treasurer Bloomer to provide an overview of financial activities for the month of November 2016.

Secretary-Treasurer's
Report (November
2016)

Secretary-Treasurer Bloomer reported that the Operating fund received \$1,954,292 in Water Sales Revenue. \$134,766 was received in Reclamation Sales Revenue. Included in the Miscellaneous receipts is \$5,500 from Indio Water Authority for its participation in the CV Water Counts Conservation Program. \$1,558,717 was paid out in Accounts Payable. Year-to-date Water Sales are 15% over budget, Year-to-date Total Revenues are 15% over budget, and Year-to-date Total Expenses are 17% under budget. There were 22,337 active services as of November 30, 2016 compared to 22,326 as of October 31, 2016 and compared to 21,856 as of November 30, 2013.

Operating Fund

Reporting on the General Fund, Ms. Bloomer stated that \$39,711 was received in Property Tax Revenue. \$4,766 was received in Groundwater Replenishment Assessments from private pumpers. \$24,724 was received in the Miscellaneous Receipts category from CVWD (Prop. 84 IRWMP Conservation Program). \$678,085 was paid out in State Water Project charges (YTD SWP payments: July-Nov = \$7,407,408).

General Fund

Reporting on the Wastewater Fund, Ms. Bloomer stated that \$8,501 was received in Sewer Capacity Charges. There are a total of 68 contracts (47 Cathedral City Cove and 21 Dream Homes) with 24 delinquent (35%). \$135,256 was paid out in Accounts Payable.

Wastewater Fund

17677. President Cioffi called upon Finance Director Krieger to present staff's request for acceptance of the Ahern-Adcock-Devlin, LLP Annual Audit for 2015-2016 Fiscal Year.

Items for Action:

Acceptance of 2015-
2016 Ahern-Adcock-
Devlin LLP Annual
Audit

Mr. Krieger welcome Linda Devlin of Ahern-Adcock-Devlin, LLP and invited Ms. Devlin to present her report.

Ms. Devlin gave a brief overview of the audit report. She announced the merger with SingerLewak. She then noted the following: Deferred outflows increased \$1.7 million while deferred inflows increased \$.4 million; Current year operating revenues decreased \$3.1 million while operating expenses increased \$7.8 million, Total revenues were \$51.3 million and total expenses were \$49.2 million. There was discussion on the new accounting pronouncements.

Vice President Stuart made a motion to accept Ahern-Adcock-Devlin, LLP's audit for Fiscal Year 2015/2016. Secretary-Treasurer Bloomer seconded the motion, which carried unanimously.

Action Items:

(Cont.)
Acceptance of 2015-2016 Ahern-Adcock-Devlin LLP Annual Audit

17678. President Cioffi asked General Manager Krause to present staff's request for adoption of Resolution No. 1147 Approving the Submission of Alternatives under the Sustainable Groundwater Management Act.

Request Adoption of Resolution No. 1147

Mr. Krause explained that the Sustainable Groundwater Management Act (SGMA) establishes a process for local agencies to develop an Alternative in lieu of a Groundwater Sustainability Plan (GSP) for evaluation by DWR. An Alternative is required to be submitted to DWR by January 1, 2017, and every 5 years thereafter. The Agency and its partners in the Mission Creek and Indio Sub-basins have prepared "Bridge Documents" that are intended to provide an explanation on how the elements of the groundwater management plans are functionally equivalent to the plan elements required by SGMA.

Concluding his report, Mr. Krause stated the Agency proposed to submit to DWR along with its partners these plans as Alternative GSP's along with their respective Bridge Documents before the deadline. Staff requests adoption of Resolution No. 1147 and approval for the submission of the alternative documentation for the Indio Sub-basin and the Mission Creek Sub-basin to DWR as Alternatives under SGMA.

Director Ewing suggested a revision on page two; remove "the" from the second line ("the" Alternative Documentation).

Director Oyar made a motion to approve staff's recommendation, noting Director Ewing's revision. After a second by Director Ewing, the motion carried unanimously.

RESOLUTION NO. 1147
RESOLUTION OF THE BOARD OF DIRECTORS
OF DESERT WATER AGENCY APPROVING THE
SUBMISSION OF ALTERNATIVES UNDER
THE SUSTAINABLE GROUNDWATER
MANAGEMENT ACT

Resolution No. 1147
Adopted

17679. President Cioffi asked General Manager Krause to report on the November Water Production Comparison.

Discussion Item:
November Water
Production

Mr. Krause reported that the Agency and its customers achieved a 21 percent reduction during November 2016 compared to November 2013. He noted the cumulative savings June 2015 through November 2016 is 24 percent. He also noted the amount of fresh water outflow to the ocean was 521,375-acre feet for November.

17680. Director Ewing noted correspondence received from Rick Seidner.

**Directors
Comments/Requests**
Director Ewing
Correspondence

Vice President Stuart commented on last week's Prop. 218 hearing and the media coverage by The Desert Sun.

Vice President Stuart

17681. At 8:50 a.m., President Cioffi convened into Closed Session for the purpose of Conference with Labor Negotiators, (A) pursuant to Government Code Section 54957.6, Agency Designated Representatives: General Manager Krause, Assistant General Manager Johnson, Human Resources Manager Gaudinez, Employee Organization: DWA Employees' Association; Conference with Legal Counsel, (B) Existing Litigation, pursuant to Government Code Section 54956.9 (d) (1), Agua Caliente Band of Cahuilla Indians vs. Coachella Valley Water District, et al; (C) Existing Litigation, pursuant to Government Code Section 54956.9 (d) (1), ACBCI vs. County of Riverside, et al; (D) Existing Litigation, pursuant to Government Code Section 54956.9 (d) (1), Desert Water Agency vs. U.S. Department of Interior; (E) Existing Litigation, pursuant to Government Code Section 54956.9 (d) (1), Mission Springs Water District vs. Desert Water Agency; and (F) Real Property Negotiators, pursuant to Government Code Section 54956.8, Property-APN 502-560-038, Agency Negotiators: Mark S. Krause, General Manager and Steve L. Johnson, Assistant General Manager, Negotiating Parties: Chris Thomsen, New Mesquite HOA, Under Negotiation: Price and terms of possible acquisition.

Closed Session:

- A. Conference with Labor Negotiators
- B. Existing Litigation – ACBCI vs. CVWD, et al.
- C. Existing Litigation – ACBCI vs. Riverside County
- D. Existing Litigation – DWA vs. U.S. Dept. of Interior
- E. Existing Litigation – MSWD vs. DWA
- F. Real Property Negotiators

17682. At 10:14 a.m., President Cioffi reconvened the meeting into open session and announced there was no reportable action for Items B through F.

**Reconvene –
Reportable Action**

Regarding Item 9-A, Conference with Labor Negotiators, Director Ewing made a motion to approve and adopt the Revised January 1, 2017 Position Classification Schedule Change, replacing the previously adopted schedule. After a second by Director Oygur, the motion carried unanimously.

Approve & Adopt
Revised January 1,
2017 Position
Classification Schedule

17683. In the absence of any further business, President Cioffi adjourned the meeting at 10:15 a.m.

Adjournment

James Cioffi, President

ATTEST:

Kristin Bloomer, Secretary-Treasurer

GENERAL MANAGER'S REPORT JANUARY 17, 2017

On December 17 at approximately 2:30 a.m., staff responded to a hit six inch fire service at 68945 Perez Rd. Contact was made with the owner and authorization was received to make the necessary repairs by DWA. There was damage on the customer side that they will need to repair. The water loss as through a fully open six inch pipe, which ran for approximately 30 minutes. A police report was filed.



On December 30, 2016 at approximately 9:00 p.m., stand-by responded to a hit fire hydrant on Saturnino Rd. and Calle Encilia. Staff was unable to put the fire hydrant back in service due to the bury needing to be replaced. Staff made repairs and chlorinated the fire hydrant. They also placed concrete for the sidewalk. This was not a drunk driver, it happened to be an Uber driver. A police report was made. The water loss was from a fully open six inch fire hydrant bury which ran for approximately thirty-five minutes. The hydrant was put back in service on January 6.



On January 12 at approximately 6:00 p.m. stand-by responded to hit fire hydrant on Arenas Dr. and Saturmino Dr. This was a hit and run. Staff was unable to access the fire hydrant valve and had to shut down the main line. They were able to reinstall the fire hydrant and put it back in service. A police report was made. The water loss was for approximately one hour through a fully open 6 inch fire hydrant bury.



2017 Imported Water Supply

Pursuant to the SWP Contractors Notice Number 16-10, the 2017 Table A allocation was increased from 20% to 45%. This equates to 87,345.00 acre-feet (assumes the 100,000 acre-foot transfer is not called back (45,000 acre-feet)). The DWA/CVWD/MWD exchange account balance is 87,088.00 acre-feet. If MWD kept all of our table A this would essentially zero out the exchange account.

MWD has temporarily stored some of our water in San Luis Reservoir using our carryover rights to do so. The DWA/CVWD carryover in San Luis Reservoir is currently 42,211 acre-feet. With all the storms this year it is very likely that if this water is left in the reservoir it will spill (be lost). Under our agreement with MWD our water if spilled will be replaced by them at no cost to us. They will not let this happen, therefore this water will be released from San Luis Reservoir and we will receive it since the exchange agreement does not allow the account to go negative. This means that the water listed below will also have to be delivered this year to keep the account from going negative. Probably more water than this will be delivered because MWD will not want the account to be at near zero. In addition to the water listed below it is apparent that storm water is going to be available and DWA and CVWD may receive additional amounts if desired and agreed to by MWD.

Scheduled delivery of QSA water in 2017 is 35,000 acre-feet.

Scheduled delivery of Rosedale Rio-Bravo water in 2017 is 9,500 acre-feet.

Approximately minimum delivery for this year is 86,968 acre-feet.

Special Board Meeting

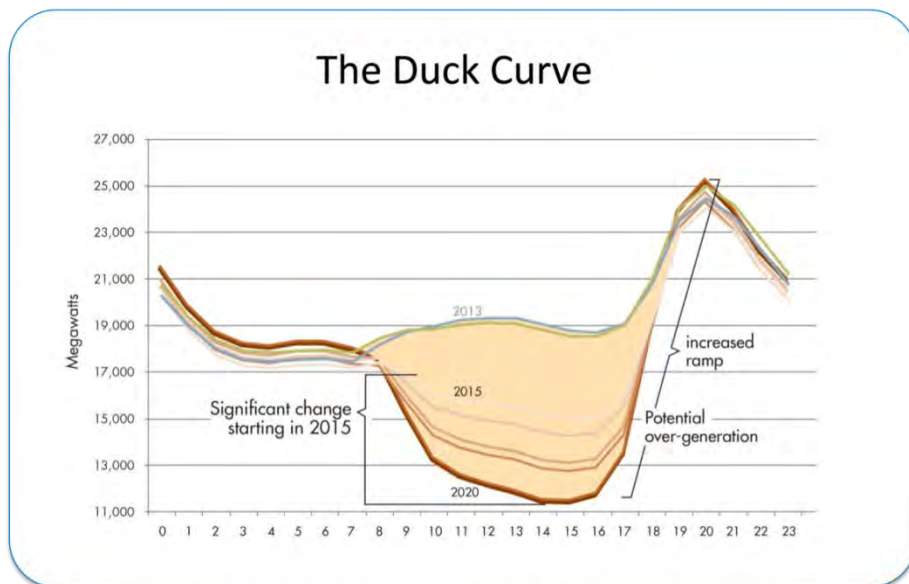
A Special Board Meeting has been scheduled to discuss the approval of the funding agreement for the Sites Reservoir project Phase I. The meeting is scheduled to allow the attendance of Jim Watson the Project General Manager to attend the meeting to answer questions and clarify any issues necessary. The meeting is scheduled for January 24th at 2 p.m.

2017 Power Update

Not unlike the Agency, SCE spends nearly half of its revenue on supply. The other half is spent on non-generation services such as distribution, transmission, system development, reliability etc. Much of their expense is fixed.

SCE forecasts a natural gas price of \$3.15/MMBtu for 2017, which is \$0.58 higher than the average forecast gas price included in the 2017 ERRA (Energy Resource Recovery Account) May forecast. This is driving increased SCE rates. The system average rate is estimated to increase 6% in 2017.

By 2020, when 33% of California's electricity is mandated to come from renewable resources, the net load curve is expected to look like a duck.



Southern California Edison is re-assessing their current Time Of Use (TOU) periods to determine the potential need to shift these periods for all customer classes to later in the day. DWA has traditionally taken advantage of Super off-peak rate schedules. We shut down in the summer during the afternoons only during the weekdays. Now it is proposed that the super off peak be extended to the winter month's everyday between 8 am and 4 pm. In order for DWA to take advantage of Super off-peak rates we would have to pump everything at night. Traditionally weekends have always been considered off-peak, now it is proposed that they are treated like weekdays.

The Net energy metering (NEM 2.0) successor tariff was approved on January 28 by the PUC. Net Metering 2.0 makes a few minor changes to California's original net metering policy, but it preserves the key element that makes solar economical for California residents: retail rate bill credits. Homeowners and businesses that enroll in NEM 2.0 will still receive per-kWh credits for their solar electricity that are equal to the value of a kWh of utility electricity. This means that the economics of solar are still very favorable under NEM 2.0.

There are three main differences between the original California net metering policy and Net Metering 2.0: **time-of-use rates**, **interconnection fees**, and **non-bypassable charges**.

Under NEM 2.0, every property owner who installs a solar energy system will automatically be switched to TOU rates for their electric bills. What you pay per kWh will depend on your utility. As of November 2016, PG&E, SCE and SDG&E are still developing their solar TOU rate schedules.

Under NEM 2.0, residential and small commercial system owners pay a small one-time “interconnection fee” to connect their solar panels to the electric grid. For SDG&E customers, the fee is \$132, and PG&E customers will pay \$145. PG&E has not yet confirmed its interconnection fee, but it’s expected to be between \$75 and \$150.

Non-bypassable charges (NBCs) are per-kilowatt hour charges that are built into utility electric rates. They add up to approximately 2-3 cents per kWh and go towards funding energy efficiency, low-income customer assistance, and other related programs.

In the original net metering policy, system owners did not have to pay NBCs on the electricity that they bought from the utility on a month-to-month basis. Under NEM 2.0, new system owners will have to pay NBCs, but only for the kWh of electricity delivered by the utility. None of the solar electricity generated and used at home will be subject to NBCs.

Utility customers who installed solar under the original net metering policy will be “grandfathered” in for 20 years from their original enrollment date. After that point, they will also move to NEM 2.0.

General Manager's Meetings and Activities

Meetings:

12/19/2016	DWA/CVWD/MWD Operations Coordination	Conf. Call
12/21/2016	SWC Water Operations Committee	Conf. Call
12/22/2016	DWA/CVWD Agreement Update Meeting	DWA
12/27/2016	DWA/CVWD/MSWD Mission Creek S.B. Alt. Plan & Bridge Doc.	Conf. Call
12/29/2016	Executive Committee Mtg.	DWA
01/05/2017	Outreach & Conservation Committee	DWA
01/06/2017	Special DWA Board Meeting	DWA
01/06/2017	Meetings Kris Poly	DWA
01/11/2017	Executive Committee Mtg.	DWA
01/11/2017	SWC Water Operations Committee	Conf. Call

Activities:

- Sites Reservoir Agreement
- E-Billing – Completed and now tracking
- Outreach Talking Points – KMIR
- Snow Creek Hydro SCE contract extension - ongoing
- Whitewater Hydro – Developing new administration procedures
- State and Federal Contractors Water Authority and Delta Specific Project Committee (Standing)
- Property Acquisition - New Mesquite HOA – Ongoing
- MSWD Lawsuit – Ongoing
- ACBCI Section 14 Facilities & Easements
- CPV Agreement Amendment
- Chain of Title
- Budget Augmentation
- Replacement Pipelines 2016-2017
- DWA Power Costs
- DWA/CVWD/MWD Operations Coordination
- DWA/CVWD/MWD Agreements Update
- Recycled Water Effluent Reservoir Coating Failures
- SGMA Alternative Plans and Bridge Documents
- SWP 2017 Water Supply
- DWA Credit Card Payment Costs
- ACBCI Law Suits
- Lake Perris Dam Remediation

Minutes
Executive Committee Meeting
December 29, 2016

Directors Present: Jim Cioffi, Joe Stuart

Staff Present: Mark Krause, Steve Johnson

1. Discussion Items

A. Review Agenda for January 3, 2017 Regular Board Meeting

The proposed agenda for the January 3, 2017 regular board meeting was reviewed. Due to a lack of action items, it was decided to cancel this meeting. Staff will distribute the necessary notices. The Sites Reservoir Project item discussion is planned for a special meeting tentatively scheduled for January 24 at 2:00 p.m.

B. Expense Reports

The November expense reports were reviewed.

2. Other

A. 2017 Board Conference Schedule

It was noted that there was no approval for the national AWWA Conference attendance this year. A request was made to propose adding it to next year's approved conferences.

3. Adjourn

Minutes
Executive Committee Meeting
January 11, 2017

Directors Present: Jim Cioffi, Joe Stuart

Staff Present: Mark Krause, Steve Johnson, Martin Krieger

1. Discussion Items

A. Review Agenda for January 17, 2017 Regular Board Meeting

The proposed agenda for the January 17, 2017 regular board meeting was reviewed.

B. Expense Reports

The December expense reports were reviewed.

C. Committee Assignments

The 2017 Committee assignments were reviewed and updated.

D. February 8-10, 2017 Urban Water Institute's Spring Water Conference Attendance

The conference schedule and draft agenda was discussed. Staff will place this item for the Board's consideration on the January 17 agenda.

2. Other

3. Adjourn

Minutes
Conservation & Public Affairs Committee Meeting

January 5, 2017

Directors Present: Jim Cioffi, Craig Ewing

Staff Present: Mark Krause, Ashley Metzger

1. Discussion Items

A. Review of New Website

The Committee reviewed the new website; staff informed them of January 17 launch date.

B. Rate Outreach Follow Up

The Committee discussed the messages planned for print on the bill and possible bill inserts for future dates.

C. Events

The Committee discussed possible topics for CV Water Counts regional event. Committee Member Ewing suggested including atmospheric rivers. The Committee also approved staff to pitch the concept of a citizen's water academy to the CV Water Counts group for consideration. The Committee discussed having another facilities tour using the Buzz bus and also evaluated the possibility of granting awards to truly noteworthy instances of conservation.

D. December Conservation

Staff noted that the preliminary conservation number for December is 14%. Information for other agencies was only partially available.

E. Rebates

Staff updated the Committee on a grant from CPV Sentinel, who will commit \$100,000 to DWA for the 2017 calendar year for use in a controller program and other similar programs as DWA deems appropriate. If the use changes beyond irrigation systems, DWA would have to submit an MOU to the California Energy Commission.

Staff also noted that DWA has been reimbursed for 95% of the \$1.2M Prop 84 round 3 grant. The remaining 5% (\$64,000) is retention and will be released when all CVRWGMG agencies have finished their projects. MSWD may also be releasing \$100,000 back to the group, of which DWA may get \$50,000 to use towards turf.

Staff gave the Committee figures on remaining budget for all rebate programs. The Committee reviewed FreeSprinklerNozzles.com and approved staff to go forward in implementing the program to determine its effectiveness and utility to customers. Staff will bring the MOU to the full Board at the next meeting. The Committee also authorized staff to purchase a small quantity of high efficiency Niagara showerheads that were on clearance. These will be used as promotional giveaways and will be available for customers to pick up at the office.

F. Water Waste App

There was discussion on the current water waste app and fees, and an alternative option to consider when the CitySourced contract is ready for renewal.

G. Customer Feedback

Staff shared customer feedback on the following topics: eliminating credit card transaction fee, levying a tourism conservation charge, changing watering schedule during winter and opt out conditions for the watering schedule.

2. Other

A. Emergency Regulations

Staff noted that the State would likely be making a move on emergency regulations in February.

B. Smart Meter Pilot Program

The Committee reviewed the utility interface for the new smart meter pilot program.

3. Adjourn

DESERT WATER AGENCY
STATEMENT OF CASH RECEIPTS AND EXPENDITURES

OPERATING ACCOUNT

DECEMBER 2016

BALANCE	DECEMBER 1, 2016	(\$219,334.62)	INVESTED RESERVE FUNDS \$14,491,388.09
WATER SALES		\$1,997,342.04	
RECLAMATION SALES		109,665.57	
WASTEWATER RECEIPTS		89,317.97	
POWER SALES		436.37	
METERS, SERVICES, ETC.		56,496.00	
REIMBURSEMENT – GENERAL FUND		126,408.14	
REIMBURSEMENT – WASTEWATER FUND		45,978.67	
ACCOUNTS RECEIVABLE – OTHER		5,866.32	
CUSTOMER DEPOSITS – SURETY		4,385.49	
CUSTOMER DEPOSITS – CONST.		0.00	
LEASE REVENUE		1,549.99	
INTEREST RECEIVED ON INV. FDS.		0.00	
FRONT FOOTAGE FEES		0.00	
BOND SERVICE & RESERVE FUND INT		0.00	
MISCELLANEOUS		<u>16,418.89</u>	
TOTAL RECEIPTS		\$2,453,865.45	
PAYMENTS			
PAYROLL CHECKS		\$380,789.20	
PAYROLL TAXES		168,588.26	
ELECTRONIC TRANSFERS		139,435.87	
CHECKS UNDER \$10,000.00		295,223.31	
CHECKS OVER \$10,000.00 – SCH. #1		1,216,853.25	
CANCELLED CHECKS AND FEES		<u>9,689.85</u>	
TOTAL PAYMENTS		<u>\$2,210,579.74</u>	
NET INCOME		\$243,285.71	
BOND SERVICE ACCOUNT			
MONTHLY WATER SALES		\$0.00	
EXCESS RETURNED BY B/A		<u>\$0.00</u>	
BOND SERVICE FUND			\$0.00
INVESTED RESERVE FUNDS			
FUNDS MATURED		\$0.00	
FUNDS INVESTED – SCH. #3		<u>280,300.00</u>	
NET TRANSFER			(\$280,300.00) \$280,300.00
BALANCE	DECEMBER 31, 2016	(\$256,348.91)	\$14,771,688.09

OPERATING ACCOUNT

SCHEDULE #1 - CHECKS OVER \$10,000

CHECK #	NAME	DESCRIPTION	AMOUNT
113335	DOWN TO EARTH LANDSCAPING	LANDSCAPE MAINTENANCE	
113350	BADGER METER INC	WATER SERVICE SUPPLIES	\$28,123.58
113365	HD SUPPLY WATERWORKS LTD	WATER SERVICE SUPPLIES	\$18,701.28
113418	SOUTHERN CALIFORNIA EDISON CO	POWER	\$12,894.88
113419	STATE WATER RES CONTROL BOARD	LARGE WATER SYSTEM FEES FOR PERIOD OF 07/01/16 - 06/30/2017	\$202,040.53
113447	BEST BEST & KRIEGER LLP	LEGAL FEES	\$29,009.00
113450	DESERT WATER AGENCY - WASTEWATER	WASTEWATER REVENUE BILLING FOR NOVEMBER 2016	\$72,053.39
113455	ACWA/JOINT POWERS INS AUTHOR	HEALTH,DENTAL & VISION INSURANCE PREMIUMS - JANUARY 2017	\$81,404.81
113462	DESERT WATER AGENCY - WASTEWATER	SEWER CAPACITY CHARGE (JONES CREE VENTURES)	\$171,537.84
113474	BRITHINEE ELECTRIC INC	WELL # 27 - SWITCHGEAR (W/O #16-178-W-27)	\$15,720.00
113476	CDW DIRECT	I.S. SUPPLIES	\$66,024.72
113485	CORA CONSTRUCTION	ZONE 1240 - BOOSTER DESERT PALISADES (W/O # 15-150-B)	\$90,241.56
113486	CRYSTAL CHRYSLER CENTER	VEHICLE PURCHASE - UNIT # 7 (W/O # 16-161-M)	\$148,010.00
113493	DOWN TO EARTH LANDSCAPING	LANDSCAPE MAINTENANCE	\$31,054.18
113516	J COLON COATINGS INC	CONTRACT PAYMENT - RESERVOIR MAINTENANCE	\$30,776.78
113517	JCI JONES CHEMICALS INC	CHLORINE PURCHASES	\$46,753.30
113520	KRIEGER & STEWART INC	ENGINEERING	\$22,749.23
113524	MCKEEVER WATERWELL & PUMP INC	JANIS/TUSCANY BOOSTER (W/O # 14-189-B)	\$40,918.59
113547	SOUTHERN CALIFORNIA EDISON CO	POWER	\$27,416.00
113551	THATCHER COMPANY OF CALIFORNIA	WATER SERVICE SUPPLIES	\$10,403.16
113563	Z&L PAVING, INC	PAVING	\$25,357.42
113564	SAGEWOOD HOA, INC	TURF BUY BACK PROGRAM	\$17,645.00
			\$28,018.00

** TOTAL

\$1,216,853.25

DESERT WATER AGENCY
OPERATING FUND - LISTING OF INVESTMENTS
DECEMBER 31, 2016

PURCH DATE	NAME	DESCRIPTION	MATURITY DATE	COST	PAR VALUE	MARKET VALUE	YIELD TO MATURITY	CALLABLE STATUS
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Local Agency Investment Fund

06-30-83	State of California	LAIF	Open	\$ 11,016,988.09	\$ 11,016,988.09	\$ 11,016,988.09	0.730%	-
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Certificates of Deposit

09-28-15	Union Bank	Capital Bank CD	09-28-17	\$ 250,000.00	\$ 250,000.00	\$ 250,562.50	1.050%	Bullet
01-15-16	Union Bank	Union Bank CD	01-13-17	\$ 500,000.00	\$ 500,000.00	\$ 500,045.00	0.830%	Bullet

Total Certificates of Deposit	\$ 750,000.00	\$ 750,000.00	\$ 750,607.50
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Commercial Paper

04-30-12	Union Bank	General Electric	04-27-17	\$ 1,004,700.00	\$ 1,000,000.00	\$ 1,003,820.00	2.300%	Bullet
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Total Commerical Paper	\$ 1,004,700.00	\$ 1,000,000.00	\$ 1,003,820.00
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Government Agency

09-20-16	Union Bank	FNMA (Callable 3-20-17)	09-20-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 985,750.00	1.300%	Quarterly
10-28-16	Union Bank	FHLMC STEP (Callable 4-28-17)	10-28-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 993,520.00	1.000%	Quarterly

Total Government Agency	\$ 2,000,000.00	\$ 2,000,000.00	\$ 1,979,270.00
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Weighted Mean YTM 0.902%

TOTAL INVESTED @ 12/31/16	\$ 14,771,688.09	\$ 14,766,988.09	\$ 14,750,685.59
BALANCE @ 06/30/16	\$ 12,488,311.50		
INCREASE (DECREASE)	\$2,283,376.23		

DESERT WATER AGENCY
STATEMENT OF CASH RECEIPTS AND EXPENDITURES

GENERAL ACCOUNT

DECEMBER 2016

INVESTED
RESERVE FUNDS
\$103,548,640.47

BALANCE DECEMBER 1, 2016 (\$620,141.04)

* TAXES - RIVERSIDE COUNTY	4,667,413.36
* INTEREST EARNED - INV. FUNDS	47,996.82
GROUNDWATER REPLEN. ASSESSMENT	0.00
REIMBURSEMENT - OPERATING FUND	0.00
REIMBURSEMENT - CVWD MGMT	0.00
STATE WATER PROJECT REFUNDS	0.00
REIMB - CVWD - WHITEWATER HYDRO	0.00
POWER SALES - WHITEWATER	0.00
MISCELLANEOUS	2,347.25

TOTAL RECEIPTS \$4,717,757.43

PAYMENTS

CHECKS UNDER \$10,000.00	22,259.82
CHECKS OVER \$10,000.00 - SCH. #1	1,732,309.94
CANCELLED CHECKS AND FEES	2,095.10

TOTAL PAYMENTS \$1,756,664.86

NET INCOME \$2,961,092.57

INVESTED RESERVE FUNDS

FUNDS MATURED	4,755,000.00
FUNDS INVESTED – SCH. #2	7,753,000.00

NET TRANSFER (\$2,998,000.00) \$2,998,000.00

BALANCE DECEMBER 31, 2016 (\$657,048.47) \$106,546,640.47

* INCLUSIVE TO DATE

	TAXES	INTEREST
RECEIPTS IN FISCAL YEAR	\$6,129,893.31	\$447,423.10
RECEIPTS IN CALENDAR YEAR	\$22,876,570.73	\$925,332.68

DESERT WATER AGENCY

GENERAL ACCOUNT

SCHEDULE #1-CHECKS OVER \$10,000

CHECK #	NAME	DESCRIPTION	AMOUNT
8831	ASSOCIATION OF CALIF WATER AGENCIES	MEMBERSHIP DUES - 2017	\$21,915.15
8833	STATE OF CA. DEPT. OF WATER RESOURCES	STATE WATER PROJECT ENTITLEMENT - SEPTEMBER 2016	\$890,800.00
8834	COACHELLA VALLEY WATER DISTRICT	WHITEWATER HYDRO REVENUE - SEPTEMBER 2016	\$12,897.65
8844	DESERT WATER AGENCY-OPERATING	P/R & EXP REIMBURSEMENT FOR NOVEMBER 2016	\$126,408.14
8845	STATE OF CA. DEPT. OF WATER RESOURCES	STATE WATER PROJECT - DECEMBER 2016	\$653,711.00
8847	COACHELLA VALLEY WATER DISTRICT	WHITEWATER BASIN MANAGEMENT - QUARTER ENDING SEPTEMBER 30, 2016	\$26,578.00

** TOTAL

\$1,732,309.94

DESERT WATER AGENCY
GENERAL FUND - LISTING OF INVESTMENTS
DECEMBER 31, 2016

PURCHASE DATE	NAME	DESCRIPTION	MATURITY DATE	COST	PAR VALUE	MARKET VALUE	YIELD TO MATURITY	CALLABLE STATUS
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Local Agency Investment Fund

06-30-83	State of California	LAIF	Open	\$ 46,788,170.47	\$ 46,788,170.47	\$ 46,788,170.47	0.730%	-
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Certificates of Deposit

01-25-13	Union Bank	General Electric Capital Bank CD	01-25-18	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,490.00	1.100%	Bullet
09-28-15	Union Bank	Capital Bank CD	09-28-17	\$ 250,000.00	\$ 250,000.00	\$ 250,562.50	1.050%	Bullet
10-07-15	Ladenburg Thalmann	Goldman Sachs CD	04-07-18	\$ 245,000.00	\$ 245,000.00	\$ 245,708.05	1.350%	Bullet
10-29-15	Ladenburg Thalmann	Ally Bank CD	10-30-17	\$ 245,000.00	\$ 245,000.00	\$ 245,504.70	1.150%	Bullet
11-04-15	Ladenburg Thalmann	Capital One NA CD	11-06-17	\$ 245,000.00	\$ 245,000.00	\$ 245,492.45	1.100%	Bullet
11-04-15	Ladenburg Thalmann	Discover CD	11-06-17	\$ 245,000.00	\$ 245,000.00	\$ 245,411.60	1.150%	Bullet
01-15-16	Union Bank	Union Bank CD	01-13-17	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,090.00	0.830%	Bullet

Total Certificates of Deposit	\$ 3,230,000.00	\$ 3,230,000.00	\$ 3,233,259.30
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Commercial Paper

12-16-13	Stifel	General Electric	05-15-18	\$ 587,600.00	\$ 500,000.00	\$ 525,850.00	6.300%	Bullet
04-27-15	Ladenburg Thalmann	Apple Inc.	05-03-18	\$ 997,920.00	\$ 1,000,000.00	\$ 996,250.00	1.000%	Bullet
02-01-16	Union Bank	US Bank Note (Callable 12-29-17)	01-29-18	\$ 1,000,950.00	\$ 1,000,000.00	\$ 999,340.00	1.450%	1 Time

Total Commercial Paper	\$ 2,586,470.00	\$ 2,500,000.00	\$ 2,521,440.00
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Government Agency

09-19-12	Stifel (D.A.D)	FNMA	09-19-17	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,001,070.00	0.950%	1 Time
12-28-12	Stifel (D.A.D)	FHLB (Callable Continuous)	12-28-17	\$ 1,000,000.00	\$ 1,000,000.00	\$ 996,690.00	0.840%	Continuous
03-27-13	Ladenburg Thalmann	FNMA (Callable 3-27-17)	03-27-18	\$ 1,000,000.00	\$ 1,000,000.00	\$ 999,660.00	1.050%	Qtrly
06-13-13	Ladenburg Thalmann	FHLB (Callable 3-13-17)	06-13-18	\$ 1,000,000.00	\$ 1,000,000.00	\$ 998,930.00	1.100%	Qtrly
06-23-15	Ladenburg Thalmann	FHLMC	06-23-17	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,580.00	0.900%	1 Time
10-02-15	Stifel	FHLB (Callable 10-2-17)	10-02-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 997,760.00	1.450%	Continuous
10-29-15	Stifel	FHLB (Callable Continuous)	10-29-18	\$ 1,000,000.00	\$ 1,000,000.00	\$ 997,060.00	1.120%	Continuous
11-23-15	Ladenburg Thalmann	FHLMC (Callable 2-23-17)	05-23-18	\$ 996,000.00	\$ 1,000,000.00	\$ 995,200.00	1.000%	Qtrly
11-25-15	Stifel	FNMA (Callable 2-25-17)	11-25-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 996,970.00	1.500%	Qtrly
02-26-16	Ladenburg Thalmann	FNMA (Callable 2-26-17)	02-26-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 997,430.00	1.250%	Qtrly
03-23-16	Ladenburg Thalmann	FNMA (Callable 3-23-17)	03-23-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 992,070.00	1.500%	Qtrly
03-30-16	Stifel	FNMA STEP (Callable 3-30-17)	03-30-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 991,120.00	1.350%	Qtrly
03-30-16	Stifel	FHLMC STEP (Callable 3-30-17)	03-30-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 987,200.00	1.250%	Qtrly
04-26-16	Ladenburg Thalmann	FHLB (Callable Continuous)	10-26-20	\$ 999,500.00	\$ 1,000,000.00	\$ 983,960.00	1.550%	Continuous
05-23-16	Stifel	FHLMC STEP (Callable 2-23-17)	05-23-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 996,980.00	0.800%	Qtrly
05-23-16	Stifel	FNMA (Callable 2-23-17)	08-23-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 990,300.00	1.250%	Qtrly
05-25-16	Stifel	FNMA STEP (Callable 2-25-17)	05-25-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 994,530.00	1.000%	Qtrly
05-26-16	Union Bank	FNMA (Callable 5-26-17)	11-26-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 991,680.00	1.300%	1 Time
05-31-16	Ladenburg Thalmann	FHLMC (Callable 2-28-17)	08-29-18	\$ 1,000,000.00	\$ 1,000,000.00	\$ 995,500.00	1.020%	Qtrly
06-01-16	Stifel	FFCB (Callable Continuous)	03-01-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 992,770.00	1.250%	Continuous

DESERT WATER AGENCY
GENERAL FUND - LISTING OF INVESTMENTS
DECEMBER 31, 2016

PURCHASE DATE	NAME	DESCRIPTION	MATURITY DATE	COST	PAR VALUE	MARKET VALUE	YIELD TO MATURITY	CALLABLE STATUS
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Government Agency

06-13-16	Ladenburg Thalmann	FNMA (Callable 3-13-17)	06-13-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 994,850.00	1.400%	Qtrly
06-16-16	Stifel	FFCB (Callable Continuous)	03-16-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 983,350.00	1.400%	Continuous
06-21-16	Stifel	FHLMC STEP (Callable 3-21-17)	06-21-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 980,600.00	1.400%	Qtrly
06-28-16	Stifel	FHLMC STEP (Callable 3-28-17)	06-28-19	\$ 1,500,000.00	\$ 1,500,000.00	\$ 1,494,405.00	0.750%	Qtrly
06-28-16	Ladenburg Thalmann	FNMA (Callable 3-28-17)	06-28-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 989,280.00	1.200%	Qtrly
06-30-16	Stifel	FHLMC STEP (Callable 3-30-17)	12-30-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 992,230.00	1.000%	Qtrly
07-07-16	Ladenburg Thalmann	FFCB (Callable Continuous)	01-07-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 991,060.00	1.000%	Continuous
07-11-16	Ladenburg Thalmann	FHLB (Callable 1-11-17)	10-11-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 989,270.00	1.125%	Continuous
07-11-16	Ladenburg Thalmann	FHLB (Callable Continuous)	07-11-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 986,240.00	1.125%	Continuous
07-13-16	Union Bank	FFCB (Callable Continuous)	01-13-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 981,560.00	1.240%	Continuous
07-26-16	Ladenburg Thalmann	FNMA (Callable 1-26-17)	07-26-19	\$ 999,500.00	\$ 1,000,000.00	\$ 992,010.00	1.125%	Qtrly
07-27-16	Stifel	FNMA STEP (Callable 1-27-17)	07-27-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 971,910.00	1.250%	Qtrly
08-10-16	Ladenburg Thalmann	FHLMC (Callable 2-10-17)	08-10-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 984,090.00	1.450%	Qtrly
08-24-16	Ladenburg Thalmann	FHLMC STEP (Callable 2-24-17)	08-24-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 988,240.00	1.000%	Qtrly
08-24-16	RBC Capital Markets	FHLMC STEP (Callable 2-24-17)	08-24-18	\$ 1,000,000.00	\$ 1,000,000.00	\$ 996,260.00	0.750%	Qtrly
08-30-16	Stifel	FHLMC STEP (Callable 2-28-17)	08-30-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 991,630.00	1.000%	Qtrly
08-30-16	Ladenburg Thalmann	FNMA (Callable 02-27-17)	11-27-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 984,070.00	1.250%	Qtrly
09-06-16	Ladenburg Thalmann	FFCB (Callable 3-6-17)	03-06-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 991,580.00	1.150%	Continuous
09-20-16	Union Bank	FNMA (Callable 3-20-17)	09-20-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 985,750.00	1.300%	Qtrly
09-27-19	Ladenburg Thalmann	FHLMC STEP (Callable 3-27-17)	09-27-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 993,640.00	1.000%	Qtrly
09-29-16	Ladenburg Thalmann	FHLMC STEP (Callable 3-29-17)	09-29-21	\$ 950,000.00	\$ 950,000.00	\$ 933,802.50	1.250%	Qtrly
09-30-16	Ladenburg Thalmann	FNMA (Callable 3-30-17)	09-30-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 990,310.00	1.250%	Qtrly
10-06-16	Ladenburg Thalmann	FHLMC (Callable 1-6-17)	07-06-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 971,670.00	1.375%	Qtrly
10-11-16	Ladenburg Thalmann	FHLMC (Callable 4-11-17)	10-11-18	\$ 999,750.00	\$ 1,000,000.00	\$ 993,250.00	1.000%	Qtrly
10-17-16	Stifel	FNMA (Callable 10-17-17)	04-17-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 983,300.00	1.250%	1 Time
10-28-16	Stifel	FHLMC STEP (Callable 4-28-17)	10-28-21	\$ 1,500,000.00	\$ 1,500,000.00	\$ 1,484,190.00	1.250%	Qtrly
10-28-16	Union Bank	FHLMC STEP (Callable 4-28-17)	10-28-21	\$ 1,000,000.00	\$ 1,000,000.00	\$ 993,520.00	1.000%	Qtrly
11-03-16	Ladenburg Thalmann	FFCB (Callable 2-3-17)	05-03-21	\$ 999,250.00	\$ 1,000,000.00	\$ 982,320.00	1.490%	Continuous
11-15-16	Stifel	FHLMC STEP (Callable 2-15-17)	11-15-19	\$ 1,000,000.00	\$ 1,000,000.00	\$ 990,310.00	1.000%	Qtrly
12-14-16	Ladenburg Thalmann	FHLMC (Callable 3-14-17)	12-14-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 991,650.00	1.750%	Qtrly
12-29-16	Ladenburg Thalmann	FNMA (Callable 6-29-17)	06-29-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,160.00	1.750%	Qtrly
12-29-16	Ladenburg Thalmann	FHLB (Callable 6-29-17)	09-29-20	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,380.00	2.000%	Qtrly
12-30-16	Ladenburg Thalmann	FHLMC (Callable 3-30-17)	12-30-19	\$ 998,000.00	\$ 1,000,000.00	\$ 998,390.00	1.500%	Qtrly

Total Government Agency \$ 53,942,000.00 \$ 53,950,000.00 \$ 53,472,737.50

Weighted Mean YTM 1.016%

TOTAL INVESTED @ 12/31/16 \$ 106,546,640.47 \$ 106,468,170.47 \$ 106,015,607.27

BALANCE @ 06/30/16 \$ 107,168,350.00

INCREASE OR (DECREASE) \$ (621,709.53)

DESERT WATER AGENCY
STATEMENT OF CASH RECEIPTS AND EXPENDITURES

WASTEWATER ACCOUNT

DECEMBER 2016

INVESTED
RESERVE FUNDS
\$1,109,026.18

BALANCE DECEMBER 1, 2016 \$7,793.32

ACCOUNTS RECEIVABLE - OTHER	\$0.00
CUSTOMER DEPOSITS - CONSTRUCTION	0.00
INTEREST EARNED - INVESTED FUNDS	32.64
WASTEWATER REVENUE	81,404.81
SEWER CAPACITY CHARGES	19,415.08
MISCELLANEOUS	<u>0.00</u>

TOTAL RECEIPTS \$100,852.53

PAYMENTS

CHECKS UNDER \$10,000.00	\$8,169.52
CHECKS OVER \$10,000.00 - SCH. #1	80,076.50
CANCELLED CHECKS AND FEES	<u>0.00</u>

TOTAL PAYMENTS \$88,246.02

NET INCOME \$12,606.51

INVESTED RESERVE FUNDS

FUNDS MATURED	\$5,300.00
FUNDS INVESTED – SCH. #2	<u>8,000.00</u>

NET TRANSFER (\$2,700.00) \$2,700.00

BALANCE DECEMBER 31, 2016 \$17,699.83 \$1,111,726.18

DESERT WATER AGENCY
WASTEWATER ACCOUNT
SCHEDULE #1 - CHECKS OVER \$10,000

CHECK #	NAME	DESCRIPTION	AMOUNT
2468	COACHELLA VALLEY WATER DISTRICT	WASTEWATER REVENUE BILLING FOR NOVEMBER 2016	\$49,817.83
2469	DESERT WATER AGENCY	OPERATING FUND REIMBURSEMENT FOR NOVEMBER 2016	\$30,258.67
** TOTAL			\$80,076.50

**DESERT WATER AGENCY
WASTEWATER FUND - LISTING OF INVESTMENTS
DECEMBER 31, 2016**

PURCH DATE	NAME	DESCRIPTION	MATURITY DATE	COST	PAR VALUE	MARKET VALUE	YIELD TO MATURITY
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Local Agency Investment Fund

06-30-83	State of California	LAIF	Open	\$ 1,111,726.18	\$ 1,111,726.18	\$ 1,111,726.18	0.730%
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TOTAL INVESTED @12/31/16	\$ 1,111,726.18	\$ 1,111,726.18	\$ 1,111,726.18
BALANCE @ 06/30/16	\$ 1,027,031.01		
INCREASE OR (DECREASE)	\$ 84,695.17		

DESERT WATER AGENCY - OPERATING FUND
COMPARATIVE EARNINGS STATEMENT

MONTH 16-17 DECEMBER	-----THIS MONTH-----			-----FISCAL YEAR TO DATE-----			/ --VARIANCE-- /	
	THIS YEAR	LAST YEAR	BUDGET	THIS YEAR	LAST YEAR	BUDGET	YTD	PCT
OPERATING REVENUES								
WATER SALES	1,620,394.85	1,686,561.92	1,505,500.00	12,981,976.19	11,892,033.98	11,342,550.00	1,639,426.19	14
RECLAMATION SALES	112,106.66	130,069.01	127,200.00	864,428.08	797,156.59	772,400.00	92,028.08	12
POWER SALES	436.37	.00	1,750.00	13,622.25	6,102.52	10,500.00	3,122.25	30
OTHER OPER REVENUE	95,276.74	101,124.05	108,000.00	634,044.11	855,366.11	640,500.00	6,455.89	1-
TOTAL OPER REVENUES	1,838,214.62	1,917,754.98	1,742,450.00	14,494,070.63	13,550,659.20	12,765,950.00	1,728,120.63	14
OPERATING EXPENSES								
SOURCE OF SUPPLY EXP	726,914.79	702,532.99	745,758.00	1,828,688.50	1,646,525.22	1,875,673.00	46,984.50	3-
PUMPING EXPENSE	256,726.32	377,016.55	198,775.00	1,535,284.99	1,710,386.29	2,031,550.00	496,265.01	24-
REGULATORY WATER TREAT	42,472.77	47,637.59	42,100.00	255,746.58	241,449.59	252,600.00	3,146.58	1
TRANS & DIST EXPENSE	220,507.91	342,595.02	287,092.00	1,227,861.38	1,447,193.45	1,722,552.00	494,690.62	29-
CUSTOMER ACT EXPENSE	91,381.32	91,276.93	74,025.00	469,187.39	449,673.60	445,950.00	23,237.39	5
ADMIN & GEN EXPENSE	696,950.67	773,840.67	791,125.00	4,748,082.99	4,433,745.54	4,951,550.00	203,467.01	4-
REGULATORY EXPENSE	54,343.89	26,609.24	16,992.00	125,424.98	93,754.17	101,952.00	23,472.98	23
SNOW CREEK HYDRO EXP	2,559.80	4,567.10	3,400.00	24,248.44	22,611.18	20,400.00	3,848.44	19
RECLAMATION PLNT EXP	92,643.88	86,037.55	289,800.00	423,902.57	378,214.77	829,225.00	405,322.43	49-
SUB-TOTAL	2,184,501.35	2,452,113.64	2,449,067.00	10,638,427.82	10,423,553.81	12,231,452.00	1,593,024.18	13-
OTHER OPER EXPENSES								
DEPRECIATION	497,056.83	501,373.96	459,225.00	2,803,120.59	2,748,103.53	2,755,350.00	47,770.59	2
SERVICES RENDERED	12,542.67	23,707.99	13,850.00	71,182.29	118,983.62	83,100.00	11,917.71	14-
DIR & INDIR CST FOR WO	177,610.95	185,686.28	72,750.00	1,077,919.93	988,814.62	436,500.00	641,419.93	147
TOTAL OPER EXPENSES	2,516,489.90	2,791,509.31	2,849,392.00	12,434,810.77	12,301,826.34	14,633,402.00	2,198,591.23	15-
NET INCOME FROM OPERATIONS	688,275.28	873,754.33	1,106,942.00	2,059,259.86	1,248,832.86	1,867,452.00	3,926,711.86	210-
NON-OPERATING INCOME (NET)								
RENTS	1,549.99	3,343.72	3,375.00	52,050.58	51,902.32	52,100.00	49.42	0
INTEREST REVENUES	11,101.42	8,012.69	8,300.00	56,109.16	43,606.50	49,800.00	6,309.16	13
INTEREST EXP. OTHER	.00	.00	25,325.00	.00	.00	151,950.00	151,950.00	100-
INVESTMENT AMORT.	10,480.00	.00	.00	10,480.00	.00	.00	10,480.00	0
OTHER REVENUES	360.00	680.00	2,625.00	820.00	132,397.52	5,250.00	4,430.00	84-
GAINS ON RETIREMENT	.00	.00	75.00	32.34	.00	375.00	342.66	91-
DISCOUNTS	121.72	7.47	275.00	284.45	375.00	1,650.00	1,365.55	83-
LOSS ON RETIREMENTS	.00	6,998.92	3,750.00	10,672.67	19,816.43	18,750.00	8,077.33	43-
TOTAL NON-OPER INCOME	2,653.13	5,648.86	14,425.00	88,143.86	208,987.01	61,525.00	149,668.86	243-
TOTAL NET INCOME	685,622.15	868,105.47	1,121,367.00	2,147,403.72	1,457,819.87	1,928,977.00	4,076,380.72	211-

DESERT WATER AGENCY
OPERATING FUND
WATER CONSUMPTION

QUARTER ENDING DECEMBER 2016

THIS QUARTER

FISCAL YEAR TO DATE

	LAST YEAR	THIS YEAR	% UP (DOWN)	LAST YEAR	THIS YEAR	% UP (DOWN)
WATER REVENUE	\$5,349,071	\$5,566,077	4	\$11,892,034	\$12,981,976	10
TOTAL CONSUMPTION (100 CU FT)	2,805,846	2,923,750	4	6,366,720	7,031,057	10
AVERAGE CONSUMPTION PER CONSUMER (100 CU FT)	127	131 *	3	288	315 c	9
NUMBER OF CONNECTIONS	24	38		22,166	22,347	1

* = ADDED THIS QUARTER

C = TOTAL ACTIVE DECEMBER 2016

**STAFF REPORT
TO
DESERT WATER AGENCY
BOARD OF DIRECTORS**

JANUARY 17, 2017

RE: WATER USE VIOLATION – CIVIL PENALTY HEARINGS

Starting in March, 2016, staff began issuing water use violations under the new ordinance; to date, more than 420 violations have been issued. Recipients of the violations have 7 days to request a hearing in writing. Two violations will be reviewed at today's board meeting.

The following is a summary of the procedure for the hearings.

Staff has provided the Board with the correspondence for each of the violations including photographic evidence. Photographs will also be projected during the hearing to provide the board and customer a common point of reference for discussion.

Staff will introduce each violation with a summary of the event. After the introduction the customer will be invited by the Board to speak concerning the violation. If the recipient of the violation is not present or does not wish to speak, staff will read the violation summary and submit the written petition into the record for board action.

Each petition will be discussed and voted on separately.

As a point of reference, staff has notified Agency customers concerning water conservation regulations in several different ways:

Initial Notifications Upon Restrictions Going into Effect

1. Published the ordinance in The Public Record
2. Published the ordinance in the Agency Website
3. Social media outlets
4. KMIR, KESQ, KPCC, the Joey English Show
5. Desert Sun Valley Voice
6. Palm Desert Patch
7. Email to Palm Springs and Cathedral City Chambers
8. Emails to HOA in our contact list
9. Emails to high volume users

Comprehensive Notifications – Since June 2015

1. Direct mail to all customers
2. Bill inserts
3. Bill on envelope messaging
4. Billboards
5. Online advertising (KESQ)
6. Television advertising (Time Warner)
7. Social media
8. Several public presentations on TV
9. Print and radio Interviews
10. DWA and CVWD websites
11. Rates brochure given to all new customers

1. Anita McKinney, 3523 Paseo Barbara, Palm Springs

- a. On Tuesday, November 29 at 2:46 p.m. a Desert Water Agency representative observed water use violations at said address and reported them.
 - i. Irrigating during restricted hours
 - ii. Note: runoff is also evident from photos and was discussed with this customer over the phone
- b. Fine amount \$50
 - i. Single-family home
 - ii. First violation
- c. Reason for petition
 - i. Customer not aware of restrictions, fixed problem, other neighbors overwater



3523

3523

3523

Nov. 30, 2016

Desert Water

P.O. Box 1710

Palm Springs, CA 92263

RECEIVED

DEC - 5 2016

DESERT WATER AGENCY
ENGINEERING

Re: Complaint for Civil (Monetary) Penalties

Yesterday Tuesday Nov. 9, 2016 - there was a bag hanging on my front door knob. Glad I sat down to read it. I was in shock, then tears! (I didn't know about any days restricted or times. I've been a customer for many years. I open your bill, take out statement and write a check.) I called & spoke to 2 young women just doing their jobs. I made some calls & a woman's husband came over & set my times to only water Mon - Wed - Fri at designated time. I did my part & did it right away. Please remove the \$50 fine from my account. I cannot attend a hearing. I am elderly & on Soc. Security.

New out of state owner - neighbors over - water trees they've planted against my long standing block walls causing damage to my required walls - because of my pool. Their back yards look like Hawaii! No way you can see what damage they are doing from the street!

Anita McKinney
3573 E. Paseo Barbara
Palm Springs, CA 92262

Anita M. McKinney

DESERT WATER



Anita M McKinney

Date: 11/29/16 Time: 2:46 A.M. / (P.M.)

Address: 3523 E. PASEO BARBARA [REDACTED]

RE: COMPLAINT FOR CIVIL (MONETARY) PENALTY

Dear Valued Customer:

Due to a water use violation observed and documented by a Desert Water Agency representative today, you are being served with this complaint to impose a civil (monetary) penalty.

You have 7 days to request, in writing, a hearing on this violation. If you do request a hearing, you will need to come to the Agency and present information that refutes the alleged violation. If you do not request a hearing within 7 days of this complaint, the civil penalty will be added onto your water bill.

You have been cited for:

- ☐ *Unreasonable use of water (unnecessary runoff onto adjacent property and non-irrigation areas, private and public walkways, roadways, parking lots and parking structures.)*
- ☒ *Outdoor irrigation during restricted days or times (Watering is only permitted Mondays, Wednesdays, and Fridays before 7:00 a.m. and after 7:00 p.m.)*
- ☐ *Other* _____

This is in violation of Desert Water Agency's Ordinance No. 65.

For a first violation within any 12-month period, the civil penalty shall be \$100 for a multi-family residential, commercial or institutional establishment or \$50 for a single-family residential customer.


For a second violation within any 12-month period, the civil penalty shall be \$200 for a multi-family residential, commercial or institutional establishment or \$100 for a single-family residential customer.

For a third and each subsequent violation within any 12-month period, the civil penalty shall be \$500 for a multi-family residential, commercial or institutional establishment or \$250 for a single-family residential customer.

Failure to pay the civil penalty on your water bill may result in termination of water service. In addition, the Agency staff shall be authorized to discontinue water service for any violation of the Ordinance.

If you have any additional questions, please contact us.

Thank you,

 _____, Desert Water Agency
On behalf of Mark Krause, General Manager

2. K Michael Exel, 37511 Melrose Dr, Palm Springs

- a. On Monday, December 12 at 3:11 p.m. a Desert Water Agency representative observed water use violations at said address and reported them.
 - i. Irrigating during restricted hours
 - ii. Runoff
- b. Fine amount \$50
 - i. Single-family home
 - ii. First violation
- c. Reason for petition
 - i. Property is occupied 10-12 days per month. Watering days will be corrected January 18. Watering is important for trees. There is no run off.



Dec 23, 2016

Ashley Metzger
Outreach & Conservation Manager
Desert Water Agency

RECEIVED

DEC 30 2016

DESERT WATER AGENCY
ENGINEERING

Re: Fine on [REDACTED]
37511 Melrose Dr.

I received your letter upon returning to San Diego from a two week vacation ~~from~~, yesterday.

I am responding requesting a hearing regarding fine and other important water concerns on the property.

The property is occupied on an average of 10-12 days a month.

I have a yard maintenance person who checks the watering issues once a week all year, that includes replacing leaking valves and heads and start lines.

Citation for water days will be corrected when I visit the property after Jan 10th. I will call him after the holidays to change. I only water 3 days a week. Watering is important for old large shade trees in the front and back. My grass is mostly all dead & will not be replaced.

There is no run-off on my driveway. At times wind or breeze will blow a fine mist from the sprinkles that DAMPEN the driveway. Illustrated in Photo.

Please do not leave correspondence on my front door. My neighbor removes it when I am not there, usually for many weeks - Thank you.

I have many other questions for us Partimers regarding water issues. I'll contact please respond to my address SAN DIEGO for a hearing

Thank you,

K. Michael Exel

2817 Carmelina Dr

San Diego, CA

92116

619 296-8879 SP
Phone

K. Michael Exel

cc Please keep this letter in my
account file. I made a copy for my records
Thank you

December 13, 2016

K Michael Exel
1817 Carmelina Dr
San Diego, CA 92116

RE: FINE ON ACCOUNT# [REDACTED] 37511 Melrose Dr

Dear Valued Customer:

Due to a water use violation observed and documented by a Desert Water Agency representative on Monday, December 12, 2016 at 3:11 pm, you are being served with a complaint to impose a civil (monetary) penalty.

You have 7 days to request, in writing, a hearing on this violation. If you do request a hearing, you will need to come to the Agency and present information that refutes the alleged violation. If you do not request a hearing within 7 days of this complaint, the civil penalty of **\$50.00** will be added onto your water bill.

You were cited for:

- ***Outdoor irrigation shall be restricted to Mondays, Wednesdays, & Fridays, before 7:00 a.m. and after 7:00 p.m.***
- ***Runoff such that water flows onto adjacent property, non-irrigated areas, private and public walkways, roadways, parking lots, or structures is prohibited.***

This is a violation of Desert Water Agency's Ordinance No. 65. For a first violation within any 12-month period, the civil penalty shall be \$100 for a multi-family residential, commercial or institutional establishment or \$50 for a single-family residential customer.

For a second violation within any 12-month period, the civil penalty shall be \$200 for a multi-family residential, commercial or institutional establishment or \$100 for a single-family residential customer.

For a third and each subsequent violation within any 12-month period, the civil penalty shall be \$500 for a multi-family residential, commercial or institutional establishment or \$250 for a single-family residential customer.

Failure to pay the civil penalty on your water bill may result in termination of water service. In addition, the Agency staff shall be authorized to discontinue water service for any violation of the Ordinance.

If you have any additional questions, please contact us.

Thank you,

Ashley Metzger
Outreach & Conservation Manager
Desert Water Agency
On behalf of General Manager Mark Krause

**STAFF REPORT
TO
DESERT WATER AGENCY
BOARD OF DIRECTORS**

JANUARY 17, 2017

**RE: REQUEST AUTHORIZATION FOR BOARD ATTENDANCE
AT URBAN WATER INSTITUTE'S SPRING WATER
CONFERENCE**

Attached for the Board's consideration is a copy of the Draft conference agenda for the Urban Water Institute's Spring Water Conference, which will be held on February 8 – 10, 2017 at the Hilton Palm Springs Hotel.

As in past practice, Staff recommends that the Board approve and authorize those Board Members who are interested in attending the conference as in service to the Board.



URBAN WATER INSTITUTE'S SPRING WATER CONFERENCE FEBRUARY 8-10, 2017 | REGISTRATION FORM

NAME: _____ TITLE: _____
ORGANIZATION: _____
ADDRESS: _____ CITY/STATE/ZIP: _____
TEL: _____ FAX: _____ E-MAIL: _____

CONFERENCE REGISTRATION FEES

Registration fees include handouts, breakfasts, luncheon, breaks and receptions.

- _____ \$375 Urban Water Member Registration Fee for Conference February 8-10, 2017
(Must be a member of the Urban Water Institute with current dues paid in full)
_____ \$475 Non-Member Registration Fee for Conference February 8-10, 2017
_____ \$100 Spouse Registration - Includes breakfasts, luncheon, breaks and receptions. Spouse Name For Nametag: _____

REGISTRATION INFORMATION

LOCATION:

The Spring Water Conference will be conducted in Palm Springs at The Hilton Palm Springs Hotel located at:
400 East Tahquitz Canyon Way, Palm Springs, CA 92262

WILL YOU STAY AT THE HILTON PALM SPRINGS?

Please contact the hotel directly to reserve your room, we have a special conference rate of \$152.00. To make your room reservations, call the Hilton Palm Springs Hotel directly at **(760) 320-6868** and reference **Urban Water Institute**. Please note the cut-off date for the group rate is January 7, 2017. Reservations can also be made online at www.hilton.com.

CONFERENCE REGISTRATION: *(All Registrations Should Be Made In Advance)*

To pay by credit card visit our website www.urbanwater.com. You can register online via PayPal, you may be promoted to create a PayPal account. You may pay with a Visa, MasterCard or American Express. If you prefer to pay by credit card and NOT create a PayPal log in, please fill out the registration form and return to Eva Padilla at eva@stacy-davis.com or fax to (949) 305-9919.

To pay by check, please complete the Registration Form and send it along with a check made payable to:

Urban Water Institute: 24651 Evereve Circle, Suite 1, Lake Forest, CA 92630.

After **February 3, 2017** registrations will be accepted at the door on a space available basis, with an additional \$25 administrative charge.

CANCELLATION POLICY:

Cancellations must be received in writing by **January 25, 2017**. Faxes are accepted at **(949) 305-9919**. Registration fee will be refunded, less a \$50 administrative charge if received by **January 25, 2017**. Substitutes are accepted. **No refunds after January 25, 2017**. The Institute reserves the right to substitute announced speakers and assumes no responsibility for personal expenses.

EXHIBITOR & SPONSORSHIP INFORMATION:

Information on exhibiting and sponsoring may be obtained by calling (949) 679-9676 or can be found on the Urban Water Institute Website www.urbanwater.com.

IF PAYING BY CREDIT CARD:

☐ Visa ☐ MasterCard ☐ American Express

Name on Card: _____

Card Number: _____

Expires (MM/YY): _____ Amount: _____

Security Code: _____

Billing Address: _____

Signature: _____

MAIL CONFERENCE REGISTRATION CHECKS PAYABLE TO:

Urban Water Institute: 24651 Evereve Circle, Suite 1 • Lake Forest, CA 92630

Tax ID # 33-0578523

For More Information Contact The Urban Water Institute at (949) 679-9676 or eva@stacy-davis.com



Urban Water Institute's Spring Water Conference

February 8-10, 2017

Draft Conference Agenda

Wednesday, February 8, 2017

12:00 p.m. - Registration, Networking & Exhibits

1:00 p.m. - Opening Remarks & Introduction
Matt Stone, Chair, Urban Water Institute

1:15 p.m. - Welcome to Palm Springs (Confirmed)
Mayor Robert Moon, City of Palm Springs

1:30 p.m. – Storm Water Into Drinking Water (Confirmed)
Introduction by Jim Noyes, Executive Director, Urban Water Institute
Mark Pestrella, Chief Deputy Director, County of Los Angeles Department of Public Works

2:15 p.m. – WIIN Act
Roger Patterson, Assistant General Manager/Strategic Water Initiatives, Metropolitan Water District of Southern California
James Peterson, Federal/Southern California Director, Townsend Public Affairs

3:00 p.m. – Networking Break

3:15 p.m. – Direct Potable Reuse Panel (Confirmed)
Moderator: Rich Nagel, General Manager, West Basin Municipal Water District
David Metz, Partner, FM3
Dr. George Tchobanoglous, PE, Professor Emeritus in the UC Davis Department of Civil and Environmental Engineering
Jennifer West, Managing Director, WateReuse California

4:30 p.m. – Adjourn

5:00 p.m. – Welcome Reception

6:00 p.m. – Dinner on Your Own

Thursday, February 9, 2017

8:00 a.m. – Registration, Exhibits, Networking & Continental Breakfast – Sponsored by: Western Municipal Water District

9:00 a.m. – Opening Remarks

James Noyes, Executive Director, Urban Water Institute

9:15 a.m. – Groundwater Management Legislation (Confirmed)

Moderator: John Thornton, PE, Partner & Water Resource Consultant, Hunt Thornton
Resource Strategies, LLC

Bruce Daniels, Board of Directors, Soquel Creek Water District

Trevor Joseph, Senior Engineering Geologist, California Department of Water Resources

Kevin M. O'Brien, Partner, Downey Brand LLP

10:30 a.m. – Networking Break

10:45 a.m. – Water Conservation Proposed State Board Regulations (Confirmed)

Frances Spivy-Weber, Board Member, State Water Resources Control Board

11:15 a.m. – Water Leader of the Year Award Presentation to Frances Spivy-Weber

Presented by Mary Aileen Matheis, Board President, Irvine Ranch Water District

11:30 a.m. – Colorado River

12:30 p.m. – Luncheon

1:45 p.m. – Urban Update, Denver Colorado (Confirmed)

Introduction by Rita Schmidt Sudman, Author & Senior Advisor, Water Education Foundation

James S. Lochhead, CEO/Manager, Denver Water

2:30 p.m. – Networking Break – Sponsored by: Upper San Gabriel Valley Municipal Water District

3:15 p.m. – Water Security & Tribalism

Moderator: Dr. Greg Quist, Director, Rincon del Diablo Municipal Water District

4:00 p.m. – Marijuana Legislation

5:00 p.m. – Adjourn – Chairman's Reception – Sponsored by Water Replenishment District

6:00 p.m. – Dinner on Your Own

Friday, February 10, 2017

8:00 a.m. – Registration, Exhibits, Networking & Buffet Breakfast – Sponsored by Coachella Valley Water District

Chairman's Drawing: Don't miss out on your opportunity to participate in the Chairman's Drawing!
Please pick up your raffle ticket at the registration desk.

8:30 a.m. – Opening Remarks

James Noyes, Executive Director, Urban Water Institute

8:45 a.m. – Straight Talk with Art Levine (Confirmed)

Chairman Randy Record, Metropolitan Water District of Southern California

9:30 a.m. – Innovating Your Way To Success – Lessons From Recent Research On “Fostering Research And Innovation Within Water Utilities” (Confirmed)

Based on a global survey of nearly 400 utility employees representing 77 utilities from North America, Australia, Asia, and the European Union. 91% believe that innovation is critical to the future success of their utility. While 62% considered their utility “innovative”, less than 40% report having the key attributes of an innovative organization modeled by leading companies in both public and private industries. This session will provide utilities the knowledge and tools to create a sustainable culture of innovation, broadly engage stakeholders, and effectively leverage external resources.

Ed Means, President, Means Consulting LLC

10:15 a.m. – Federal Legislators

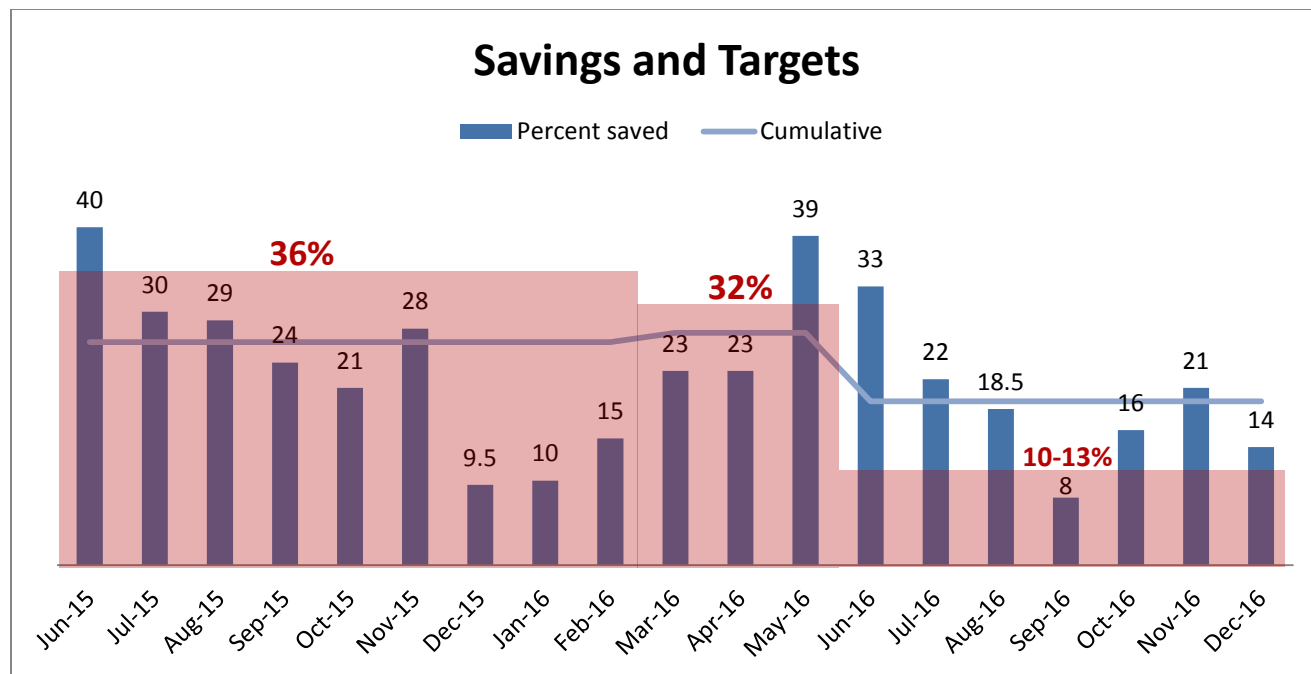
11:00 a.m. - Conference Adjourn

STAFF REPORT TO DESERT WATER AGENCY BOARD OF DIRECTORS

JANUARY 17, 2017

RE: DECEMBER 2016 WATER USE REDUCTION FIGURES

Desert Water Agency and its customers achieved a 14 percent reduction in potable water production during December 2016 compared to the same month in 2013 – the baseline year used by the State Water Resources Control Board (State Water Board) to measure statewide conservation achievements. Desert Water Agency's cumulative water savings June 2015 through December 2016 is 24% percent. DWA reports its production to the state on a monthly basis.



Staff is also tracking the water use compared to the threshold in the rate study regarding the proposed drought surcharge. The first trigger for the Board to consider action would be at use 10% below April 2015 – March 2016 levels. This trigger was not met.

DWA is asking its customers to save 10-13% compared to 2013 to help achieve long-term sustainability. The cumulative savings beginning in June of 2016 when we put our 10-13% target in place is 19%.

Below is additional information reported to the State Board for December 2016.

December 2016 water production	1,892.5 AF
December 2013 water production	3,088.6 AF
Percent changed per drought surcharge baseline	5.4%
Quantity of potable water delivered for all commercial, industrial, and institutional users for the reporting month	535.0 AF
The percentage of the Total Monthly Potable Water Production going to residential use only for the reporting month	65.4%
Population (inclusive of seasonal residents)	106,085
Estimated R-GPCD	122.57
How many public complaints of water waste or violation of conservation rules were received during the reporting month?	32
How many contacts (written/ verbal) were made with customers for actual/ alleged water waste or for a violation of conservation rules?	34
How many formal warning actions (e.g.: written notifications, warning letters, door hangers) were issued for water waste or for a violation of conservation rules?	28
How many penalties were issued for water waste or for a violation of conservation rules?	10
<p>Comments: The Agency's service area is highly seasonal making population analysis a complex task. The State Water Resources Control Board (State Board) analyzes data on a per capita basis. Historically, DWA has submitted data based on the permanent population of the service area; however that data does not accurately reflect water use in DWA's service area which has a highly seasonal population. Based on local data, the correct population is higher than previously reported. The Residential Gallons Per Capita Per Day (R-GPCD) is being submitted using the corrected population.</p> <p>DWA would like it noted that the amount of fresh water outflow to the ocean during the month of December was 1,250,719.3 acre feet.</p> <p>Additionally, since it began recycling water Desert Water Agency has reclaimed 90,394 acre feet. If our recycled water production for December was taken into consideration against our potable production, the conservation achieved would have been several percentage points higher.</p>	

**STAFF REPORT
TO
DESERT WATER AGENCY
BOARD OF DIRECTORS**

JANUARY 17, 2017

RE: LAKE PERRIS SEISMIC REMEDIATION UPDATE

The Department of Water Resources (DWR), Operations Maintenance and Engineering Committee have issued their Perris Dam Seismic remediation of embankment contract update for January 12, 2017. Overall work progress continues ahead of schedule:

- 81% of the work has been completed
- 72% of the time elapsed

Recently significant completed work:

- Left abutment road completed
- New toe drain completed

The contractor continues to work on the following:

- Processing and placement of compacting berm material
- Quarry excavation and rock processing
- Placement and compacting of filter and drain material for blanket drain

The contractor and DWR continue to review the delays related to haul road and quarry materials related to liquidated damages and the contractor's extra work claims

Winter weather has been a challenge to keep current construction schedules.

The current contract variance is \$2,501,821 with \$1,053,000 in liquidated damages.

Variance:

- \$421,200.02 Change Orders
- \$1,458,234.19 Contract Item Overages
- \$622,387.32 Adjustments

The placement and compaction of material is scheduled to be completed June 30, 2017, just one and a half months behind the contract schedule.



State Water Contractors - OME Committee Meeting January 12, 2017



Perris Dam – Seismic Remediation of Embankment – Contract Update
Specification 14-03 Contract No. C51484

Contract Summary

Notice To Begin Work: August 20, 2014
Contract Completion: November 20, 2017
Pulice Construction: \$75,538,626
Engineers Estimate: \$83,000,000
Current Update: 81% of Work Completed, 72% Time Elapsed

Completed Work

Cement Deep Soil Mixing Complete
Borrow Source Cleared and Potholed
New Toe Drain complete
Existing Toe Drain Line Replaced
Left Abutment Road Blasted/Excavated
Old Toe Drain protected from
storm water with Filter/Berm



Safety

DWR and Contractor continue to review safety hazard concerns. Contractor has successfully completed over 402 work days without a lost-time incident. 1 lost-time incident on project.

On-Going Work

Processing, placing, and compacting of Berm material; Quarry Excavation and Rock Processing; Placing and compacting filter and drain material for blanket drain.

Schedule and Construction Sequencing

Construction sequencing was modified to allow CDSM installation before construction of the toe drain. Left Abutment Road, Drain Lines, and CDSM completed (see Schedule Status below).

Construction Contract Challenges and Potential Impacts

Left Abutment Access Road

DWR and the contractor reviewing the LAAR delays and related liquidated damages. DWR and contractor are discussing best use of LAAR materials for the project.



State Water Contractors - OME Committee Meeting

January 12, 2017

Perris Dam – Seismic Remediation of Embankment – Contract Update
Specification 14-03 Contract No. C51484



Quarry Rock Processing

Contractor is processing drain and filter material in phase 2 production. The filter and drain material are required for the blanket drain. Contractor continues to claim differing site condition as the cause of material processing problems. The materials are currently meeting specifications. Rock Processing Plant maintenance is affecting production rates.

Other Challenges

Weather, Rainfall, and Storm Water. A long period of rainy weather has affected the safety of the worksite. Roads and work areas are extremely slippery when wet. Hauling suspended.

Contract Status as of 10/20/2016

<u>Spec No.</u>	<u>Award Amount</u>	<u>Liquidated Damages</u>	<u>Contract Variance To Date</u>	<u>Current Contract Amount</u>	<u>Current Contract Completion Date</u>	<u>Pay To Date</u>	<u>Percent Complete</u>
14-03	\$75,538,626	\$1,053,000	\$2,501,821 (see below)	\$78,040,447	11/20/2017	\$63,747,100	81.6%

Contractor Pay Requests

<u>Start Date</u>	<u>End Date</u>	<u>Date Signed</u>	<u>Net Payment</u>	<u>Gross Earnings</u>	<u>Net Payment (to date)</u>	<u>Gross Earnings (to date)</u>
7/21/2016	8/20/2016	9/8/2016	\$1,855,865.11	\$2,100,384.33	\$53,597,816.68	\$57,304,543.88
8/21/2016	9/20/2016	10/6/2016	\$1,836,359.79	\$2,079,852.41	\$55,434,176.47	\$59,384,396.29
9/21/2016	10/20/2016	11/4/2016	\$1,581,981.13	\$1,741,032.77	\$57,016,157.60	\$61,125,429.06
10/21/2016	11/20/2016	11/22/2016	\$1,174,249.48	\$1,236,052.08	\$58,190,407.08	\$62,361,481.14
11/21/2016	12/20/2016	12/21/2016	\$1,316,337.45	\$1,385,618.37	\$59,506,744.53	\$63,747,099.51

Schedule Status

Left Abutment Access Road Milestone – May 15, 2015
Completed – October 28, 2016

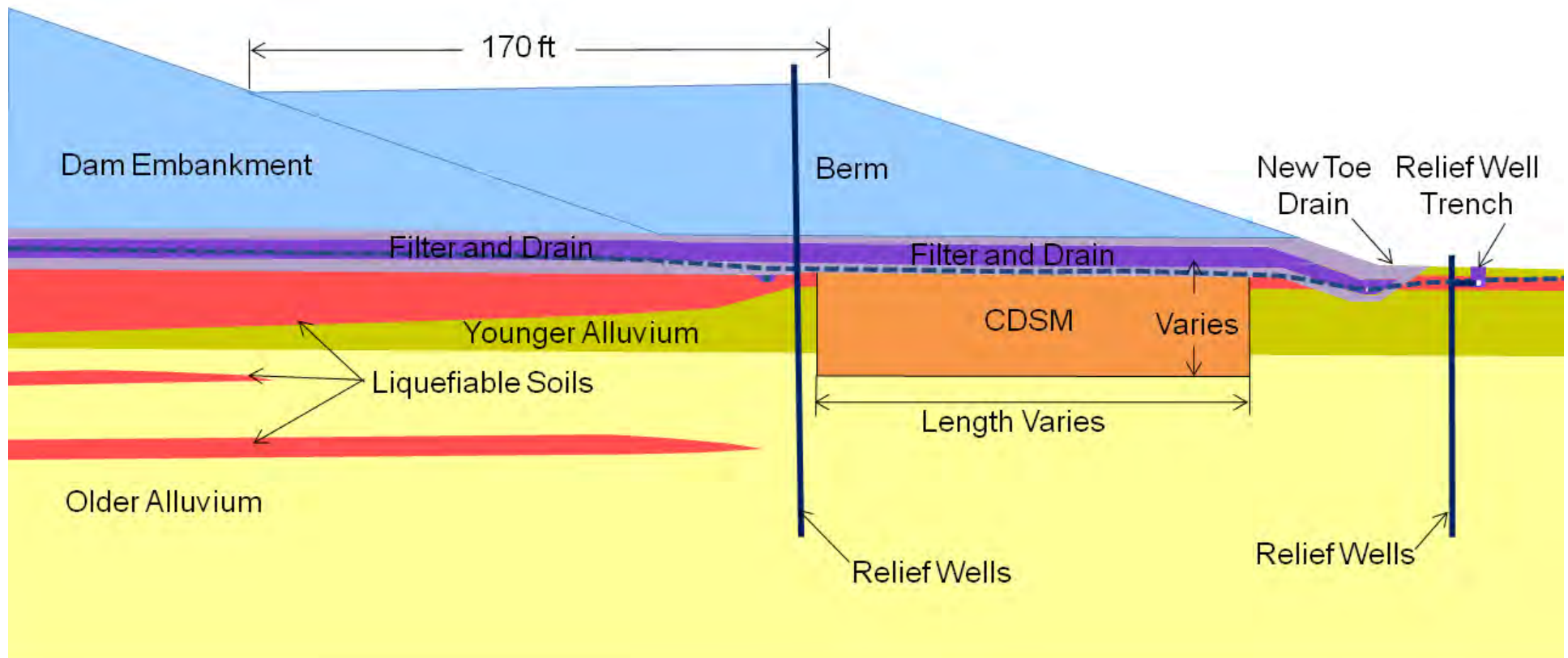
Drain Lines Installation Milestone – July 1, 2015
Completed – Sept 30, 2016

CDSM Milestone – November 15, 2016
Completed May 1, 2016

Compacted Berm Milestone – May 15, 2017
Estimated Completion Date – June 30, 2017

Contract Variance To Date	
Spec No: 14-03	
Contract Item Overages:	\$1,458,234.19
Change Orders:	\$421,200.02
Adjustments	\$622,387.32
Contract Variance To Date:	\$2,501,821.53

Foundation Treatment and Stability Berm



December 28, 2016

MEMORANDUM

TO: GENERAL MANAGER AND BOARD OF DIRECTORS
OF DESERT WATER AGENCY

FROM: BEST BEST & KRIEGER LLP

RE: DECEMBER 15, 2016, MEETING OF THE BOARD OF DIRECTORS OF THE
STATE WATER CONTRACTORS, INC.

The December 15, 2016, meeting of the Board of Directors of the State Water Contractors, Inc., took place at the Tsakopoulos Library Galleria in downtown Sacramento.

1. Board Action Items

The SWC Board authorized a consulting contract for \$25,000 with the consulting firm, Tetra Tech, to obtain analysis and consulting services by Dr. Paul Hutton. Dr. Hutton is retiring from Metropolitan Water District of Southern California at the end of 2016, and will be employed going forward by Tetra Tech. Dr. Hutton has provided ongoing analysis and policy interpretation for various water supply issues affecting the State Water Project. His work involving the natural flow within the Central Valley, trends in Delta outflow, and salinity and historical water use by Central Valley water users has been especially useful. His input on these topics has helped support the SWC in activities before the State Water Resources Control Board, in litigation, and in various other forums. The \$25,000 would come from the SWP-CVP Coordinated Project Budget under the SWC Bay Delta Fund.

The Board also authorized a \$7,500 contract for consulting services with Chris Enright of Resources Management Associates. The work is related to the development of an adaptive management program for the Montezuma Slough Salinity Control Gates Reoperation Action. SWC General Manager Terry Erlewine noted that Mr. Enright has provided valuable input and background briefings to the consultants working on the project. Terry explained that he previously hired Mr. Enright under his delegated authority for services up to \$5,000, and the new \$7,500 contract would replace and incorporate the prior \$5,000 amount.

2. Water Supply Report

John Leahigh of the Department of Water Resources reported on current water supply conditions. Precipitation during the current water year was strong for October and November, with Northern California precipitation at the highest level in 30 years for this time of year. The early wet conditions noted last month were continuing to hold strong, with another heavy two-day rain event December 15-16 expected to keep the momentum going. Northern Sierra precipitation was 180 percent of average as of December 14, and expected to remain above average as of the end of the calendar year. The Central Sierra / San Joaquin region's precipitation was 123 percent of average as of December 14, and the region has a good shot at coming in around the average for the end of the calendar year. Precipitation in the Tulare Basin was lower, at 64 percent of average for the date; however heavy mid-December rains were expected to provide a boost.

Generally, runoff conditions have not been as favorable as precipitation conditions. The Central Valley, though, saw greater runoff in November, compared to recent years. This has allowed for higher export rates and significantly increased storage in the SWP share of San Luis Reservoir. Lake Oroville finally has experienced some decent inflows and storage gains, standing at 1.6 MAF and 45 percent of capacity in mid-December. Because of the heavy rains, Folsom Lake operations moved into the flood control management range with releases of up to 30,000 CFS on the American River. Shasta Reservoir was at 66 percent of capacity; Don Pedro Reservoir, 68 percent; Trinity Lake, 47 percent; New Melones Lake, 23 percent; and San Luis Reservoir, 52 percent. Other reservoirs ranged from 23 percent of capacity (Pine Flat Reservoir) to 62 percent of capacity (Millerton Lake).

John reported that the Delta has seen good outflow totals but the conflict between water supply and listed species needs has begun to come into play as turbidity has increased and longfin and Delta smelt have begun migrating. As an operations strategy, DWR is taking a "tempered" approach to the situation by proactively making export reductions to help avoid triggering more onerous regulatory actions for fish species. He said the same strategy was used the past two years, with success, and the department hopes it will be similarly successful this year.

On a related note, on December 21, DWR announced that December's storms and rising reservoirs led to an increase in the approved allocation for 2017 from 20 percent to 45 percent. DWR Director Mark Cowin said the department hopes to be able to adjust the allocation even higher in the coming year, while cautioning that drought conditions are always a possibility. Six days after John Leahigh's report to the SWC Board, DWR reported that Lake Oroville held nearly 1.9 million acre feet, a notable uptick to 54 percent of capacity and 88 percent of historical average for the date. Shasta Lake, meanwhile, held 3.3 MAF, 73 percent of its capacity and 120 percent of its historical average. San Luis Reservoir, the critical south-of-Delta storage facility, held 1.16 MAF, which is 57 percent of capacity and 87 percent of its average for the date.

3. DWR Report on Draft Statewide Water Conservation Plan

During the meeting, Peter Brostrom of DWR's Water Use Efficiency Section gave an overview of the recently released draft statewide water conservation plan, titled "Making Water Conservation a California Way of Life." The plan implements Governor Jerry Brown's Executive Order B-37-16 related to the drought emergency and planning for future water shortages. Five state agencies, including DWR and the State Water Board, are preparing the plan, which is scheduled to go to the Governor by January 20. The Governor's Office is expected to complete the plan in late February. It will be implemented through future legislation and agency rulemaking. The handout from the presentation is included with this memo.

One of the more significant elements of the plan is a move away from the "20 percent by 2020" water use reduction approach contained in the 2009 SB-X7-7 legislation to a "water target" system where the state would adopt new standards for urban water use, as well as a new urban water use target methodology. In turn, urban water suppliers would be required to calculate their unique water use targets based on the new standards and on local conditions (population, climate, landscape area, etc.). Volumetric targets would be used for three categories of use: indoor residential, outdoor irrigation and water system leaks. Because of the great diversity of the commercial, industrial and institutional (CII) sector, the state is proposing new "performance standards" instead of specific volumetric targets. The proposed timeline calls for mandatory reporting starting in 2019 for water use in the 2018 water year, with targets due to be met in 2025.

During the presentation, several questions arose. Regarding water budgeting, Peter explained that this would be calculated based on the total service area of an agency, and not at the individual residential level. Regarding compliance and potential state enforcement, he explained that agencies that do not meet their targets could face enforcement action by the State Water Board in the form of fines or other actions.

Peter briefly explained several other elements of the draft plan, including new water waste prohibitions that will be adopted by the State Water Board, water loss validation requirements, and water shortage contingency planning. He added that several stakeholder groups have been formed or will be developed to address industry-related concerns (for example, within the landscape industry) and other complexities and concerns.

In related action, the Board approved supporting the comment letter on the draft water conservation plan being prepared by the Association of California Water Agencies.

4. General Manager's Report and Legislative Report

During his brief report, Terry Erlewine noted that monitoring efforts in Suisun Marsh are proceeding well with the help of several consultants. Additionally, he reported that proposed updates and revisions to the SWC bylaws will roll out in January. A number of the bylaw changes are simply administrative in nature for streamlining purposes, and many will require the written vote of members. Finally, Terry explained that DWR has acquired a new monitoring boat, the "Sentinel." It replaces DWR's first environmental research vessel, the "San Carlos," which operated from 1976 through 2016.

On the legislative front, Terry gave a brief election summary. He noted that Democrats have secured a majority in both the state Assembly (55 of 80 seats) and the Senate (27 of 40 seats). A two-thirds "super majority" in the Legislature gives Democrats the ability to pass taxes and take other actions without Republican support, though it would require all Democrats to be in agreement, assuming Republicans are opposed. It is early in the legislative season. Thus far, two bills have been introduced involving potential general obligation bond measures with water purposes. They include SB 5 by Senate President Pro Tem Kevin De Leon, which would place a \$3 billion general obligation bond before voters in June 2018 for parks and water purposes, and AB 18 by Assemblyman Eduardo Garcia, which is a similar though not

identical \$3.05 billion general obligation bond measure. SWC is watching with concern a possible legislative proposal by the California Department of Fish and Wildlife, which may sponsor new legislation in 2017 in collaboration with the Yuba Salmon Partnership Initiative. It would modify the California Endangered Species Act to designate fish populations transported above rim dams as experimental populations, as is allowed by the federal Endangered Species Act, section 10(j).

5. Report on Business Processes Objectives

Theresa Lightle, senior financial management analyst with SWC, gave a presentation entitled “FY 2016-17 Business Processes Objectives.” This is an initiative designed to enhance the financial management of the SWP to preserve the long-term delivery of affordable water. Theresa explained that the goal is to help the SWC Board to be more actively engaged in DWR’s management of the SWP. The power point presentation is included with this memo.

The information presented was based on data that DWR provided in tables, which Theresa then worked with to create more helpful and understandable bar charts and visual representations. The data presented at the meeting showed that in several accounting areas, such as operational costs and capital activities, DWR’s budgets have resulted in over-collections from the SWC. However, Theresa explained that the extra cash on hand provides liquidity and flexibility for DWR to handle the wide swings in SWP costs and daily operations, as well as unfunded work and costs that are anticipated. During the discussion, it was noted that over-budgeting is a common, conservative financial management approach, and that the issue is how large the cushion should be.

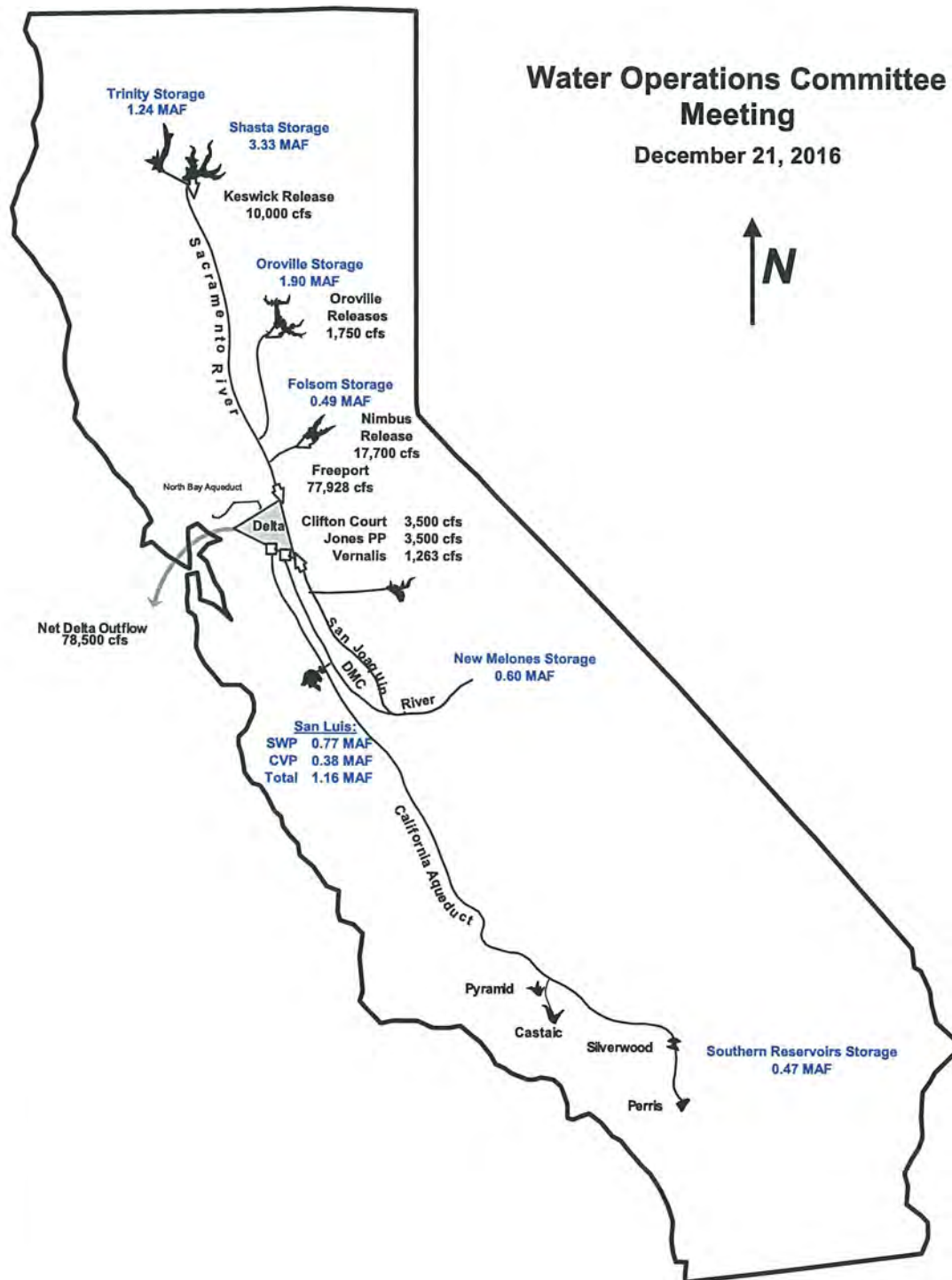
In the future, Theresa will continue working with DWR to improve the flow of financial information, including multi-year data for historical context, and will continue reporting to the SWC Board in this reader-friendly fashion. The presentation concluded by explaining the priorities going forward with the Business Process Objectives effort. The top four priorities include: (1) coordination between DWR and the SWC on “financial enhancements” being negotiated under contract amendments, (2) coordinating the development of SWC SWP

reporting requirements, (3) cash flow and financing oversight, and (4) oversight and coordination of SWP allocation and classification of expenditures.

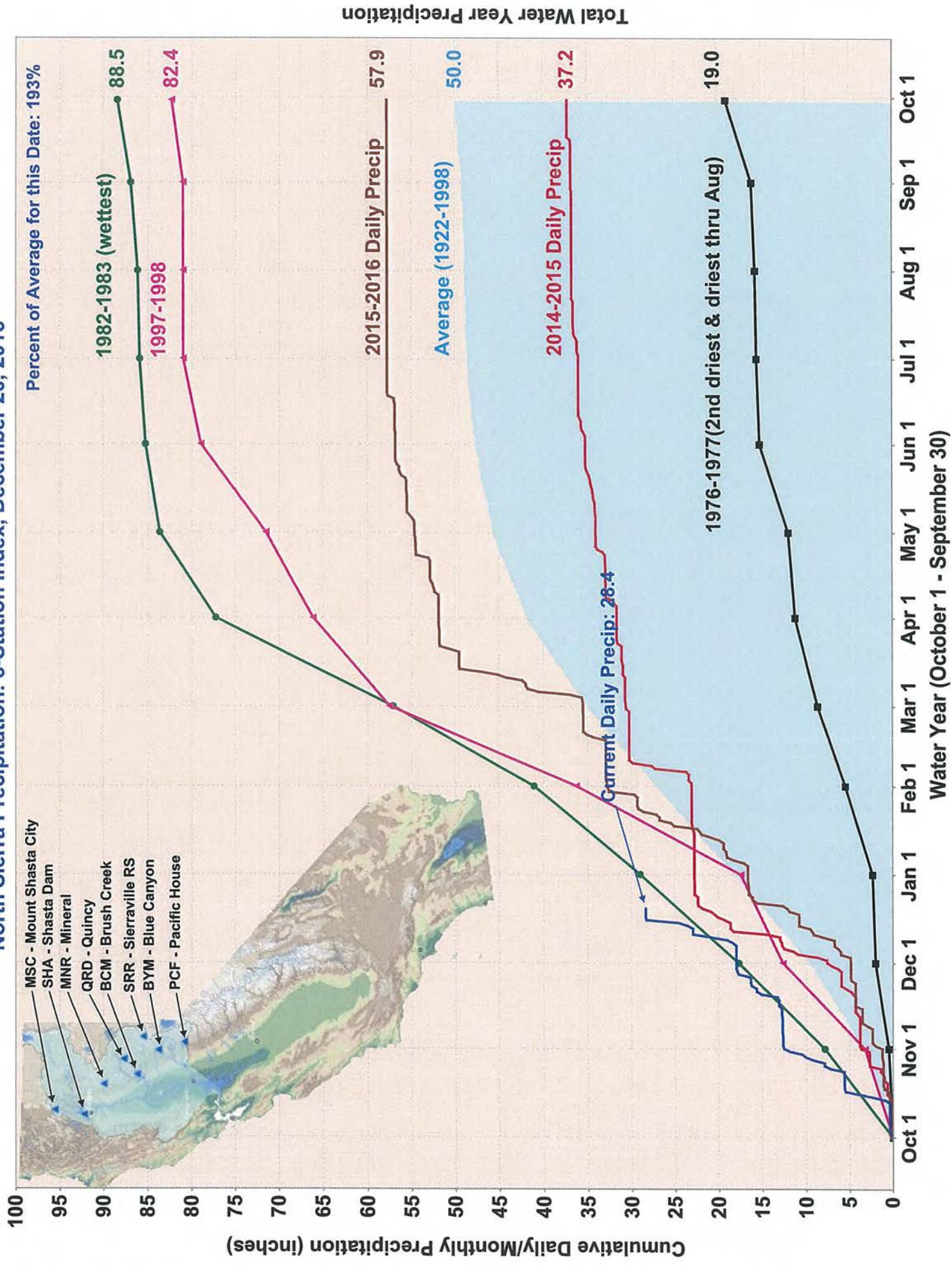
DEB KOLLARS

Water Operations Committee Meeting

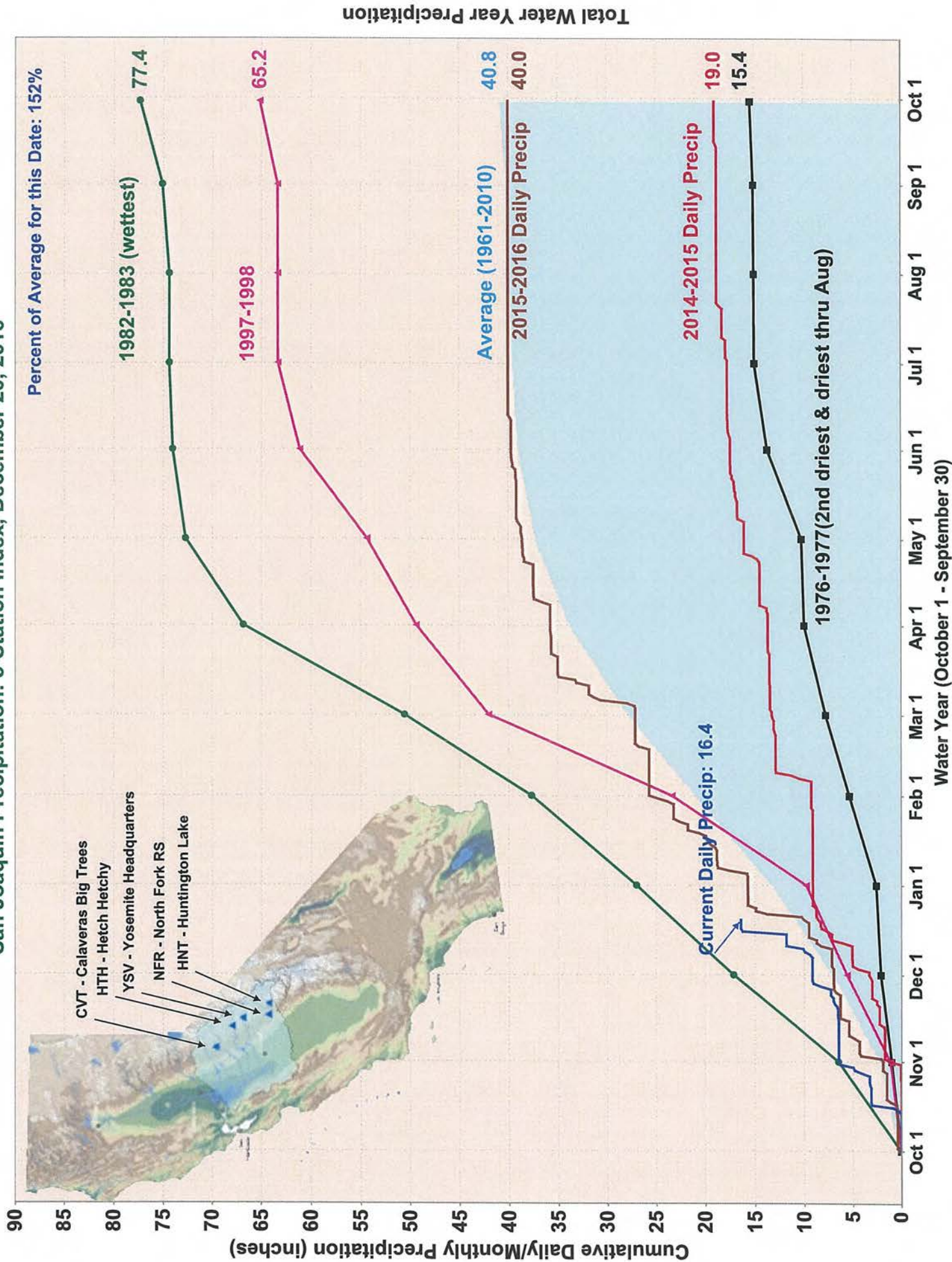
December 21, 2016



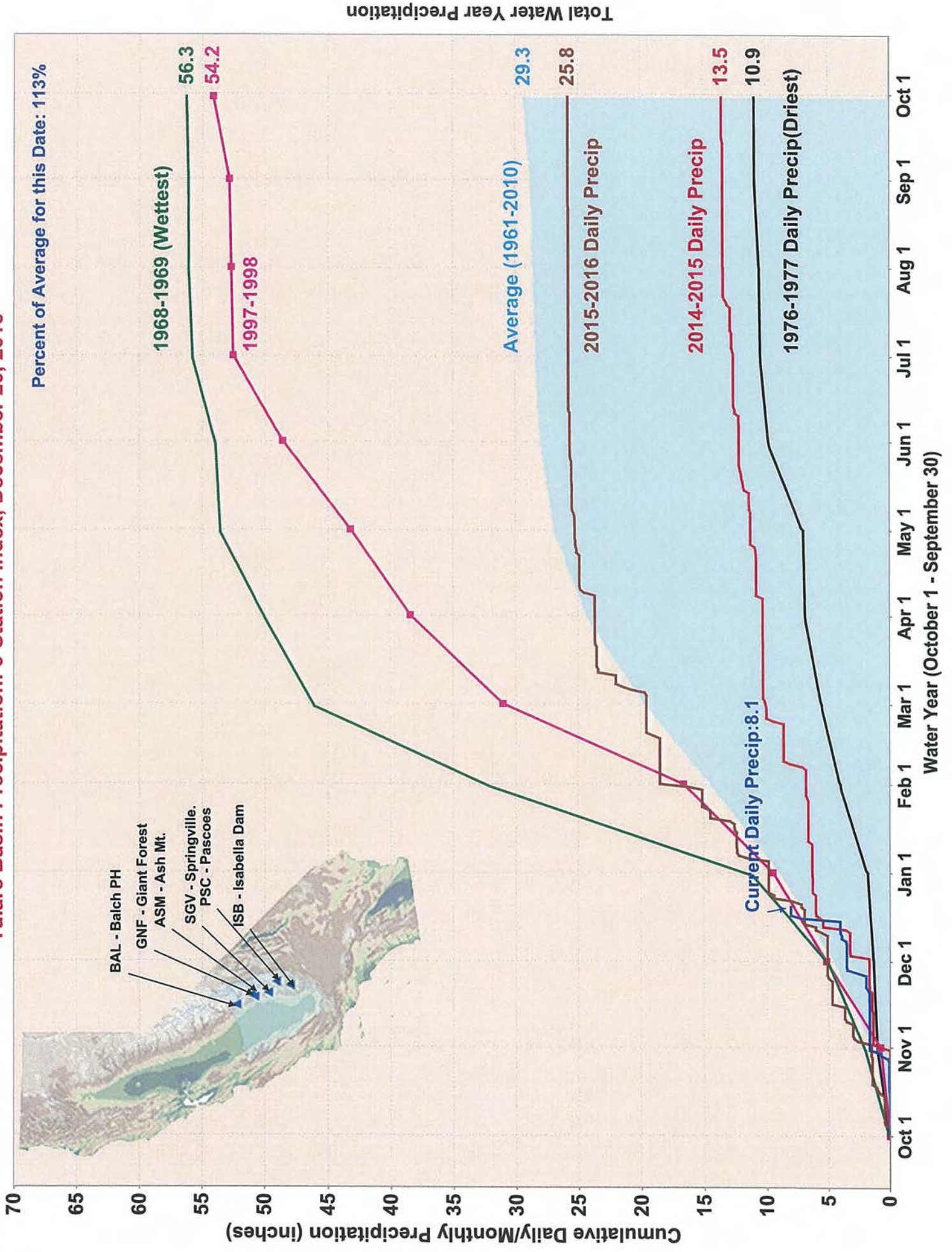
North Sierra Precipitation: 8-Station Index, December 20, 2016



San Joaquin Precipitation: 5-Station Index, December 20, 2016



Tulare Basin Precipitation: 6-Station Index, December 20, 2016

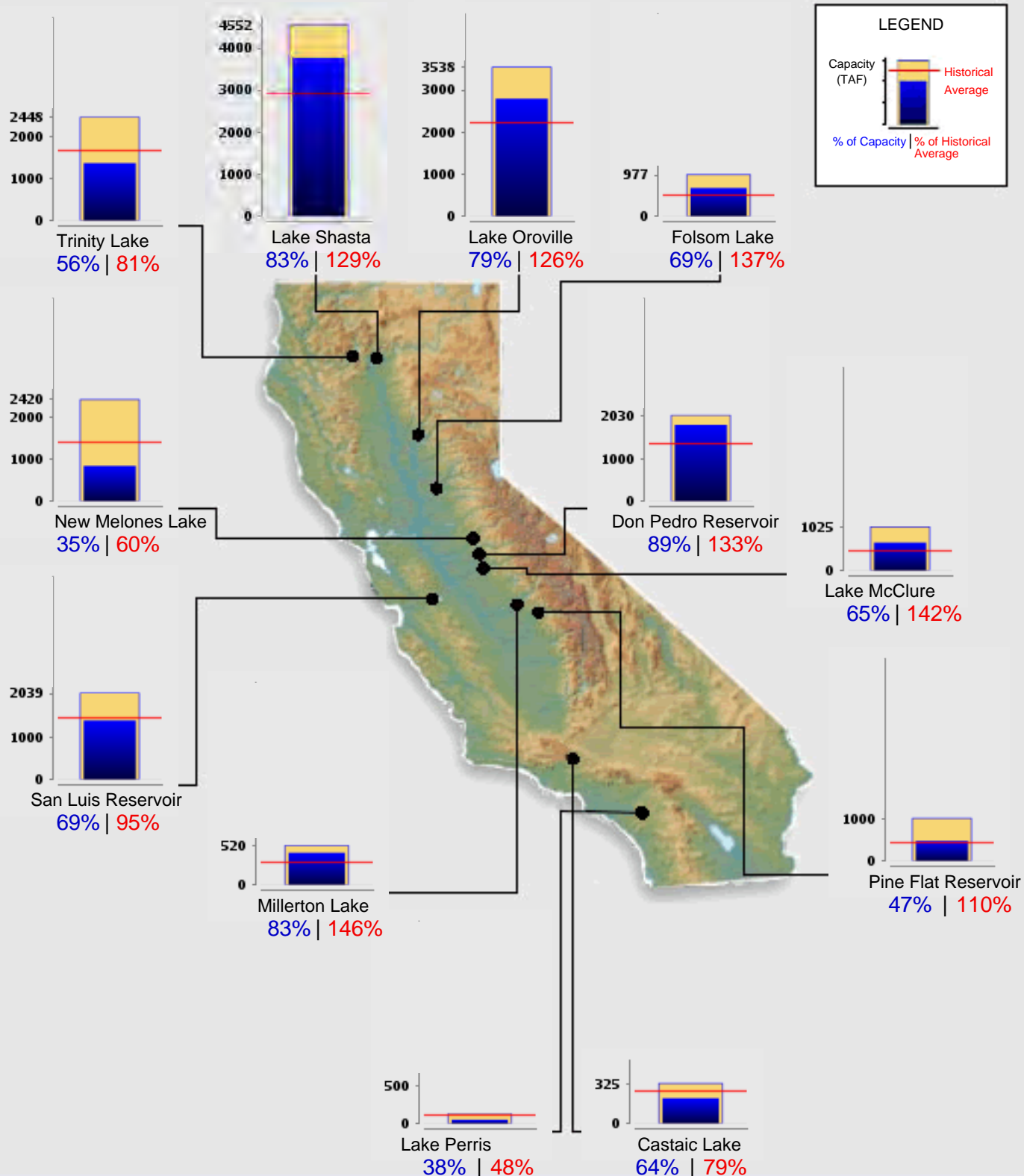




Reservoir Conditions

Ending At Midnight - January 12, 2017

CURRENT RESERVOIR CONDITIONS



Executive Summary



Water resource management in California faces unprecedented challenges from climate change and a growing population. In the years ahead, the task of managing water to maintain vibrant ecosystems while supporting a robust economy will require the collective and concerted efforts of state and local governments, non-governmental organizations, businesses, and the public. Increased conservation and water use efficiency are needed to ensure the resilience of our water supplies to increasingly severe droughts and other impacts of climate change.

California is currently in the grips of an extreme drought with record low precipitation. This five-year drought has caused severe impacts across the State, including community water sources running dry, the loss of agricultural production and jobs, depletion of groundwater basins, widespread tree death, and impacts to fish and wildlife. While most urban areas have been spared from water rationing, emergency conservation has provided a critical safeguard against more dire consequences under extended drought conditions. After Governor Edmund G. Brown, Jr. called for a 25 percent reduction in urban water use in 2015, Californians rose to the challenge and saved over 24 percent during the nine months the mandate was in place.

Executive Order B-37-16, signed by Governor Brown on May 9, 2016, builds on that success to establish long-term water conservation measures and improved planning for more frequent and severe droughts. The centerpiece of the Executive Order is a requirement for the State's 410 urban water suppliers to meet new water use targets. Rather than measuring water savings as a percentage reduction from a chosen baseline, the new standards will take into account the unique climatic, demographic and land-use characteristics of each urban water agency's service area. This approach represents a fundamental shift to a conservation framework that is more durable and that can be applied equitably and uniformly across the enormous variation in local conditions in California. The new targets will ensure all urban water is used efficiently and will facilitate conservation measures such as conversion to California-friendly landscapes, replacement of inefficient fixtures and appliances, and reductions in system leakage.

Other aspects of the proposed conservation framework will:

- Provide greater consistency among water suppliers statewide in the elements of Urban Water Management Plans, Water Shortage Contingency Plans, and Agricultural Water Management Plans; and continue work with counties to improve drought planning in small communities and rural areas;
- Enable water suppliers to customize their water management strategies and plan implementation to regional and local conditions;
- Empower water suppliers to take a place-based response to water shortages caused by drought or other water emergencies, while planning for longer drought cycles; and
- Incentivize and set standards for the use of new technologies and practices to reduce leaks.

This next generation of water efficiency and conservation will fulfill the first directive of the California Water Action Plan, to “Make Conservation a California Way of Life.” Improved water efficiency will also support the State’s ambitious climate change goals by reducing energy use and greenhouse gas emissions associated with water use and by building resilience to future droughts.

Five state agencies – the Department of Water Resources, the State Water Resources Control Board, the California Public Utilities Commission, the California Department of Food and Agriculture, and the California Energy Commission (collectively referred to as the “EO Agencies”) – are charged with implementing the Executive Order’s four inter-related objectives: using water more wisely, eliminating water waste, strengthening local drought resilience, and improving agricultural water use efficiency and drought planning. Collectively, the EO Agencies will be undertaking a suite of actions that can be implemented using existing authorities, ranging from rulemaking proceedings to expanded technical assistance, to evaluation and certification of new technologies to implement the four objectives. Where necessary, the EO Agencies also recommend additional actions, authorities, and resources necessary to meet EO requirements that cannot be implemented within existing authorities.

The EO Agencies employed a robust stakeholder engagement process, which commenced with a series of public listening sessions in June 2016. The EO Agencies also convened two stakeholder advisory groups – an Urban Advisory Group and an Agricultural Advisory Group – comprised of specific stakeholder types identified in the Executive Order, as well as additional interests such as disadvantaged communities / environmental justice advocates, academia, industry, professional associations, environmental advocacy groups, and others. These meetings were open to the public and used to solicit input for EO Agency consideration. The EO Agencies will continue to solicit stakeholder and public input, make use of technical experts, and provide assistance to successfully implement this long-term framework for water conservation.

Under the proposed framework, the EO Agencies and water suppliers would meet the Executive Order’s objectives through the following actions.

Executive Order B-37-16 contains four inter-related objectives:



Using Water More Wisely



Eliminating Water Waste



Strengthening Local Drought Resilience



Improving Agricultural Water Use Efficiency and Drought Planning



Using Water More Wisely

Emergency Conservation Regulations (Executive Order Item 1): The State Water Resources Control Board (Water Board) will extend its current emergency water conservation regulation, which is in effect through February 2017, for an additional 270 days based on supply conditions and water conservation levels. The Water Board will hold a public workshop and propose extended emergency regulations in January 2017, if necessary.

New Water Use Targets (Executive Order Items 2 and 6): Upon statutory authorization, the EO Agencies will adopt new water use standards for all urban water use and a new urban water use target methodology. Urban water suppliers would, in turn, be required to calculate their unique water use targets based on those standards and local conditions. The EO agencies will establish

interim targets that are applicable starting in 2018, and require full compliance with final targets by 2025. This report proposes a timeline for the EO Agencies to establish final water use standards. The report also documents the process to develop standards; reporting and compliance requirements; and assistance to be provided by the EO Agencies. Additional legal authority would be required for successful implementation.

Permanent Monthly Reporting (Executive Order Item 3): The Water Board will open a rulemaking process to establish permanent monthly urban water reporting on water usage, amount of conservation achieved, and any enforcement efforts. The rulemaking will start at the end of 2016 and run through 2017, concurrently with EO Item 4, below.



Eliminating Water Waste

Water Use Prohibitions (Executive Order Item 4): The Water Board will open a rulemaking process to establish permanent prohibitions on wasteful water practices, building on the current prohibited uses in the emergency regulation. The rulemaking will start at the end of 2016 and run through 2017, concurrently with EO Item 3.

Minimizing Water Loss (Executive Order Items 5 and 6): The EO Agencies will meet the requirements of EO Items 5 and 6 through implementation of Senate Bill 555, along with additional actions to satisfy the Executive Order's directives related to reducing water supplier leaks. Implementation actions include the following:

- **Rules for validated water loss audit reports:** By October 1, 2017 and annually thereafter, urban retail water suppliers must submit validated water loss audit reports to the Department of Water Resources (DWR). DWR will adopt rules for standardizing water loss audits in early 2017. DWR will also revise funding guidelines so that water suppliers that do not submit reports will be ineligible for DWR grants and loans.
- **Water loss performance standards:** By July 1, 2020, the Water Board will adopt rules requiring urban retail water suppliers to meet performance standards for the volume of water losses.
- **Technical assistance for water loss audits:** The Water Board is also funding the California Water Loss Control Collaborative's Technical Assistance Program to ensure high quality and properly validated water loss audits. For smaller water suppliers addressing water losses, the Water Board will offer financial assistance through the Drinking Water State Revolving Fund beginning in 2017.
- **Minimizing leaks:** The California Public Utilities Commission (CPUC) will order large, investor-owned water utilities to accelerate work to minimize leaks. The CPUC may grant financial incentives for minimizing leaks during the review of each utility's upcoming General Rate Case applications.

Innovative Water Loss & Control Technologies (Executive Order Item 7): The California Energy Commission (CEC) is evaluating various options for certification of water loss detection and control technologies at utility, household, and appliance levels. The CEC is also making investments in research and funding programs for water saving devices and technologies.



Strengthening Local Drought Resilience

Water Shortage Contingency Plans (Executive Order Items 8, 9, and 6): Upon statutory authorization, urban water suppliers will be required to submit a Water Shortage Contingency Plan and conduct a 5-year Drought Risk Assessment every five years, and conduct and submit a water budget forecast annually. The EO Agencies will establish appropriate compliance and reporting criteria, and provide assistance to urban suppliers for meeting the requirements. Additional authorities would be required for successful implementation.

Drought Contingency Planning for Small Water Suppliers and Rural Communities (Executive Order Item 10): The EO Agencies' recommendations focus on improving drought vulnerability assessment and proactive actions, and supplier readiness and responsiveness during drought conditions. Currently, the recommendations focus on pathways for the EO Agencies to continue to work with counties to develop more specific, functional recommendations, which would be expected to continue into 2017. Additional authorities and funding may be required for successful implementation.



Improving Agricultural Water Use Efficiency and Drought Planning





Strengthened Agricultural Water Management Plan Requirements (Executive Order Items 11, 12, 13, and 6): Upon statutory authorization, agricultural water suppliers will be required to: (1) develop an annual water budget for the agricultural water service area, (2) identify agricultural water management objectives and implementation plans, (3) quantify measures to increase water use efficiency, and (4) develop an adequate drought plan for periods of limited supply. The proposal would expand existing requirements to require agricultural water suppliers providing water to over 10,000 irrigated acres of land to prepare, adopt, and submit plans by April 1, 2021, and every five years thereafter. Agricultural water suppliers would also be required to submit an annual report to DWR by April 1 of each year that documents water budget inflow and outflow components in the water budget for the preceding water year. Expanded authorities would be required for successful implementation.



Table ES-1 summarizes the organization of the conservation framework presented in this report and the corresponding Executive Order items. For each component, the report describes the need for change, the vision for accomplishing the change, and specific actions required to realize the vision. Given the need for additional authorities, the Legislature has a critical role in successful implementation of the Executive Order.

Setting and meeting the conservation and efficiency goals described in this report represents a major step forward towards long-term water security. The framework supports the development of increased resiliency, more efficient water use, stronger water management portfolios and more robust financial systems. With the support of our businesses and residents, water agencies, environmental organizations, schools and universities, elected officials and others, we can keep California healthy, beautiful, and vibrant for decades to come.

Table ES-1. Actions and Recommendations Summarized in this Report

Chapter Section and Title where Item is Addressed	Executive Order Items													Within Existing Authorities (Chapter 2)	Requires New Authority (Chapter 3)
	 Use Water More Wisely			 Eliminate Water Waste			 Strengthen Local Drought Resilience			 Improve Agricultural Water Use Efficiency & Drought Planning					
	1	2	3	4	5	6	7	8	9	10	11	12	13		
2.1 Emergency Water Conservation Regulations for 2017	●													✓	
2.2 Permanent Prohibition of Wasteful Practices			●	●										✓	
2.3 Reduced Water Supplier Leaks and Water Losses					●	●								✓	
2.4 Certification of Innovative Technologies for Water Conservation and Energy Efficiency							●							✓	
3.1 New Water Use Targets Based on Strengthened Standards		●				●									✓
3.2 Water Shortage Contingency Plans						●		●	●						✓
3.3 Drought Planning for Small Systems & Rural Communities										●					✓
3.4 Agricultural Water Management Plans						●					●	●	●		✓

Note: The Executive Order directs DWR, Water Board, and CPUC to develop methods to ensure compliance with the provisions of the order, including technical and financial assistance, agency oversight, and, if necessary, enforcement action by the Water Board to address non-compliant water suppliers. These are described in Chapters 2 and 3.

FY2016-17 Business Processes Objectives

State Water Contractors
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*Enhance the financial management of the
State Water Project to preserve the
long-term delivery of affordable water*

Business Process Objectives

Retitled Business Process Objectives to align with functions of a Chief Financial Manager

New Categories for Objectives

Budgets
Financial Projections
Financial Resources, Revenue Requirements, and Investments
SWRDS Capital Development and Investment in Capital Infrastructure
Business Process Control Activities and Environment
Cash-Flow

Original Categories for Objectives

Financial Enhancements
Reporting
Cash and Financing Oversight
Job Costing Oversight
Future Projects & Financing Oversight
Cost Recovery/SOC Oversight
Financial Audit and Dispute Oversight
Appropriations and Other Funding

Business Process Objectives

OBJECTIVES:		
Functions of Financial Management	1. Budgets	Monitor and promote DWR's development and management of a SWP budget to minimize annual variances and optimize reasonable revenue requirements
	2. Financial Projections	Monitor and promote DWR's analysis, development and management of SWP's cost trends to maximize operational readiness at an optimal cost level ensuring long-term affordability
	3. Financial Resources, Revenue Requirements, and Investments	Monitor and assess DWR's State Water Project financial performance with regard to operational goals, budgets, financial targets, and forecasts to maximize use of available revenues and optimize determination of revenue requirement
	4. SWRDS Capital Development and Investment in Capital Infrastructure	Monitor and assess DWR's State Water Project capital infrastructure goals, budgets, financial targets, and forecasts to maximize debt financing and investment ensuring stable and level capital revenue requirements
	5. Business Process Control Activities and Environment	Monitor and promote DWR's internal control directives, activities and environment to minimize financial risk, ensure financial integrity and maintain reporting reliability
	6. Cash-flow	Monitor and promote DWR's development and management of a SWP cash-flow statement(s) and business process to ensure short-term and long-term SWP cash availability regardless of project purpose

State Water Contractors
Business Processes

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Business Process Initiatives

Objectives		Initiatives	Recurring/ Project
1.	Budgets	1.1 Review Budget Projections Submitted by Divisions	R
		1.2 Review Budget vs. Actual Comparison Reports	R
2.	Financial Projections	2.1 Work Plan Scoping Budget/Forecasting Process	P
		2.2 Forecasting O&M and Variable Projections	P
3.	Financial Resources, Revenue Requirements, and Investments	3.1 Annual Statement of Charges Preparation	R
		3.2 Review Annual Calculation of 51(e) Revenue	R
		3.3 Review Uses and Investment of 51(e) Revenues	R
		3.4 Review the 51(e) 5-Year Review Report	P
		3.5 Research Contract & Recommend Reimbursement Process	P
		3.6 Updating and Standardizing Alpha Allocations	P
4.	SWRDS Capital Development and Investment in Capital Infrastructure	4.1 Capital Financing/Funding Plan for SWRDS Facilities	R
		4.2 Review Capital Facilities Account	R
		4.3 Review Water System Revenue Bond Issuances	R
		4.4 Develop SRA and SSA Account Review Processes	P

State Water Contractors
Business Processes

December 15, 2016

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Business Process Initiatives

Objectives		Initiatives	Recurring/ Project
5.	Business Process Control Activities and Environment	5.1 Audit Findings	R
		5.2 Audit Matrix	P
		5.3 Cost-Debt Service Reconciliation Project	P
		5.4 Reporting	P
		5.5 Scoping Recommendation for CFM Work Plan	P
		5.6 Review Freeze-Go Billing Implementation and Processes	P
		5.7 Identify and Prioritize Projects affected by completion of Cost-Debt Service Reconciliation Project	P
		5.8 Develop processes and reports to transition Divisional Budgets to SOC Estimates	P
6.	Cash-flow	6.1 Review Quarterly Cash-flow Report	R

Budgets

Monitor and promote DWR's development and management of a SWP budget to minimize annual variances and optimize reasonable revenue requirements

Recurring Initiatives:

- 1.1 Review Budget Projections Submitted by Divisions
- 1.2 Review Budget vs. Actual Comparison Reports

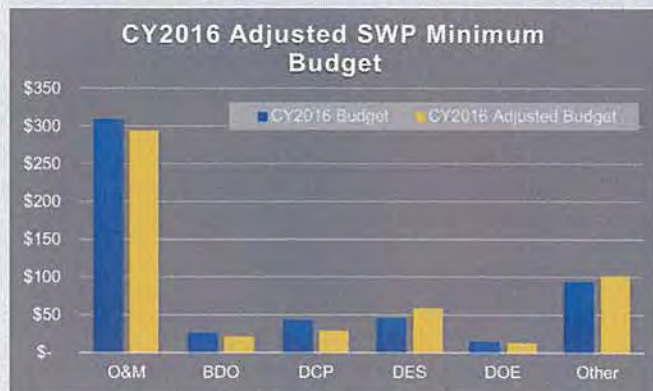
Projects:

CY2016 – SWP Minimum Activities

Adjusted CY2016 Budget in 2017 Statement of Charges

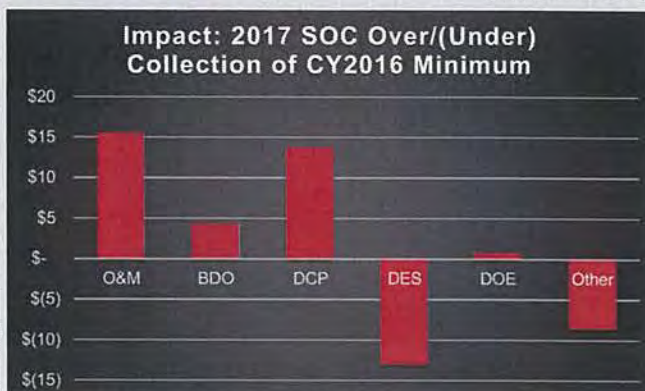
- **CY2016 budget reduced by \$13M, from \$533M to \$521M**
- **2017 Impact: Over Collection of \$13 million**

(\$ in Millions)



State Water Contractors
Business Processes

December 15, 2016



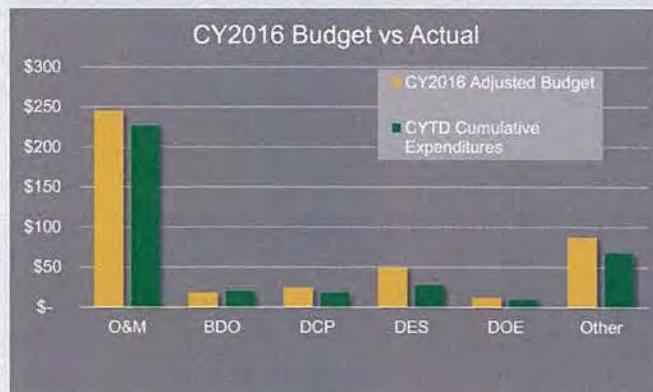
7

CY2016 – SWP Minimum Activities

Adjusted CY2016 Budget to Actual Costs as of October 31, 2016

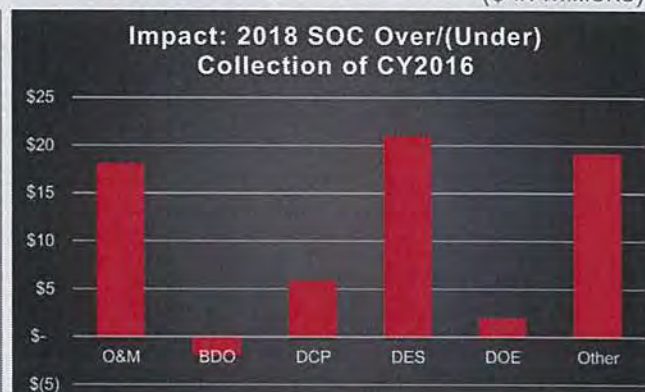
- **CY2016 actuals are \$64 million under budget**
- **2018 Impact: Over Collection of \$64 million**

(\$ in Millions)



State Water Contractors
Business Processes

December 15, 2016



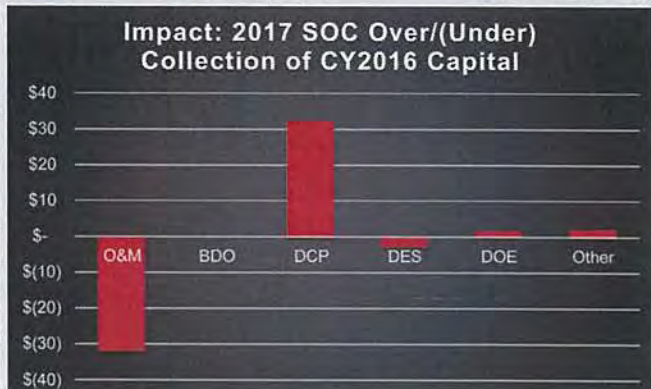
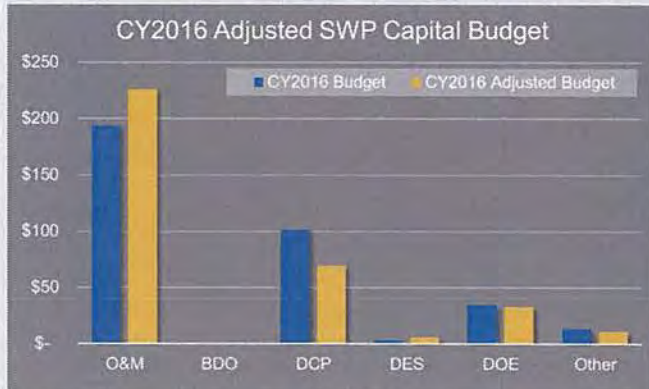
8

CY2016 – SWP Capital Activities

Adjusted CY2016 Budget in 2017 Statement of Charges

- **CY2016 budget reduced by \$2M, from \$348M to \$346M**
- **2017 Impact: Over Collection of \$2 million**

(\$ in Millions)



State Water Contractors
Business Processes

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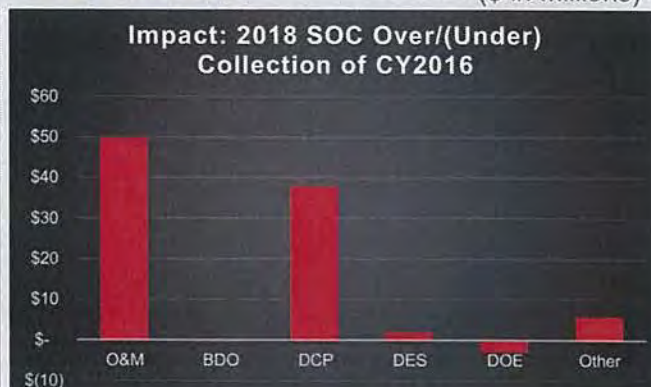
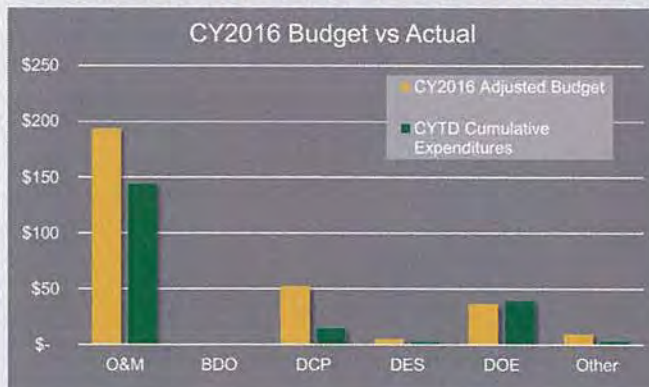
9

CY2016 – SWP Capital Activities

Adjusted CY2016 Budget to Actual Costs as of October 31, 2016

- **CY2016 actuals are \$92 million under budget**
- **2018 Impact: Over Collection of \$92 million**

(\$ in Millions)



State Water Contractors
Business Processes

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Financial Resources, Revenue Requirements, and Investments

Monitor and

assess DWR's State Water Project financial performance with regard to operational goals, budgets, financial targets, and forecasts to maximize use of available revenues and optimize determination of revenue requirement

Recurring Initiatives:

- 3.1 Annual Statement of Charges Preparation
- 3.2 Review Annual Calculation of 51(e) Revenue
- 3.3 Review Uses and Investment of 51(e) Revenues

Projects:

- 3.4 Review the 51(e) 5-Year Review Report
- 3.5 Research Contract & Recommend Reimbursement Process
- 3.6 Updating and Standardizing Alpha Allocations

Monitoring Activities:

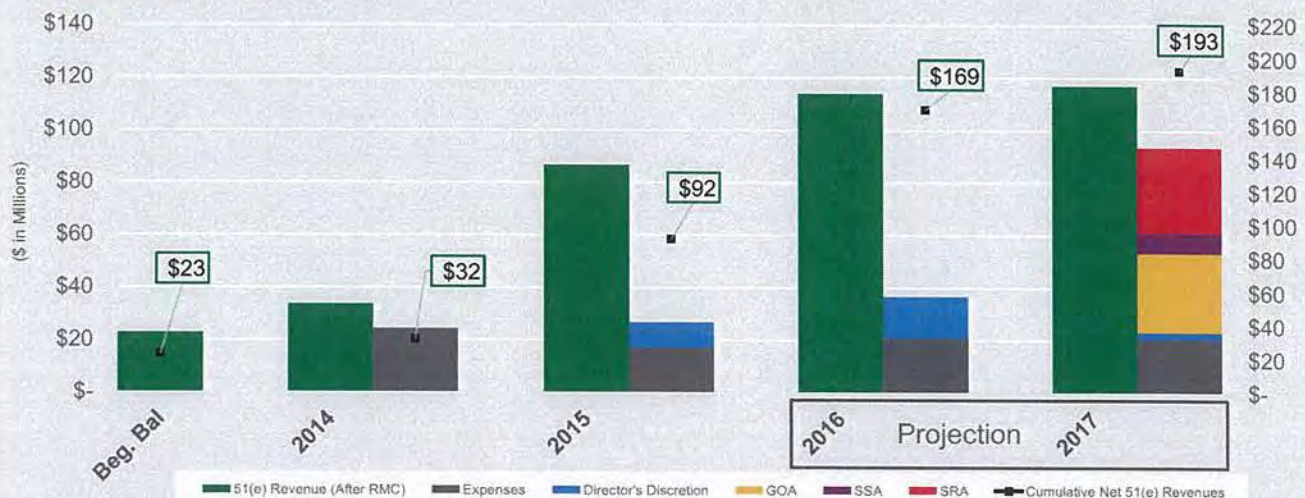
- 0.1 Davis-Dolwig Refund Allocation

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Annual 51(e) Revenues

CYE2017 Projected Unencumbered 51(e) Revenue Balance is \$193M as of Dec. 7, 2016



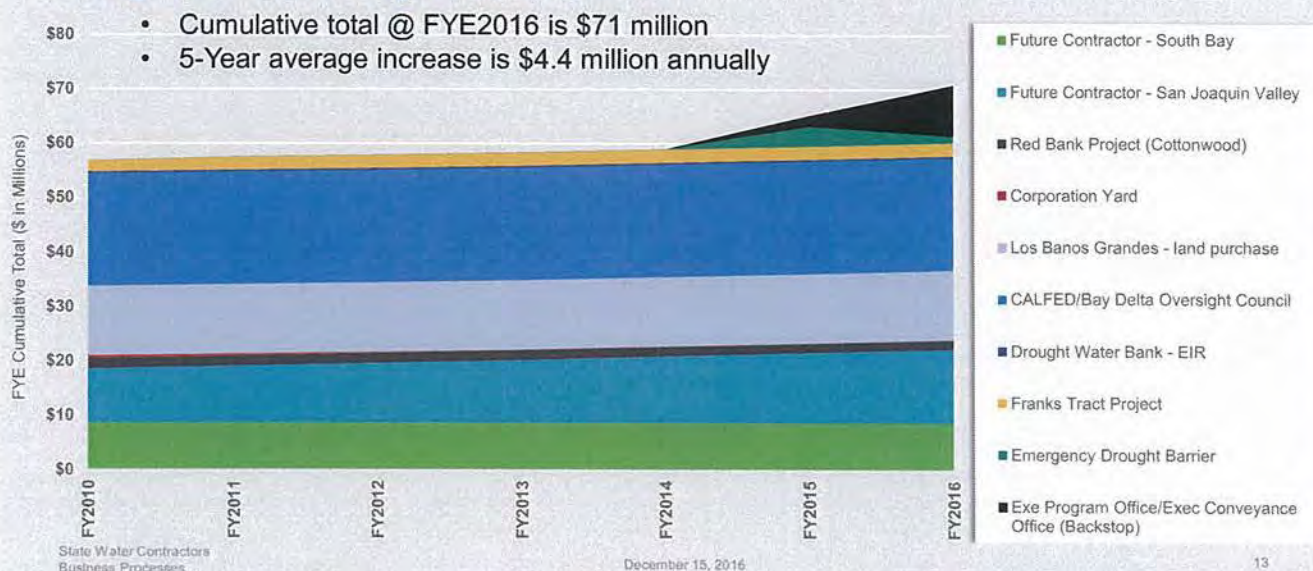
State Water Contractors
Business Processes

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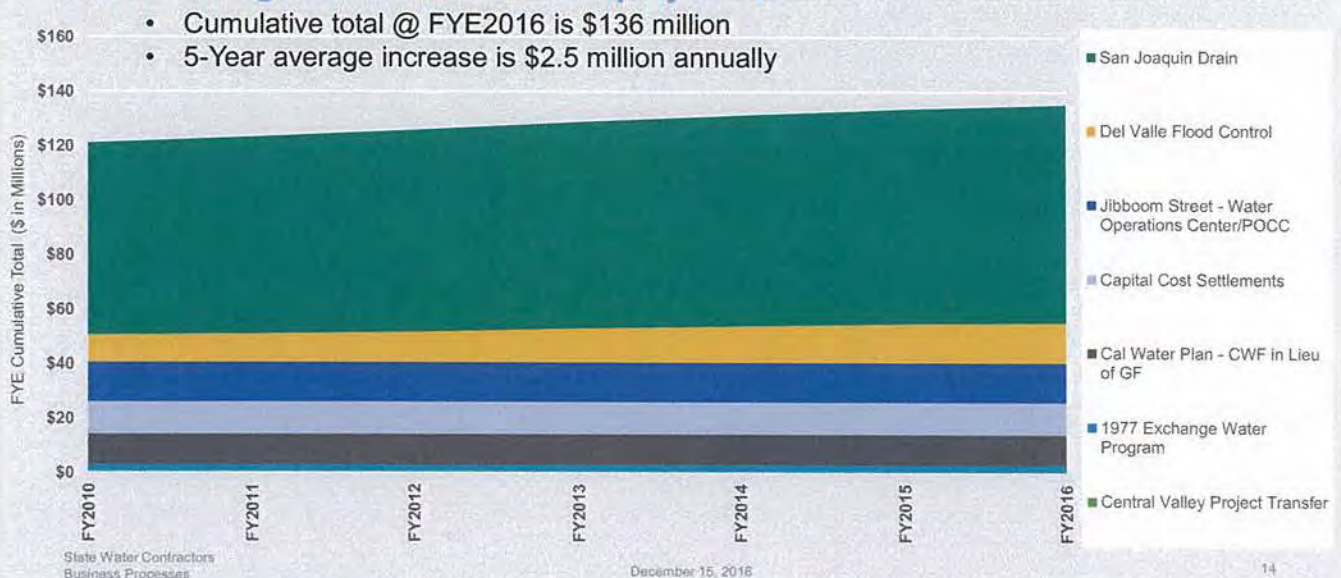
Suspended Costs Reliant on 51(e) Revenues

Charged to future Project beneficiaries



Suspended Costs Reliant on 51(e) Revenues

Written-off against the SWRDS's equity in 2035



Davis-Dolwig Refund Allocation

(\$ in Millions)

- **Allocation Option 1** - Dollars allocated to impacted contractors with balance of annual appropriation allocated per RMC
- **Allocation Option 2** – Dollars allocated to impacted contractors up to the amount of the impact but not to exceed \$2.5 million

YEAR	OPTION 1	OPTION 2	
	REFUND	REFUND	BALANCE OF APPROPRIATION HELD FOR FUTURE PP IMPACTS
2012	2.5	0	2.5
2013	2.5	1.7	.8
2014	2.5	1.2	1.3
2015	2.5	1.3	1.2
2016	2.5	1.2	1.3
TOTAL	12.5	5.4	7.1
REFUNDS-TO-DATE	(5.0)	(5.0)	
Balance of Refunds	\$ 7.5	\$.4	

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Business Processes

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SWRDS Capital Development and Investment in Capital Infrastructure

Monitor and

assess DWR's State Water Project capital infrastructure goals, budgets, financial targets, and forecasts to maximize debt financing and investment ensuring stable and level capital revenue requirements

State Water Contractors
Business Processes

Recurring Initiatives:

- 4.1 Capital Financing/Funding Plan for SWRDS Facilities
- 4.2 Review Capital Facilities Account
- 4.3 Review Water System Revenue Bond Issuances

Projects:

- 4.4 Develop SRA and SSA Account Review Processes

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Water Supply Revenue Bonds Issued

Revenue Bond Series AW totaling \$523 million closed October 2016

Interest Rate of 2.7%



* Prefunded bonds will be held in a separate fund earning SMIF interest

* Prefunded bonds will be allocated based on assumed use of funds. DWR would have to true-up with actual use

State Water Contractors
Business Processes

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Business Process Control Activities and Environment

Monitor and

promote DWR's internal control directives, activities and environment to minimize financial risk, ensure financial integrity and maintain reporting reliability

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Business Processes

Recurring Initiatives:

5.1 Audit Findings

Projects:

5.2 Audit Matrix

5.3 Cost-Debt Service Reconciliation Project

5.4 Reporting

5.5 Scoping Recommendation for CFM Work Plan

5.6 Review Freeze-Go Billing Implementation and Processes

5.7 Identify and Prioritize Projects affected by completion of Cost-Debt Service Reconciliation Project

5.8 Develop Processes and Reports to Transition Divisional Budgets to SOC Estimates

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Audit Findings

- Tolling Agreement, 6th Amendment (Expires December 2017)
- Summary of Dispute Resolution Items:

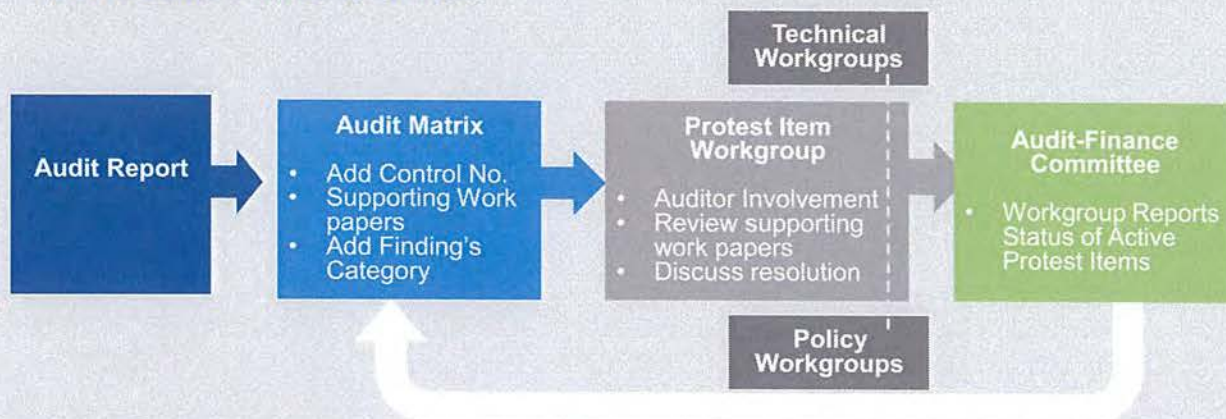
ACTIVITY:	2015	2016	% Change
Total Protest Items (Master List)	295	319	8%
Removed with 6 th Tolling Amendment	(132)	(132)	0%
NET ACTIVITY	163	187	15%
Resolved Items	37	59	59%
Active Items	52	52	0%
DWR Denied Items	12	18	50%
Pending Action	62	58	(6%)
NET ACTIVITY	163	187	15%

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Audit Matrix

- **Objective:** Enhance Processes to (1) closeout audit findings and (2) address internal control weaknesses that can increase contractors' financial risk



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Business Processes

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Protest Item: WSRB Surcharge



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Business Processes

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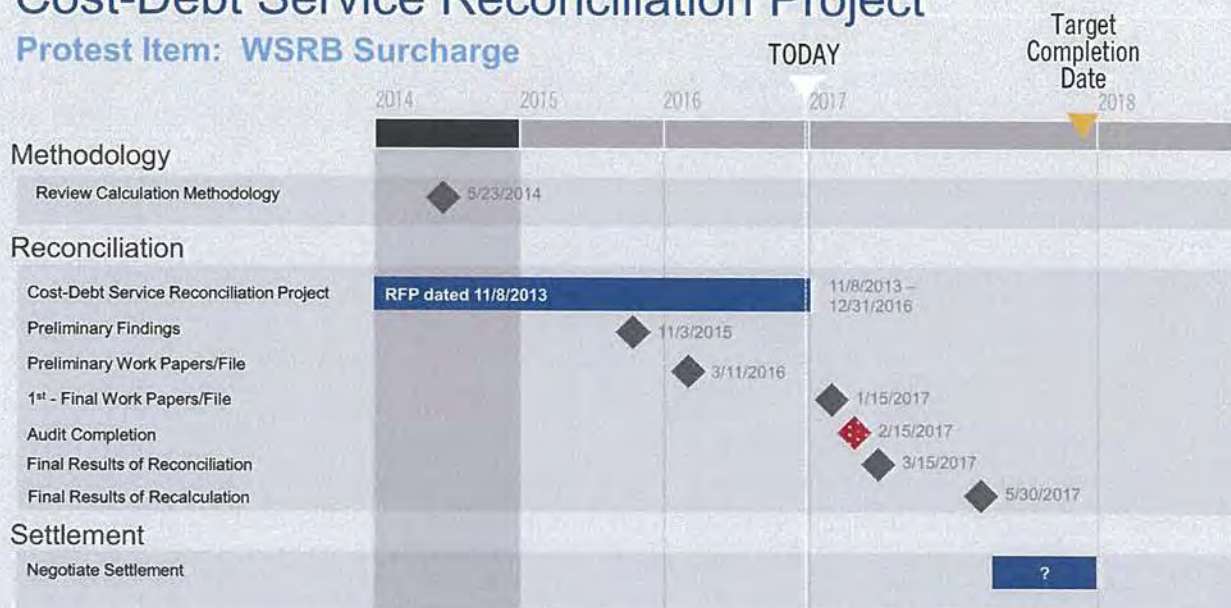
21

ISSUE:

- 2001-2011 DWR estimated the Surcharge based on CY 2000 calculation
- 2012-2015 Surcharge calculated using incorrect bond proceeds
- Claim - DWR Overcharged Contractors
- DWR Agrees with Claim but not amount

Cost-Debt Service Reconciliation Project

Protest Item: WSRB Surcharge



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Cash-flow

Monitor and promote

DWR's development and management of a SWP cash-flow statement(s) and business process to ensure short-term and long-term SWP cash availability regardless of project purpose

State Water Contractors
Business Processes

Recurring Initiatives:

6.1 Review Quarterly Cash-flow Report

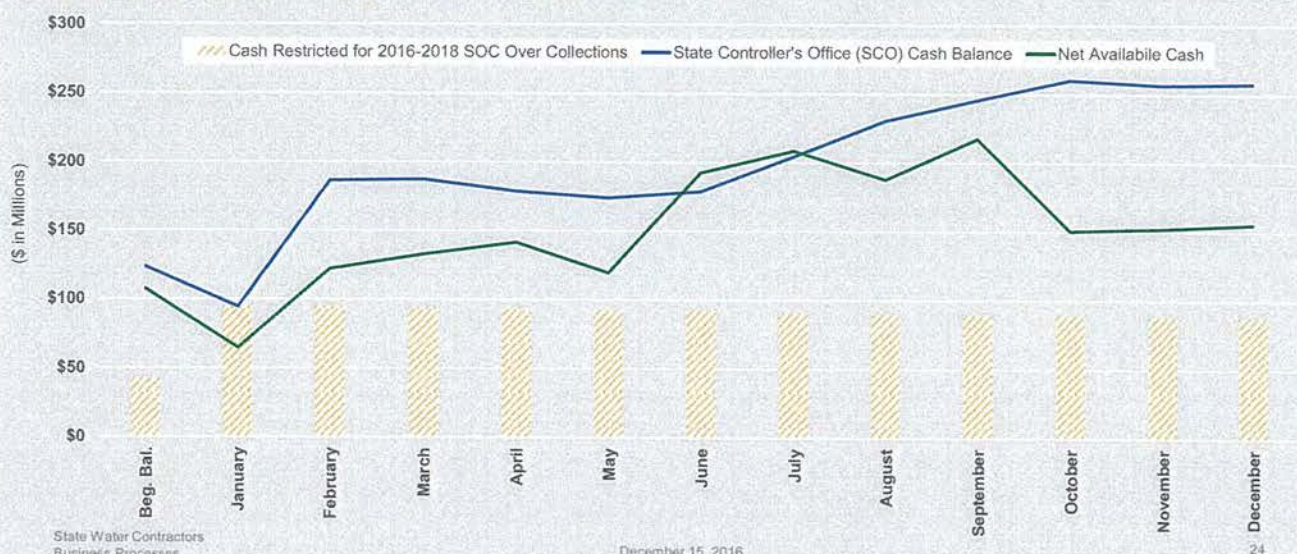
Projects:

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CY2016 Cash-flow

SWP Bond Fund, Systems Revenue Account



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Questions

Business Process Objectives

Priority I:

1. Financial Enhancements

- Coordination of DWR and Contractors on Financial Enhancements being negotiated under contract amendments

2. Reporting

- Coordinating the Development of Contractors' SWP Reporting Requirements

3. Cash & Financing Oversight

- Oversight and coordination of Contractors' policy and decisions related to cash flow and financing activities

4. Job Costing Oversight (Actual Costs)

- Oversight and coordination of SWP allocation and classification of expenditures

Priority II:

5. Future Projects & Financing Oversight

- Coordination of DWR's Bulletin 132 capital project estimates

6. Cost Recovery/SOC Oversight (Estimated Costs)

- Coordination of DWR's Bulletin 132 extraordinary and baseline estimates

7. Financial Audit and Dispute Oversight

- Work with Contractors and DWR to identify and resolve existing and potential protest items

8. Appropriations and Other Funding

- Work with Contractors and DWR to identify, ensure collection, and track usage of non-State Water Project Contractor funding

Business Process Initiatives

Objectives	Initiatives
1. <i>Financial Enhancements</i>	1.1 Development of Freeze-Go Business Requirements 1.2 Implementation of Freeze-Go 1.3 Development and Implementation of Freeze-Go Bulletin 132 Requirements 1.4 Financial Policy Recommendations
2. <i>Reporting</i>	2.1 Reporting 2.2 Actual Costs Compared to Budgets 2.3 51(e) 5-Year Review
3. <i>Cash and Financing Oversight</i>	3.1 Capital Reconciliation 3.2 Capital Facilities Account Projections 3.3 Bond Issuance 3.4 Review Uses & Investment of 51(e) Revenues 3.5 Cash-Flow
4. <i>Job Costing Oversight (Actual Costs)</i>	4.1 Alpha Allocations 4.2 Water Transfer Credits 4.3 EBE Capital Cost Allocation 4.4 PALPOC to FALPOC Completion (1999-2013) 4.5 OAP Reconciliation (2000-2011) 4.6 RGU4 Cost Allocation 4.7 \$2.5 Mil Credit to Offset Effect of Davis-Dolwig Solution

Objectives	Initiatives
5. <i>Future Projects & Financing Oversight</i>	5.1 Capital Infrastructure Program (CIP) 5.2 Forecasting and Financial Planning of O&M and Variable 5.3 Capitalization Policy 5.4 Water System Facilities Financing Plan
6. <i>Cost Recovery /SOC Oversight (Estimated Costs)</i>	6.1 Budget Projections Submitted by Division 6.2 51(e) Annual Calculation of Excess Revenue Oversight 6.3 Reconcile & True-up Difference between Annual Scheduled Debt Service Payments and Contractor's Annual Capital Payments 6.4 Annual Statement of Charges Preparation
7. <i>Financial Audit and Dispute Oversight</i>	7.1 WSRB Surcharge 7.2 Audit Findings
8. <i>Appropriations and Other Funding</i>	8.1 Prop 84 - The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Proposition 84) authorizes \$5.388 billion in general obligation bonds 8.2 USBR 8.3 Davis-Dolwig Appropriation

State Water Contractors
Business Processes

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**DESERT WATER AGENCY
MEDIA INFORMATION
DECEMBER 2016**

DATE	PACKET PAGE	MEDIA SOURCE	ARTICLE
12/03/16	1-3	THE DESERT SUN	California Will Use Aerial Images To Sharpen Lens On Water Conservation
12/09/16	4-5	THE DESERT SUN	House Approves Bill To Bring More Water To California, Boxer Promises Senate Fight
12/10/16	6	THE DESERT SUN	California Senate Titans Boxer And Feinstein Spar Over Bill
12/11/16	7-8	LOS ANGELES TIMES	Boxer Loses Battle Over Water Bill
12/13/16	9	PRESS ENTERPRISE	Congress OKs Pechanga Water Rights Settlement
12/13/16	10	THE PUBLIC RECORD	CVWD And United Way Team Up To Help Limited-Income Customers Pay Their Water Bills
12/16/16	11-12	THE DESERT SUN	Desert Water Agency Approves Significant Rate Hike
12/21/16	13	THE DESERT SUN	Here's Why Our Water Needs To Cost Us More
12/24/16	14-15	THE DESERT SUN	December Storms Chip Away At California Drought
12/30/16	16	PRESS ENTERPRISE	Storms Raise Lake Levels



California will use aerial images to sharpen lens on water conservation

Ian James , The Desert, December 3, 2016

California's water regulators will start using aerial images to measure the green grass and irrigated landscapes of hundreds of communities across the state as part of a new long-term strategy to boost conservation.

The state has budgeted \$3 million for a first-of-its-kind project analyzing high-resolution aerial images of 410 urban water suppliers' areas throughout California. Data from those images, together with data on climate and other factors, will help state officials calculate new community-specific conservation targets for the coming years.

The approach of using aerial images to measure greenery from lawns to hedges is part of a strategy laid out by state agencies in a proposed conservation plan released this week.

The plan also includes a variety of broad goals such as improving water data, tracking water use by businesses, encouraging agencies to fix water leaks, requiring agricultural districts to submit more information about water use and banning practices such as hosing off driveways, among other things.

"It's sort of a blueprint or a framework for the long-term. This is really about building resilience for climate change," said Max Gomberg, climate and conservation manager at the State Water Resources Control Board. "It is a very broad, comprehensive approach to the next generation, the next era of water conservation requirements across the state."

Many specifics in the proposal have yet to be fleshed out, such as how the state will account for hotter climates in calculating the long-term conservation goals.

The aerial images will be especially helpful as state officials pair the landscape data with climate data and evapotranspiration rates to calculate outdoor water budgets for communities throughout California, Gomberg said. The long-term conservation goals are separate from the current measures that state officials have put in place to encourage water-savings during the drought.

Each city and water supplier will eventually receive a water budget from the state for the coming years and be able to decide how to meet the overall water use goals – whether by detecting and fixing leaky pipes or by achieving water savings among customers.

"What the images do is they avoid painstaking, time-consuming, highly costly work of parcel-by-parcel analysis on the ground of what the land use is," Gomberg said in a telephone interview. "So now we have this ability to just sort of look down from the sky, as it were, and at high resolution see what's there so that we can essentially come up with a total acreage, a total landscape area."

The new water efficiency targets for water districts in cities and towns are intended to build on the state's "20x2020" conservation plan, which was finalized in 2010. That plan called for water districts statewide to reduce water use by 20 percent from their average water use between 1995 and 2005.

During the drought, Californians have by far surpassed that 20 percent goal. State figures show that in 2015, average per-capita water use in California stood at 133 gallons per day, down 33 percent from the baseline period. How of those gains might be lost over time isn't clear.

Heather Cooley, director of the water program at the Oakland-based Pacific Institute, said she thinks the plan lays a good foundation for responding to future droughts and California's water challenges.

The new community-specific conservation targets will also mark a significant change from the state's previous strategy, which was "much more of a top-down approach," Cooley said. "What they're talking about now is more of a bottom-up approach where each community would have a water budget based upon its population, based upon its landscaped area and on its local climate."

She said the emphasis on better water data is also crucial and will help the state prepare for the effects of climate change.

"We realize we have been flying blind, in part through this drought, because we don't have the data we need to make more informed decisions," Cooley said.

State officials have taken various steps during the drought to improve data on water use, in part by requiring urban water suppliers to report on their water use monthly.

In September, Gov. Jerry Brown signed the Open and Transparent Water Data Act, which calls for creating a statewide platform for sharing data.

The use of aerial images will add a new layer of information that will help show how efficiently water is being used outdoors, Cooley said. "It'll help highlight where we have the greatest opportunities to be converting landscapes and saving both water and money for ratepayers."

The state's draft plan, titled "Making Water Conservation a California Way of Life," is the response of state agencies in implementing an executive order signed by Brown in May.

The state budgeted \$3 million last year to obtain and analyze aerial images, and the Department of Water Resources is in the process of selecting a contractor for the work, said Peter Brostrom, who heads the department's water-use efficiency program.

While the state's plan refers to satellite imagery data, Brostrom said the data will not be collected from satellite images but rather from high-resolution images shot from airplanes.

"We are looking at 3-inch resolution imagery, and so that has to be done by plane," he said. The company that carries out the project will obtain the images and use digital tools to analyze the landscapes and estimate how much water is being used.

Brostrom said that makes for smarter water-use targets and "lets you establish what is an appropriate amount of water use."

He said he hopes the work will be completed by the end of 2017. His agency plans to test out methods in the city of Santa Rosa and Padre Dam Municipal Water District near San Diego before continuing on to analyze landscapes across the state.

Various California water districts have used similar technology previously to assess landscapes at the local level, from the East Bay Municipal Utility District to Moulton Niguel Water District in Orange County.

The Coachella Valley Water District used aerial images in 2009 while calculating individualized water budgets for customers. CVWD officials support the concept of using budgets to assess water conservation statewide, said Katie Evans, the district's conservation manager.

"Of course what matters is how you calculate the water budget," Evans said. "And we're not deep enough into the details yet to know about that."

The Coachella Valley, with its lush gated communities and golf courses, has long had relatively high per-capita water use. And the area's agencies fell short of state regulators' percentage targets when mandatory conservation measures were in place during 2015 and early 2016.

Water agencies in the desert have called for state officials to give special consideration to the hot climate and the numbers of seasonal residents who have traditionally been left out of per-capita water calculations.

"We'll continue to fight to make sure that our voice is heard on the climate issue, and also the population issue," said Ashley Metzger, outreach and conservation manager at the Desert Water Agency in Palm Springs. She said DWA's managers are pleased to see state officials focusing on evaluating the unique local circumstances of each agency.

Many details remain to be fleshed out, including how the analysis of aerial images will be carried out. But Metzger said the state's plan clearly will require the collection of more data, and water agencies are starting to prepare for that change.

*Ian James writes about water and environmental issues for The Desert Sun.
Email: ian.james@desertsun.com Twitter: @TDSIanJames*

House approves bill to bring more water to California, Boxer promises Senate fight

Bartholomew Sullivan, USA TODAY, December 9, 2016

WASHINGTON – The House by a lopsided margin passed a massive water resources development bill Thursday that includes newly added provisions for California water storage projects and permits additional water to be sent south of the San Joaquin-Sacramento River Delta to Central Valley farmland.

The 360-61 vote moved the measure to the Senate where Sen. Barbara Boxer, D-Calif., has vowed to derail it on what may be the last day Congress is in session. U.S. Rep. Raul Ruiz, D-Palm Desert, voted for it.

Boxer said the bill puts the interests of big farms over the fishing industry and undermines endangered species protections for threatened salmon and other fish.

“There is no place for that as long as I am breathing,” said Boxer, who is retiring at the end of the year after 24 years in the Senate.

House Majority Leader Kevin McCarthy, R-Bakersfield, took to the floor to urge passage of the bill with the 80-page rider he introduced just Monday to revamp California’s water infrastructure.

“The drought may be our biggest challenge but destructive efforts have been compounded by stubborn regulatory and legal restraints,” he said. “In California, rather than strive to bring people water, the state government is taking it away. This is more than incompetence...But today, and in large part thanks to members on both sides of the aisle in this chamber and the senior senator of our Golden State with their good-faith negotiation and partnership, water is coming.”

He added that the California provisions will comply with the Endangered Species Act.

Thursday’s debate was dominated by members of the California delegation largely discussing the impact of Monday’s rider.

U.S. Rep. Jared Huffman, D-Eureka, said thousands of fisheries jobs will be lost as well as the tourism industry all to benefit “large industrial farms in the Central Valley.”

The next speaker, U.S. Rep. David Valadao, R-Hanford in the Central Valley, called the measure “a small step in the right direction,” adding “there are no handouts.”

U.S. Rep. Jerry McNerney, D-Stockton, agreed with Boxer that the bill will weaken the Endangered Species Act protecting salmon and the delta smelt. He said he worried that the additional pumping will increase saltwater intrusion.

Arguing in favor of the bill, U.S. Rep. Grace Napolitano, D-West Covina, said there was something for everyone, including groundwater replenishment in her district. But she said McCarthy’s last-minute addition shouldn’t have been added.

Saying the California provisions “reignite the water wars,” U.S. Rep. Mike Thompson, D-Napa, added that they “violate bedrock environmental law” with potentially “catastrophic” consequences.

A Congressional Budget Office estimate of the cost of the measure – before Monday’s rider – was \$4.8 billion over five years. Some provisions would result in \$59 million in reduced spending between now and 2026, the CBO said.

The law calls for water, wastewater treatment, desalinization and other projects in addition to flood control and environmental improvements of about \$11.5 billion through 2026. It calls for \$415 million for ecological restoration of the lake Tahoe Basin; \$780 billion to reduce the risk of flooding in West Sacramento; and \$380 million for Los Angeles River ecosystem restoration.

The bill also calls for the U.S. Army Corps of Engineers to study California projects involving the Cache River Basin, Coyote Valley Dam, Del Rosa Drainage Area, Merced County and the Mission-Zanja Drainage Area.

The Associated Press contributed to this report. Bartholomew Sullivan is The Desert Sun's Washington correspondent. @BSullivanNewsDC.

California Senate titans Boxer and Feinstein spar over bill

Bartholomew Sullivan, USA TODAY December 10, 2016

WASHINGTON – Both California senators took to the floor Friday to take opposite sides in a debate over provisions of a national water resources bill that allows more water to be pumped south to Central Valley agriculture at the expense of the salmon industry.

Democratic Sen. Barbara Boxer, who has a house in Rancho Mirage and delivered a farewell speech earlier in the week as the Senate set to adjourn for the year, found herself in the unusual position of asking colleagues to vote against what she called “a beautiful bill” she has worked on for two years.

She listed off some of the 26 California-specific projects the bill authorizes, then made a case against it.

“If Senator Boxer has all those great things for her state in this WRDA bill, why is she standing here saying vote ‘no’?” Boxer asked. “It isn’t easy. It breaks my heart.”

The reason, she said, is that House Majority Leader Kevin McCarthy, R-Bakersfield, added a rider on Monday to the bill passed Thursday in the House that Boxer calls a “poison pill” but which Sen. Dianne Feinstein, D-Calif., supports. Boxer said five of the six West Coast senators oppose the rider language.

In a forum noted for decorum, Boxer mentioned McCarthy seven times by name in an angry speech that went on for 92 minutes. She said his rider claims to deal with the drought but that is “phony.”

“This is not a drought bill,” she said. “It does zero, zero, zero, zero to help with the drought. All it does is attacks the fishing industry. That’s it. Thousands of jobs because one congressman over there represents a little district and he’s delivering to agribusiness. It’s shameful.”

Late in the afternoon, Feinstein took the floor to defend provisions in Monday’s rider but first praised Boxer, who is retiring after 24 years, for her service to the country. Many have pointed out that Feinstein wasn’t present for Boxer’s emotional farewell address on Wednesday.

READ MORE: House approves bill to bring more water to California, Boxer promises Senate fight

In a more subdued 27-minute speech, Feinstein said the rider provisions, some she circulated in July 2015 and then revised in February, have been the subject of public discussion and debate for three years. She noted that the House’s passage by a lopsided 360-61 Thursday included yes votes by 21 of 37 California Democrats.

She also took exception to the idea that the provisions are designed to help corporate agriculture.

“This water is for the tens of thousands of small farms that have gone bankrupt, like a melon farmer who sat in my office with tears in his eyes and told me how he had lost a farm that he had struggled to pay for and that had been part of his family for generations.”

And she disagreed that the bill’s language allows pumping in violation of the Endangered Species Act and counter to scientific opinions.

“Scientists must review and approve every proposed actions under this bill,” she said. “These are agency biologists, experts in endangered species and the bill requires them to carefully review every proposal to move water under the provisions of this bill.”

In concluding, she said the bill will “place California on a long-term path to drought resiliency.”

Shortly before 10:15 p.m. PT Friday, despite Boxer’s objections, the Senate passed the federal water projects bill, 78-21.

Bartholomew Sullivan is The Desert Sun’s Washington correspondent. @BSullivanNewsDC.

Boxer loses battle over water bill

Sarah D. Wire and Bettina Boxall, December 11, 2016

WASHINGTON — Over Sen. Barbara Boxer's objections, the Senate voted 78 to 21 Friday evening to pass sweeping water infrastructure legislation that would change how much water is pumped from the Sacramento-San Joaquin Delta to San Joaquin Valley farmers and Southern California.

The bill — co-authored by Boxer — authorizes hundreds of water projects across the country, including new infrastructure to fix lead issues in Flint, Mich., and millions of dollars for projects connected to the Los Angeles River, Salton Sea and Lake Tahoe.

Earlier in the week, House Majority Leader Kevin McCarthy inserted 90 pages of California water policy that drew Boxer's opposition, negotiated over the last year by the state's 14 GOP members, Sen. Dianne Feinstein (D-Calif.) and a handful of House Democrats.

The bill passed the House by a vote of 360-61 (including 36 of 53 California members) Thursday before representatives left town for the year.

Described as drought relief, the proposal focuses on restrictions that have at times limited water flow from the delta to its dry southern neighbors.

Salmon fishing and conservation groups and members of Congress from Northern California condemned the water proposal as a last-minute attack on the environment and the fishing industry. But San Joaquin Valley growers and urban water agencies urged its passage.

Boxer and environmentalists' issue is that the measure would allow officials at state and federal water management agencies to exceed the pumping limits set under the Endangered Species Act to capture more water, especially during storms. Those limits have been a pet peeve of water contractors, including the Westlands Water District and the Metropolitan Water District of Southern California, which complained of water supplies "lost to the sea" during last winter's heavy rains.

"We got pretty good storms last winter and the ... regulators were so riskadverse they said you can't pump hardly any of it," said Tim Quinn, executive director of the Assn. of California Water Agencies, which represents public water districts across the state.

Federal biologists have said certain levels of water flowing through the delta are vital for native fish, which have suffered devastating losses during the drought, and help maintain the quality of the delta's freshwater supplies. Feinstein said Friday that she came on board with the new policy after tracking daily water levels "and seeing where, if it were possible, we could have saved water without impacting fish."

The bill states more than 30 times that the new policy does not supersede existing laws, and Feinstein disagrees with Boxer's insistence that it weakens the Endangered Species Act.

Saying the change in policy is akin to attacking the landmark law, Boxer spent the last few days trying to persuade colleagues to kill the entire bill, which includes more than two dozen water projects in California alone.

She spoke on it for about 90 minutes Friday, slamming her fist against the lectern repeatedly.

"It isn't easy. It breaks my heart," she said, urging her colleagues to either strip out the language or kill the bill.

The retiring senator had vowed to do everything in her power to stop the legislation, but the overwhelming House vote convinced her it was a lost cause.

"I've made my point and I've spoken enough. It's a very uphill battle," Boxer said. "I'm a realist; I've been here a long time."

When she spoke on the Senate floor hours later, Feinstein laid out why she supports the plan, calling it "the result of three years of painstaking public work."

"California is home ... to more than 40 million people, and our major water infrastructure hasn't been significantly changed in the past 50 years when we had 16 million," Feinstein said.

"We must modernize the system, both infrastructure and operational flexibility, or I fear we risk eventually becoming a desert state."

The final language includes chunks of a bill Feinstein introduced in February, which was considered twice by the Senate Energy and Natural Resources Committee but never made it to the full Senate. Feinstein has called it one of the most difficult bills she has ever worked on.

"We have addressed, to the best of our ability and on and on and on, concerns raised by environmentalists, water districts, federal and state agencies and the [agriculture] sector," she said.

"I believe that these provisions will place California on a long-term path to drought resiliency."

The White House hasn't issued a veto threat for the bill. Press Secretary Josh Earnest said earlier in the week that there was some leering about the new California language, but that the president would look at the entire bill in deciding whether to sign it.

Still, that doesn't mean the water will immediately begin flowing. Boxer and several legal experts said they expect the legislation to draw challenges over whether the pumping provisions amount to an override of the environmental law.

Supporters may say it doesn't change the Endangered Species Act, but "I think that's probably not exactly true when they're this prescriptive. It probably is going to override" the act's rules, said Holly Doremus, a professor of environmental regulation at the UC Berkeley School of Law.

Doremus said other parts of the new policy were contradictory and could spawn a barrage of lawsuits.

"It is awfully messy. There will be a lot of litigation," she predicted.

Boxer said she's counting on it, though she's not sure what, if any, role she will play.

"I hope they take this to court, Day One," Boxer said. "Of course it's going to end up in court."

Congress OKs Pechanga water rights settlement

Legislation protects tribe's access to groundwater, ends years long dispute.

By Aaron Clavier, December 13, 2016

At long last, there is water rights peace in the Temecula Valley.

Congress has approved a settlement agreement with the Pechanga Band of Luiseño Indians that protects the tribe's access to groundwater in the region and provides the tribe with more than \$30 million in federal funding to pay for water storage projects.

The agreement – which took the form of legislation introduced by Rep. Ken Calvert, R-Corona – settles competing claims involving the Rancho California Water District and the Eastern Municipal Water District, which both draw from the large aquifer in the region that stretches 750 square miles from Southwest Riverside County to north San Diego County.

Calvert's legislation was tucked inside the omnibus water bill approved last week by both houses of Congress. President Barack Obama is expected to sign the bill.

"It's really good, just for certainty in the region as a whole," said Meggan Valencia, spokeswoman for the Rancho California Water District, who added that the district has been working on the agreement for the last eight years.

Pechanga officials did not immediately respond to a request for comment.

Under the 1908 Indian Water Rights Settlement, the federal government pledged to provide sufficient water resources to tribes that were forced to live on reservations.

In recent years, as Southern California found the reliability of its water deliveries compromised by legal battles involving the Sacramento-San Joaquin Delta, the Pechanga tribe stepped up negotiations with Rancho Water and the Eastern Municipal Water District to hash out claims to groundwater in the Santa Margarita River basin.

Numerous legislators, including former U.S. Rep. Mary Bono, took a crack at a settlement, but those efforts failed, in part due to new requirements that called for extensive federal oversight of water rights settlements. The federal funding in the agreement will be used to make sure Pechanga has physical access to water supplies roughly equal to the amount they were awarded in a mid-1960s federal court order called the Fallbrook Decree, which amounts to about 5,000 acre-feet of water a year.

An acre-foot of water equals 326,000 gallons, about the amount two families use in a typical year.

According to the Congressional Budget Office, the agreement would establish the Pechanga Settlement Fund and authorize the appropriation of about \$3 million to be deposited into the fund to construct a storage pond. The bill also would authorize the appropriation of about \$26 million, with about \$4 million in construction overrun costs, to build "interim and permanent capacity for water storage."

In addition, Rancho will end up providing more water from the Wolf Valley Basin – the aquifer under the tribe's land – and other sources, including imported water from the much larger Metropolitan Water District.

In exchange for that water, money from the settlement fund will be tapped by Rancho to build the pipeline that will carry water from Metropolitan sources to the Pechanga reservation and reimburse the district for recycled-water ponds that have already been built.

"The Pechanga Band of Luiseño Indians, as well as all of the parties to this settlement, deserve to have some certainty on the future of their water supply," Calvert said in a statement. "I'm grateful we have been able to enact the settlement and ensure all of the stakeholders in the Santa Margarita River Watershed can better shape their future."

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SERVING ALL OF THE DESERT CITIES AND UNINCORPORATED AREAS OF RIVERSIDE COUNTY IN THE COACHELLA VALLEY

CVWD AND UNITED WAY TEAM UP TO HELP LIMITED-INCOME CUSTOMERS PAY THEIR WATER BILLS

Coachella Valley Water District (CVWD) announced it is partnering with United Way of the Desert to launch the new Help2Others Customer Assistance Program to provide a financial assistance to low-income water customers.

Starting Jan. 1, CVWD water customers who meet eligibility requirements can receive a one-time credit of \$50 on their water bills. In instances where the credit exceeds the amount of the bill, remaining, unused funds will be applied to the next bill. Customers can reapply for the credit every 12 months.

This new program will be funded primarily through charitable donations, as well as funds from the sale of scrap metal and CVWD's book, Lush & Efficient Landscape Gardening in the Coachella Valley. All donations will go directly to United Way of the Desert, which will manage the program and determine participant eligibility.

"This new program is a positive collaboration with United Way of the Desert to help customers in dire need. It also provides businesses and community members an opportunity to make a tax-deductible financial contribution to help their neighbors with their water bill," said General Manager Jim Bartlett.

CVWD is a not-for-profit California Special District prevented by the state Constitution from providing senior and other low-income customers with lower, subsidized rates. However, there are provisions that allow CVWD to use donations or other non-rate revenue for customer assistance.

Anyone wishing to donate to the program can do so with a credit card at United Way of the Desert's website, www.unitedwayofthedesert.org, or by mailing a check to United Way of the Desert with the designation to CVWD Help2Others Customer Assistance Program to:

United Way of the Desert
CVWD Customer Assistance Program
73710 Fred Waring Drive, Suite #104
Palm Desert, CA 92260

For more information about the program, visit www.cvwd.org/H2OHelp.

Desert Water Agency approves significant rate hike

Corinne S Kennedy, 6 December 16, 2016

The Desert Water Agency Board of Directors unanimously approved a significant rate hike Thursday, the first in a series of five increases that -- if all are eventually approved -- could result in an almost 80 percent increase to customers' bills over the next four years if all are passed.

The agency has maintained the increase was necessary to supplement revenue lost to conservation during the drought and fund repairs to leaky pipes, some of which date back to the 1930s. But some customers have accused the company of negligence, saying they should have made greater efforts to cut costs and keep up with pipe maintenance.

About a dozen people addressed the board Thursday, expressing their concerns about the proposed rates. Many said they acknowledged a rate hike was necessary, but thought the proposed rate table was unfair and penalized those who conserved without repercussions for water wasters.

Some were concerned about potential waste at the agency, others said they or family members lived on fixed incomes and couldn't afford the increases.

Andrew Sawyer, a board member of the Canyon Sands Homeowners Association, said the hikes would result in a substantial increase for his community, which has more than 50 water meters on its property.

"Substantially raising meter rates does nothing to encourage conservation," he said. "You're not providing an incentive, or a stick in this case."

DWA conducted three months of outreach and public workshops to educate consumers about the increases, the first of which will take effect Jan. 1. There could be as many as four additional hikes, on July 1 of each year

DWA spokeswoman Ashley Metzger previously said an independent financial analysis from California-based consulting agency NBS indicated DWA was not charging enough to cover costs. She estimated in fiscal years 2014-15 and 2015-16, DWA lost about \$7.6 million due to conservation.

The first rate increase will bring in about \$2.4 million from January to July 2017, she said.

Agency officials said they have taken steps to reduce costs, including employee medical cuts and pension restructuring, which have saved millions but not enough to keep up with rising expenses triggered by new regulations and necessary pipe repairs.

Board member Craig Ewing said more than 60 percent of the agency's costs are fixed, but only 17 percent of a customer's bill. He said as a consumer he didn't like the hike, but as a board member he understood the necessity and said the current pricing system wasn't sustainable.

"Our costs are fixed costs, whether we sell a gallon or a million gallons," he said. "We are a heavily capital dependent utility."

Water agency officials have said the rate changes will "drought proof" water rates by making a larger portion of a customer's bill fixed costs. DWA bills are composed of two parts, service rates and a monthly service charge, a fixed charge which pays for water meters, meter reading and maintenance.

The monthly service charge is assessed based on the size of a customer's meter. Metzger said the majority of consumers have a 1 inch or smaller meter. The charge for these customers will increase to \$14.41 per month in January and could rise to more than \$33 per month by July 2020.

Customers with larger meters will see larger rate increases.

Service rates are dependent on the amount of water consumed. These rates will not rise with the rate increase voted in Thursday, but could increase in July if the board approves subsequent increases. If the next rate hike is approved, service rates will increase from \$1.57 per unit to \$1.72 and could increase to \$2.28 per unit by 2020.

Agency officials said the average home uses 26 units each month.

DWA provides water service for approximately 105,000 people in Palm Springs and Cathedral City. The agency also provides recycled water services for golf courses and athletic fields and sewer service for a portion of Cathedral City. Sewer and recycled water rates will also increase.

A consumer assistance program has been created to provide assistance to customers who have trouble keeping up with the increased costs. Eligible consumers can receive a \$50 credit towards their water bill, one time each year.

The agency received over 160 formal written protests, but that number was nowhere near enough to force DWA back to the drawing board.

Board member Patricia Oygur said she believed the rates were necessary, but said that didn't make it an easy decision. Gesturing to her fellow board members and a table of agency staff, she assured the assembled customers they took the vote seriously.

"No one here at this table or this table takes any joy in this," she said.

Proposed monthly service charge:

Most residential water meters are 1 inch or smaller. These are the proposed rate increases for these size meters:

CURRENTLY: \$10.75 for under 1 inch, \$13.25 for 1 inch
 JAN. 1, 2017: \$14.41 for both
 JULY 1, 2017: \$18.12
 JULY 1, 2018: \$22.48
 JULY 1, 2019: \$27.60
 JULY 1, 2020: \$33.53

Proposed service rates:

These are the proposed rate increases per unit of water used:

CURRENTLY: \$1.57
 JAN. 1, 2017: \$1.57
 JULY 1, 2017: \$1.72
 JULY 1, 2018: \$1.89
 JULY 1, 2019: \$2.08
 JULY 1, 2020: \$2.28

Here's why our water needs to cost us more

Lucinda Sue Crosby, December 21, 2016

The outraged reaction to Desert Water Agency's recent rate increase has begun.

Let's face it; This is because most people don't understand the complex inner workings and attendant costs involved in providing clean, safe, good tasting water to our homes and businesses. We turn the tap ON and out the precious commodity comes forth. End of story.

For most, water supply details – not to mention the infrastructure that delivers it – are too technical (read “boring”) to merit regular in-depth discussion, even though life is unsustainable without H₂O. I believe we all know far too little about where our water comes from or what vulnerabilities plague it – like toxic constituents (lead, arsenic, chromium-6 and other dangerous yet naturally occurring elements); falling water tables resulting in higher undissolved solids and/or subsidence (when water withdrawal causes soil collapse); or water wasted via leaky pipes and tanks, etc. When we pile on the aquifer stresses of continuously increasing demand in the Coachella Valley coupled with a years-long drought, we face a perfect storm.

For decades, water has been taken for granted across this country. The physical underpinnings of water delivery systems are usually underground or on the edge of town ... out of sight, out of mind. I worked with a High Desert retail water agency for years and saw for myself how often customers sometimes violently rejected even moderate water rate hikes. Many water boards, wary of being voted out, opted to raise rates less than was required to do the job properly – or not at all. So, much needed improvements, maintenance and quality monitoring suffered.

I believe the price of water is going up because it needs to go up.

Here are some interesting facts about water:

- A gallon of water weighs about 8 pounds;
- paying for the electricity used to treat and move water is the biggest expense for most water agencies;
- the American Society of Civil Engineers gives America's water infrastructure a grade of D+;
- the American Water Works Association estimates that the price of repairing and/or expanding U.S. drinking water infrastructure will top \$1 trillion in the next 25 years. This amount will be met primarily through higher water rates and fees;
- a study conducted jointly by UCLA and University of Arizona that involved studying sedimentation of river beds coupled with tree ring samples taken from Bristlecone pines demonstrated that droughts in the California-Arizona region over the past 11,000 years have lasted as long as 120-200 years. This current drought is also affecting the Colorado River and Lake Mead.

Higher prices do encourage conservation. Conservation lessens income streams. But the business of a utility marches on regardless with a set of fixed expenses, many which do not necessarily fall from high-use season to low-use season. Why? Because water districts need “redundancy” – they must be able to deliver water to the maximum number of users in high season even in the depths of summer. Keeping the capacity of pumps and storage units prepared for maximum demand is an expensive proposition.

We can protect and defend our water source by learning more about it, attending water agency meetings and sharing our insights. And remember – conserved water is the cheapest water!

Email Lucinda Sue Crosby of Palm Desert at luckycinda@yahoo.com

December storms chip away at California drought

Ian James , The Desert Sun, December 24, 2016

December storms have boosted the levels of reservoirs across California, and state officials responded by increasing their estimate of how much water they'll be able to pump through the State Water Project next year.

California's Department of Water Resources said Wednesday that it now projects water agencies can count on receiving 45 percent of their full allotments, up from a preliminary estimate of 20 percent released in November.

"Hopefully this will keep up throughout the winter and we can increase the number as the season progresses," said Jeanine Jones, a drought manager at the Department of Water Resources.

The state's initial estimate for the major north-to-south water artery is typically readjusted depending on rain and snowfall, and the percentage often ends up higher at the end of the winter. In 2016, the state initially projected 10 percent and water districts eventually received 60 percent of their full allotments.

After five years of drought, wet weather has soaked Northern California during the past two months. The level of Lake Oroville has risen to 54 percent full and 88 percent of its historical average, while Shasta Lake now stands at 73 percent of its full capacity and 120 percent of the average for the date.

Despite the wet start of the water year, which begins on Oct. 1, "we like to remind people that it's not over until it's over," Jones said. "And certainly December is just too early to call the water year one way or another."

Even as storms have brought plentiful rain to Northern California, warmer-than-average temperatures have meant less precipitation has been falling as snow. And the snowpack in the Sierra Nevada remains well below average. As of Thursday, snow sensors across the mountains estimated California's snowpack at 63 percent of normal.

"We are early in the water year yet, so there's certainly hope that we'll get more colder storms, and that will replenish snowpack," Jones said. "We need to wait really until the end of February to see where we are with snowpack."

Mark Cowin, director of the Department of Water Resources, said in a statement that while the recent wet weather is good news, "the faucet can shut off suddenly and leave us dry for a sixth year in a row."

"Drought always looms over California, so we must use water wisely and sparingly," Cowin said.

The Coachella Valley Water District and the Desert Water Agency are among 29 agencies that have contracts to receive water from the State Water Project. Because the water system ends in Lake Perris and doesn't reach the valley, the two agencies trade their allotments to the Metropolitan Water District of Southern California for equivalent amounts from the Colorado River Aqueduct.

The water is delivered periodically and pours into a series of oblong ponds in the desert near Palm Springs, where it seeps into the sandy soil and recharges the aquifer. The amounts flowing into the valley have decreased sharply during the drought.

In 2015, Southern California water districts received 20 percent of their full allotments from the State Water Project. That was up from 2014, when agencies received just 5 percent of the water they requested.

The amounts of water pumped from the Sacramento-San Joaquin River Delta in recent years have also been limited by pumping restrictions intended to protect threatened and endangered species of fish. The last time water districts received 100 percent of their allotments from the State Water Project was in 2006.

Southern California water districts have joined Gov. Jerry Brown's administration in promoting a \$15.5 billion plan to build two water tunnels beneath the Delta, which they hope would increase the reliability of water deliveries. While heated debate over that long-term plan continues, the short-term drought picture has been gradually improving.

According to the U.S. Drought Monitor website, as of this Thursday drought conditions still covered 70 percent of California, with 59 percent of the state classified as being in a severe drought – or the worst categories of extreme or exceptional drought. That's a significant change from a year ago, when the drought was ravaging 97 percent of California and the severe-to-exceptional categories covered about 91 percent of the state.

Between Oct. 1 and this week, a wet-dry divide has stretched across the West, from eastern Wyoming to California. Northern California has received above-average precipitation, while drier-than-average weather has persisted in Southern California.

That pattern began to shift on Wednesday and Thursday, as rains soaked the California desert and sent torrents of water rushing through washes and channels, making this month the wettest December since 2010.

Another storm is set to unleash rain and snow across Northern California on Friday and Saturday.

Even if the rest of this winter brings wet weather, California will continue to face complex water challenges. Groundwater levels have fallen to record lows in many parts of the state as farms have pumped heavily from wells during the drought. Across much of the West, the mountain snowpack that feeds reservoirs has been shrinking on average and has been melting earlier over the past half-century as temperatures have risen. And scientists project that climate change will continue to add to the strains on water supplies.

In a recent study, scientists at the University of California, Los Angeles, calculated that under a "business-as-usual" scenario of climate change, higher temperatures by the end of this century could shrink the snow-covered area in the Sierra Nevada by about half during an average April.

Storms raise lake levels

Rain provides a big boost to Canyon Lake, Lake Elsinore.

By Michael J. Williams, December 30, 2017

Canyon Lake continued to spill over its dam and Lake Elsinore's level has risen well over a foot as a result of recent storms, officials representing both bodies confirmed Thursday.

A series of storms starting in mid-December that brought several inches of rain filled up Canyon Lake and caused it to overflow, sending much-needed water downstream into Lake Elsinore for the first time in six years.

Canyon Lake was created in the late 1920s by the construction of a dam blocking the San Jacinto River. The lake is used as a drinking water reservoir by its owner, the Elsinore Valley Municipal Water District.

District statistics show Canyon Lake rose nearly 5 feet, from 1,376.9 feet above sea level Dec. 12 to slightly under 1,382 feet by 12:30 p.m. Thursday. The top of the dam is 1,381.8 feet, about 70 feet above the lake bottom.

The increase of about 2,500 acre-feet of water provides the district an abundant supply to filter through its treatment plant and distribute to customers while easing reliance on costly imported water. An acre-foot is about equal to the size of a football field covered with 1 foot of water and serves two households for a year.

"The benefit to us as far as Canyon Lake filling up is we'll have water to draw from over the next six to 12 months to continue to add to the drinking water supply," Elsinore Valley public affairs representative Bonnie Woodrome said.

The effect of the water influx is more complicated for Lake Elsinore, which in contrast to Canyon Lake is natural and much larger, yet much shallower.

With a surface of 3,000 acres on average, Elsinore is the largest naturally formed lake in Southern California. The region's prolonged drought caused it to drop to its lowest level since the early 1990s at 1,232.2 feet above sea level Dec. 12, with a maximum depth of about 15 feet.

Extreme heat coupled with the depleted water supply led to a toxic bluealgae bloom, prompting officials to close the lake for a week last summer. A warning against body contact remains in effect, though that could be lifted if the lake continues to swell and water quality improves.

The level rose to an elevation of 1,233.5 Wednesday morning, according to water district statistics. Still, the lake remains far below the level considered best for its health – 1,240 feet. More rain is expected starting today.

"It's getting us back to where we were in midsummer," said the city's lake overseer, Nicole Dailey, of the rain. "Hopefully, we could get another 6 1/2 feet to get us back to the optimal level."

DESERT WATER AGENCY

OUTREACH & CONSERVATION ACTIVITIES

December 2016

Activities:

- 12/1/16 DWA Board and staff attended ACWA conference in Anaheim.
- 12/2/16 Ashley Metzger was on a live segment with KESQ on renewable energy.
- 12/8/16 President Cioffi and Ashley Metzger attended and presented the proposed rate adjustment at a ONE-PS meeting.
- 12/8/16 Ashley Metzger was on a live segment with KESQ on grant funding and plumbing retrofit.
- 12/15/16 Ashley Metzger was interviewed by KMIR on the proposed rate adjustment and public hearing.
- 12/15/16 Ashley Metzger was on a live segment with KESQ on the proposed rate adjustment and public hearing.
- 12/15/16 DWA held a public hearing on the proposed rate adjustment.
- 12/17/16 DWA provided the water trailer to the Palm Springs Marathon Runners for the Santa Paws 5K.
- 12/20/16 President Cioffi and Ashley Metzger gave a presentation on rates to the City of Palm Springs Sustainability Commission.
- 12/22/16 Ashley Metzger was on a live segment with KESQ on a review of the public rate hearing and conservation tips.
- 12/29/16 Ashley Metzger was on a live segment with KESQ recapping 2016 and encouraging water conservation.

Public Information Releases/eBlasts:

December 15, 2016 – Desert Water Agency Approves New Rates to Address Infrastructure and Financial Needs

December 16, 2016 – DWA News Stream – Water service charge to increase January 1

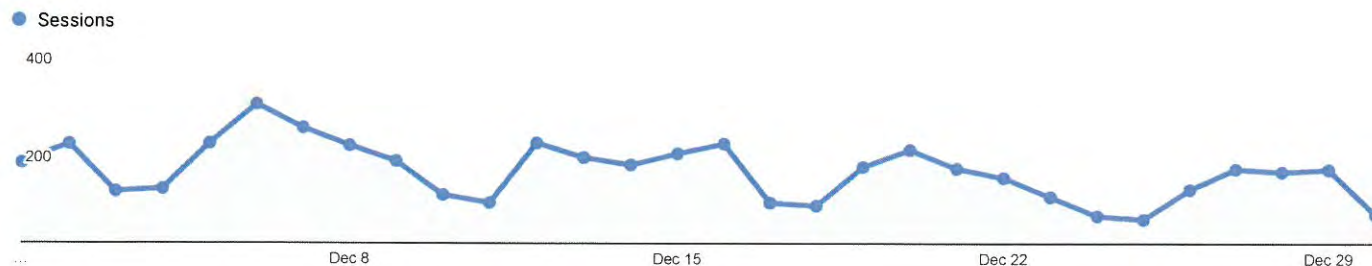
Water Conservation Reviews:

Edison Substation	Oasis Hotel
Fairways Condos	Palm Canyon Financial Plaza
Gallery Apartments	Tahquitz Canyon Mobile Estates

Water Conservation Reviews are annual mailings sent to large water users. The Reviews include a 5-year consumption report, facility map, and information brochures. The purpose is to help customers save water by summarizing their consumption, and offering suggestions for reducing usage. Occasionally, after viewing, the recipient may contact DWA for assistance in the form of a Mobile Lab Evaluation.

Dec 1, 2016 - Dec 30, 2016

Overview



4,396

3,314

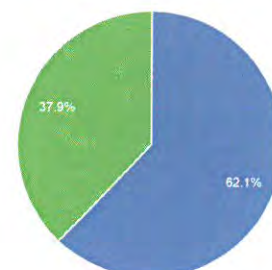
10,158

2.31

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45.20%

62.10%



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Desert Water Agency Facebook Analytics December 2016

Actions on Page

December 3 - December 30

1

Total Actions on Page ▲0%



Page Views

December 3 - December 30

53

Total Page Views ▲2%



Page Likes

December 3 - December 30

3

Page Likes ▼79%



Reach

December 3 - December 30

3,002

People Reached ▲41%



Post Engagements

December 3 - December 30

323

Post Engagement ▲7%



Videos









December 3 - December 30

217

Total Video Views ▲1,105%



Published ▾	Post	Type	Targeting	Reach	Engagement	Promote
12/27/2016 8:27 am	Sounds like a good #H2OResolution!			31	1 1	
12/23/2016 9:45 pm	Desert Water Agency shared Desert Horticultural Society of the			73	5 2	
12/22/2016 4:24 pm	DWA will be closed Friday and Monday so that our team can sp			348	15 8	
12/22/2016 11:21 am	Think inside the box! Learn more about how water gets to you			43	3 1	
12/21/2016 3:35 pm	Timeline Photos			279	5 4	
12/21/2016 7:57 pm	Today, the State Water Project allocation was increased from 20			479	16 12	
12/20/2016 10:39 am	Desert Water Agency likes California WaterFix and State Water			0	0 0	
12/20/2016 9:04 am	What a great way to show your Christmas spirit in the desert - a			34	1 0	
12/19/2016 14:56 am	Good way to #treatyourself and #keepsaving			27	0 0	
12/16/2016 4:16 pm	Timeline Photos			300	4 2	
12/16/2016 6:43 am	Desert Water Agency shared Your So Cal Tap Water's video			36	0 1	
12/16/2016 8:03 am	DWA's Board of Directors approved the first of five proposed rate i			39	0 1	
12/15/2016 10:01 am	PUBLIC HEARING on water rates today at 6 p.m. at Cielo Vista			280	2 0	

12/14/2016 10:53 am		Good news! DWA customers saved 21% in November. #Keepsavi			371		59		Boost Post
12/13/2016 3:49 pm		We've got incentive, folks! Apply for a smart irrigation controller or			53		05		Boost Post
12/12/2016 1:54 pm		Don't shop till you drop - staying hydrated will help! Take your reu			63		22		Boost Post
12/12/2016 9:21 am		For all of our Huell Howser fans out there - here is the man hims			54		21		Boost Post
12/07/2016 1:38 pm		You better watch out, you better think twice and #keepsaving. Sa			46		01		Boost Post
12/07/2016 10:08 am		Our flag flies at half staff in remembrance of Pearl Harbor Day, on			321		34		Boost Post
12/06/2016 7:50 pm		Desert Water Agency shared California Department of Water Res			53		60		Boost Post
12/06/2016 2:23 pm		Desert Water Agency shared Mesa Water's video.			26		00		Boost Post
12/05/2016 3:23 pm		Santa drinks milk, Elf on the Shelf opts for tap water			58		12		Boost Post
12/05/2016 11:42 am		If you're not "merried" to a live tree for the holidays, perhaps go fa			80		21		Boost Post

Total Page Likes as of Today: 877





Desert Water Agency
Twitter Analytics
December 2016

Dec 2016 • 29 days so far

TWEET HIGHLIGHTS

Top Tweet earned 588 impressions

We've been recycling water since the 80s. All of the public golf courses in PS are on recycled water, plus Demuth park, part of PSHS & more twitter.com/WUIW/status/81

13 0 0

[View Tweet activity](#)

[View all Tweet activity](#)

Top mention earned 1 engagements



ParadiseLife

@RobertLifak · Dec 16

@DWAwater - "Conserve, conserve, conserve!" "Ok, we will." "You did? Great job! Now we'll punish you for conserving!"
@TDSskip

1 0 0

[View Tweet](#)

Top Follower followed by 3,024 people



Water Education Fdn

@WaterEdFdn · FOLLOWS YOU

An impartial nonprofit devoted to raising awareness of water resources in California and the Southwest, one tour, one lecture, one article, one tweet at a time

[View profile](#)

[View followers dashboard](#)

Enrich your Tweets with Twitter Cards

Using Twitter Cards gives you greater insight into your URL clicks, app installs, and Retweets



Top media Tweet earned 516 impressions

This holiday season, give yourself the gift of desertscape. #Savewater, money and maintenance. APPLY TODAY dwa.org/turlpic twitter.com/BKGzbGzXIO



23 1 0

[View Tweet activity](#)

[View all Tweet activity](#)