

**SAN GORGONIO PASS WATER AGENCY**  
**1210 Beaumont Avenue, Beaumont, CA**  
**Board of Directors Engineering Workshop**  
**Agenda**  
**October 9, 2017 at 1:30 p.m.**

- 1. Call to Order, Flag Salute and Roll Call**
- 2. Public Comment:**  
Members of the public may address the Board at this time concerning items relating to any matter within the Agency's jurisdiction. To comment on specific agenda items, please complete a speaker's request form and hand it to the board secretary.
- 3. Recent Developments under the Sustainable Groundwater Management Act of Statewide and Agency Significance – Deborah Wordham, BB&K**
- 4. Summary of Agency Activities Related to Compliance with Sustainable Groundwater Management Act\* (p. 2)**
- 5. Discussion of Potential Pipeline to Banning and Cabazon\* (p.3)**
- 6. Discussion of High Valleys Water District Application for Water Service\* (p. 5)**
- 7. Discussion of Yucaipa Valley Water District Application for Additional Delivery Points\* (p. 8)**
- 8. Discussion of Proposed Surplus Water Sale Agreement with San Bernardino Valley Municipal Water District\* (p.36)**
- 9. Announcements**
  - A. Regular Board Meeting, October 16, 2017 at 1:30 p.m.
  - B. Finance and Budget Workshop, October 23, 2017 at 1:30 p.m.
  - C. San Gorgonio Pass Regional Water Alliance, October 25, 2017 at 5:00 p.m.— Banning City Hall (Note new time)
- 10. Closed Session (1 Item)**
  - A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION  
(Paragraph (1) of subdivision (d) of Government Code Section 54956.9  
Name of case: San Gorgonio Pass Water Agency vs. Beaumont Basin Watermaster  
Case No. RIC 1716346
- 11. Adjournment**

**\*Information included in Agenda Packet**

(1) Materials related to an item on this Agenda submitted to the Board of Directors after distribution of the agenda packet are available for Public inspection in the Agency's office at 1210 Beaumont Avenue, Beaumont during normal business hours. (2) Pursuant to Government Code section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection at the Agency's office, located at 1210 Beaumont Avenue, Beaumont, California 92223, during regular business hours. When practical, these public records will also be made available on the Agency's Internet Web site, accessible at <http://www.sgpwa.com>." (3) Any person with a disability who requires accommodation in order to participate in this meeting should telephone the Agency (951 845-2577) at least 48 hours prior to the meeting in order to make a request for a disability-related modification or accommodation.

## **Summary of SGPWA Participation in Groundwater Sustainability Agencies (GSA's)**

### **Yucaipa GSA**

- San Gorgonio Pass Water Agency
- San Bernardino Valley Municipal Water District
- City of Redlands
- City of Yucaipa
- City of Calimesa
- Yucaipa Valley Water District
- South Mesa Water Company
- Western Heights Water Company
- South Mountain Water Company

### **San Timoteo GSA**

- San Gorgonio Pass Water Agency
- Beaumont Cherry Valley Water District
- Yucaipa Valley Water District
- City of Redlands

### **San Gorgonio Pass Sub-basin**

#### **SGP-GSA**

- San Gorgonio Pass Water Agency
- City of Banning
- Cabazon Water District
- Banning Heights Mutual Water Company

#### **Verbenia-GSA**

- San Gorgonio Pass Water Agency
- Mission Springs Water District

Groundwater Sustainability Plans (GSP's) are due January 31, 2022

Grant proposals for funding GSP's are due November 10, 2017

November 28, 2007

City of Banning  
Water/Wastewater Department  
99 E. Ramsey Street  
Banning, CA 92220

Attention: Mr. Paul Toor, Water/Wastewater Director

Subject: ***Contract Amendment for a Stand Alone Design Package for SGPWA Pipeline***

Dear Mr. Toor:

Per our conversations with Mr. Jeff Davis of the San Geronio Pass Water Agency (SGPWA) and you, it is our understanding that the SGPWA would like us to design a stand alone package for a pipeline greater than 24 inches in diameter. Metcalf & Eddy, Inc. (M&E) appreciates the opportunity to submit this Contract Amendment to provide design services for the State Water Pipeline East Branch Extension. The package would be complete including the environmental documentation, geotechnical investigations, surveying and traffic plans.

SGPWA is partnering with other local stakeholders, such as the City of Banning, to assure that growing regional water needs are met while optimizing the use of existing resources and without adverse impacts on local groundwater basins. Since the City has been working in conjunction with the SGPWA, it has been determined that up to 54 inch in size (actual size under determination per a study underway) pipeline is more desirable at this time to meet the proposed future needs of the community. However a 54 inch pipeline is larger in diameter than the previously proposed 24 inch diameter pipeline. While both are proposed to be constructed within existing utility corridors and streets, the 54 inch diameter pipeline will involve more engineering time and investigation in order to eliminate potential conflicts with other utilities. Additionally, the 54 inch diameter pipeline will be deeper and require shoring or trench boxes to accommodate worker safety which will in turn requires a wider cut within the City streets. The larger diameter and deeper/wider trenching work make for increased congestion within the utility corridors adding additional costs to the project both in construction and in engineering.

The earlier study considered water supply availability and conveyance capacity, water demand, system hydraulics, pipeline alignments, connection to the East Branch Extension (EBX), and construction alternatives and costs. The Study determined three pipeline alignments (as shown in our original proposals Figure 1), connecting from the EBX near its terminus at the intersection of Noble and Orchard Streets to approximately 800 feet south of the intersection of Brookside and Highland Springs Avenues. The Study determined the City required a pipeline approximately 2.3 miles in length and 24 inches in diameter.

With the above in mind, M&E understands that the City as the lead agency is interested in preparing the design documents for the SGPWA pipeline alignment as well as environmental documentation and any required permits, as an independent stand alone set of project plans than the 24 inch diameter pipeline. The work on both sets of documents will proceed simultaneously.

1907 - 2007  
We are still writing the book

Based on the attached scope of work and additional work required, we respectfully request a contract amendment in the amount of \$95,215 in additional fees to cover the change in the Scope of Work bringing the project total costs to \$344,261. A breakdown of these additional costs is attached. Additionally, our Project Personnel and Project Experience are included herein as an attachment for your reference.

We look forward to working with the City on this project. Please do not hesitate to contact me if you have any questions on my cell at (909) 224-3160.

Respectfully Submitted,  
METCALF & EDDY, INC.



Ashok K. Dhingra, PE, SE  
Senior Vice President



**San Geronimo Pass Water Agency**  
*APPLICATION FOR SGPWA WATER SERVICE*  
*IN ACCORDANCE WITH SGPWA ORDINANCE NO. 8*

1. APPLICANT NAME: High Valleys Water District

2. LEGAL CAPACITY:

- Public Agency (enabling law): County Water District
- Public Utility (enabling law): \_\_\_\_\_
- Mutual Water Company \_\_\_\_\_ PUC Regulated Water Company \_\_\_\_\_
- Private Water Company \_\_\_\_\_ Partnership \_\_\_\_\_ Individual \_\_\_\_\_
- Limited Liability Company (State): \_\_\_\_\_
- Corporation (type and State): \_\_\_\_\_

3. TYPE OF USE:

- Municipal \_\_\_\_\_ Industrial \_\_\_\_\_ Agriculture \_\_\_\_\_ Recreation \_\_\_\_\_
- Ground Water Recharge \_\_\_\_\_ Other \_\_\_\_\_

4. QUANTITY and FLOW RATES:

Maximum Flow Rate (cfs) 5 Minimum Flow Rate (cfs) 2

FIRST YEAR QUANTITY REQUESTED BY MONTH FOR (Acre-Feet)

January:	<u>6</u>	July:	<u>6</u>
February:	<u>6</u>	August:	<u>6</u>
March:	<u>6</u>	September:	<u>6</u>
April:	<u>6</u>	October:	<u>6</u>
May:	<u>6</u>	November:	<u>6</u>
June:	<u>6</u>	December:	<u>6</u>

TOTAL ANNUAL QUANTITY FIRST YEAR: 72 AF

YEARS 2 through 5 ANNUAL QUANTITY (acre feet):

2<sup>ND</sup>: 72 3<sup>RD</sup>: 72 4<sup>TH</sup>: 72 5<sup>TH</sup>: 72

**STAFF USE ONLY**

First Application  Renewal Application Assigned to: \_\_\_\_\_

Date Accepted: \_\_\_\_\_ Board Hearing Date: \_\_\_\_\_

Staff Recommendation: \_\_\_\_\_

Environmental Finding:  Exempt  De Minimus  Negative Declaration  
 Mitigated Negative Declaration  EIR

**5. LOCATION OF USE** (indicate all areas where SGPWA water will be used):

- Township, Range, Section, 1/4: High Valleys Water District
- Assessors Parcel Number: Twin Pines, Poppet Flat

**6. FACILITIES CONSTRUCTION** (describe all physical facilities that will be constructed as a result of this application, including specific connections to SGPWA owned facilities—attach design preliminary design if available):

Construction of Agency's Beaumont Avenue Recharge Facility is required. No other new infrastructure required.

**7. LOCATION OF DELIVERY** (indicate where connection will be made to SGPWA system):

- Township, Range, Section, 1/4: \_\_\_\_\_
- Assessors Parcel Number: \_\_\_\_\_
- SGPWA Pipeline Station if known: Mountain View Connection

**8. TREATMENT** (describe water treatment facilities (if any) that will be used for the purpose of use intended by the applicant):

Not treated. Water will be stored in Beaumont Basin and wheeled by City of Banning to High Valleys. Wheeling agreement to be negotiated.

**9. ACKNOWLEDGMENT BY APPLICANT:**

Applicant acknowledges and agrees to the following by signature below:

- SGPWA water service will at all times be in accordance with SGPWA Ordinance No. 8, and any other rules and regulations as may be amended, adopted or mandated by the SGPWA Board of Directors or any entity of the State of California. SGPWA water service is wholesale in nature. Due to the annual variable nature of the SGPWA water supply, SGPWA water deliveries shall not constitute a vested right to a fixed amount of SGPWA water each year or to any specific level of pressure.
- SGPWA water service shall be subject to all of the terms and conditions of SGPWA's SWP contract with DWR, including delivery interruption by reason of DWR and/or SGPWA's requirements for maintenance and operation of its facilities or by reason of demand in excess of SGPWA's Table A Amount. SGPWA water is raw and untreated, and SGPWA makes no representation as its quality with respect to suitability for any particular purpose.

- Applicant agrees to fund all costs that result from processing this application and/or from construction of facilities required to provide the service requested, including but not limited to: environmental review; circulation of the application for review by the public; engineering analysis and design; and, construction of related physical facilities. The applicant will deposit sufficient funds with the SGPWA prior to expense being incurred by SGPWA.
- Applicant agrees to pay charges for SGPWA water delivered at established SGPWA rates within 30 days after SGPWA invoice. The Applicant shall not use the water delivered by SGPWA outside of SGPWA.
- Applicant agrees to defend, indemnify and hold harmless SGPWA, its directors, officers, agents and employees from and against any and all claims, demands, losses, costs, expenses, liability and damages, including but not limited to reasonable engineers' and attorneys' fees, arising out of or related to (i) the control carriage, handling, use, disposal, or distribution of water delivered by SGPWA after the point of delivery; (ii) the attachment to or removal of Applicant's facilities to those of SGPWA; and (iii) the environmental review and approval for this Application. This covenant to defend, indemnify and hold harmless shall survive the termination of SGPWA's water service to Applicant.

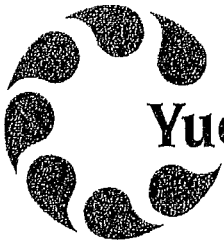
High Valleys Water District  
Applicant

Ernest B. Wright  
Signature

Ernest B. Wright  
Printed Name

Board President  
Title

9-19-2017  
Date



# Yucaipa Valley Water District

12770 Second Street • P. O. Box 730 • Yucaipa, California 92399-0730  
(909) 797-5117 • Fax: (909) 797-6381 • www.yvwd.dst.ca.us

August 15, 2017

Jeff Davis, General Manager  
San Gorgonio Pass Water Agency  
1210 Beaumont Avenue  
Beaumont, California 92399

**Subject: Application for Four (4) Additional Imported Water Delivery Points at Various Locations from the San Gorgonio Pass Water Agency**

Dear Mr. Davis:

Please find attached a completed *Application for SGPWA Water Service in Accordance with SGPWA Ordinance No. 8* for additional delivery points to be used by Yucaipa Valley Water District. In addition to the previously approved service connection to Yucaipa Valley Water District, approved by the San Gorgonio Pass Water Agency as Resolution No. 2007-03 (SGPWA Connection Point 1), the Yucaipa Valley Water District respectfully requests the addition of the following connection points:

- SGPWA Connection Point No. 2 Surface Spreading / Groundwater Recharge at the Wilson Creek Spreading Basins, Bryant Street, Yucaipa, California;
- SGPWA Connection Point No. 3 Surface Spreading / Groundwater Recharge at the San Gorgonio Pass Water Agency, Beaumont Avenue Recharge Facilities, Beaumont Avenue, Beaumont California;
- SGPWA Connection Point No. 4 Surface Spreading / Groundwater Recharge at the Beaumont Cherry Valley Water District, Brookside Spreading Basins, Beaumont Avenue, Beaumont, California; and
- SGPWA Connection Point No. 5 Surface Spreading / Groundwater Recharge at the San Bernardino Valley Municipal Water District, Bunker Hill Basin Conjunctive Use Project, Redlands, California.

To facilitate the processing of this application, the Yucaipa Valley Water District understands that:

- All imported water ordered and delivered to the Yucaipa Valley Water District from the San Gorgonio Pass Water Agency will be identified and categorized as part of the *Supplemental Water Calculations for SBVMWD & SGPWA* (see Exhibit A). This monthly spreadsheet summary will be expanded to include information about surface spreading / groundwater recharge activities from imported water supplied by the San Gorgonio Pass Water Agency.

Directors and Officers

8 / 4 1

CHRISTOPHER MANN  
Division 1

BRUCE GRANLUND  
Division 2

JAY BOGH  
Division 3

SONIA GRANLUND  
Division 4

THOMAS SHALHOUB  
Division 5

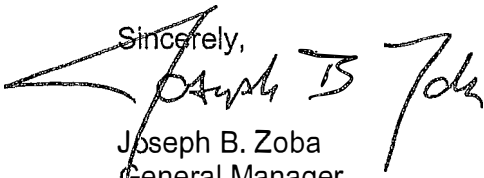
JOSEPH B. ZOBA  
General Manager  
and Secretary



- The imported water purchased from the Yucaipa Valley Water District from the San Gorgonio Pass Water Agency at a delivery point outside of the boundary of the San Gorgonio Pass Water Agency will ultimately be used within the boundary of the San Gorgonio Pass Water Agency.
- The requested approvals for SGPWA Connection Point Nos. 2 and 5 will require a joint agreement between the San Gorgonio Pass Water Agency, the San Bernardino Valley Municipal Water District, and the Yucaipa Valley Water District. Please advise how you would like to proceed with this multi-party agreement.
- The requested approvals for SGPWA Connection Point Nos. 3, 4, and 5 will be considered and possibly pre-approved by the San Gorgonio Pass Water Agency. The Yucaipa Valley Water District appreciates the approval of these Connection Points in order to facilitate the funding commitments and additional agreements that are necessary to fully implement at utilize the recharge facilities.

Should you have any questions, or require any additional information, please contact me directly at (909) 797-5119 x2 or at [jzoba@yvw.dst.ca.us](mailto:jzoba@yvw.dst.ca.us).

Sincerely,



Joseph B. Zoba  
General Manager

Copies to:

- Douglas Headrick, San Bernardino Valley Municipal Water District (with attachments)

Attachments:

- **Exhibit A** - Supplemental Water Calculations for San Bernardino Valley Municipal Water District and the San Gorgonio Pass Water Agency
- **Exhibit B** - Email Message from Jeff Davis to Joseph Zoba dated Monday, July 17, 2017
- **Exhibit C** - San Gorgonio Pass Water Agency *Application for SGPWA Water Service in Accordance with SGPWA Ordinance No. 8*, dated July 17, 2017
- **Exhibit D** - Yucaipa Valley Water District Workshop Memorandum No. 17-108, Application for Four (4) Additional Imported Water Service Connections with the San Gorgonio Pass Water Agency, July 25, 2017



# San Geronio Pass Water Agency

APPLICATION FOR SGPWA WATER SERVICE  
IN ACCORDANCE WITH SGPWA ORDINANCE NO. 8

1. **APPLICANT NAME:** Yucaipa Valley Water District \_\_\_\_\_

2. **LEGAL CAPACITY:**

Public Agency (enabling law): California Government Code Sections 30000 \_\_\_\_\_  
 Public Utility (enabling law): \_\_\_\_\_  
 Mutual Water Company \_\_\_\_\_ PUC Regulated Water Company  
 Private Water Company \_\_\_\_\_ Partnership \_\_\_\_\_ Individual  
 Limited Liability Company (State): \_\_\_\_\_  
 Corporation (type and State): \_\_\_\_\_

3. **TYPE OF USE:**

Municipal \_\_\_\_\_ Industrial \_\_\_\_\_  Agriculture \_\_\_\_\_ Recreation \_\_\_\_\_  
 Ground Water Recharge \_\_\_\_\_ Other \_\_\_\_\_

4. **QUANTITY and FLOW RATES:**

Maximum Flow Rate (cfs) 30 cfs \_\_\_\_\_ Minimum Flow Rate (cfs) 0 cfs \_\_\_\_\_

FIRST YEAR QUANTITY REQUESTED BY MONTH FOR (Acre-Feet)

January: 2017 - 0 acre feet	July: 2017 - 0 acre feet
February: 2017 - 0 acre feet	August: 2017 - 0 acre feet
March: 2017 - 0 acre feet	September: 2017 - 0 acre feet
April: 2017 - 0 acre feet	October: 2017 - 0 acre feet
May: 2017 - 0 acre feet	November: 2017 - 0 acre feet
June: 2017 - 0 acre feet	December: 2017 - 0 acre feet

TOTAL ANNUAL QUANTITY FIRST YEAR: 0 acre feet

YEARS 2 through 5 ANNUAL QUANTITY (acre feet) :

2<sup>ND</sup>:Varies 0 to 500 3<sup>RD</sup>:Varies - 0 to 500 4<sup>TH</sup>:Varies 0 to 500 5<sup>TH</sup>:Varies 0 to 500

**STAFF USE ONLY**

First Application  Renewal Application Assigned to: \_\_\_\_\_

Date Accepted: \_\_\_\_\_ Board Hearing Date: \_\_\_\_\_

Staff Recommendation: \_\_\_\_\_

Environmental Finding:  Exempt  De Minimus  Negative Declaration  
 Mitigated Negative Declaration  EIR

*SGPWA Ordinance No. 8 Application*  
*Page 2 of 3*

**5. LOCATION OF USE** (indicate all areas where SGPWA water will be used):

- Township, Range, Section, ¼ ¼: \_\_\_\_\_
- Assessors Parcel Number: See Attached \_\_\_\_\_

**6. FACILITIES CONSTRUCTION** (describe all physical facilities that will be constructed as a result of this application, including specific connections to SGPWA owned facilities—attach design preliminary design if available): See Attached \_\_\_\_\_

**7. LOCATION OF DELIVERY** (indicate where connection will be made to SGPWA system):

- Township, Range, Section, ¼ \_\_\_\_\_
- Assessors Parcel Number: See Attached \_\_\_\_\_
- SGPWA Pipeline Station if known \_\_\_\_\_

**8. TREATMENT** (describe water treatment facilities (if any) that will be used for the purpose of use intended by the applicant): Not applicable. \_\_\_\_\_

**9. ACKNOWLEDGMENT BY APPLICANT:**

Applicant acknowledges and agrees to the following by signature below:

- SGPWA water service will at all times be in accordance with SGPWA Ordinance No. 8, and any other rules and regulations as may be amended, adopted or mandated by the SGPWA Board of Directors or any entity of the State of California. SGPWA water service is wholesale in nature. Due to the annual variable nature of the SGPWA water supply, SGPWA water deliveries shall not constitute a vested right to a fixed amount of SGPWA water each year or to any specific level of pressure.
- SGPWA water service shall be subject to all of the terms and conditions of SGPWA's SWP contract with DWR, including delivery interruption by reason of DWR and/or SGPWA's requirements for maintenance and operation of its facilities or by reason of demand in excess of SGPWA's Table A Amount. SGPWA water is raw and untreated, and SGPWA makes no representation as its quality with respect to suitability for any particular purpose.

*SGPWA Ordinance No. 8 Application*

*Page 3 of 3*

- Applicant agrees to fund all costs that result from processing this application and/or from construction of facilities required to provide the service requested, including but not limited to: environmental review; circulation of the application for review by the public; engineering analysis and design; and, construction of related physical facilities. The applicant will deposit sufficient funds with the SGPWA prior to expense being incurred by SGPWA.
- Applicant agrees to pay charges for SGPWA water delivered at established SGPWA rates within 30 days after SGPWA invoice. The Applicant shall not use the water delivered by SGPWA outside of SGPWA.
- Applicant agrees to defend, indemnify and hold harmless SGPWA, its directors, officers, agents and employees from and against any and all claims, demands, losses, costs, expenses, liability and damages, including but not limited to reasonable engineers' and attorneys' fees, arising out of or related to (i) the control carriage, handling, use, disposal, or distribution of water delivered by SGPWA after the point of delivery; (ii) the attachment to or removal of Applicant's facilities to those of SGPWA; and (iii) the environmental review and approval for this Application. This covenant to defend, indemnify and hold harmless shall survive the termination of SGPWA's water service to Applicant.

Yucaipa Valley Water District

Applicant

Signature

Joseph B. Zoba

Printed Name

General Manager

Title

July 17, 2017

Date

## San Gorgonio Pass Water Agency Connection Point 2 Wilson Creek Spreading Basins



**Assessor Parcel Numbers:** 032105220; 032105222; 032105227; 032106106; 032106107; 032106112; and 032106117

### **Site Description:**

The Wilson Creek Spreading Basins were originally constructed by the Yucaipa Valley Water Conservation District. The property is currently owned by the County of San Bernardino. The San Bernardino Valley Municipal Water District owns and operates the Wilson Creek Turnout which provides flow metering capability and flow control of water deliveries to the Wilson Creek Spreading Basins for groundwater recharge purposes. The Wilson Creek Spreading Basins has the ability to receive up to 30 cubic feet per second (cfs) from San Bernardino Valley Municipal Water District. As a result of this application, some of the water delivered to this site may be from the San Gorgonio Pass Water Agency.

### **Flow Rates:**

The minimum flow rate will be 0 cubic feet per second and the maximum flow rate will be 30 cubic feet per second. The specific flow rate and imported water contribution will be determined jointly by the San Bernardino Valley Municipal Water District, the San Gorgonio Pass Water Agency, and the Yucaipa Valley Water District.

# San Gorgonio Pass Water Agency Connection Point 3 SGPWA Beaumont Avenue Recharge Facility



**Assessor Parcel Numbers:** 404010016; and 404010017

## **Site Description:**

The Beaumont Avenue Recharge Facility ("Facility") will consist of a series of five tiered basins, each separated by earthen berms. The Facility would have raised embankments along its perimeter so that a portion of the basins will be above the current ground elevation and a portion of the basins will be below the current ground elevation. The recharge facility has been designed for an infiltration rate of two feet per day and to accommodate a maximum flow rate of 20 cubic feet per second (cfs). With a capacity of 20 cfs, the normal operation of the facility would allow recharge of 3,000 acre feet per year to 4,000 acre feet per year. The proposed recharge basin would be operating during wet periods of the year. Each basin would have a maximum ponding depth of 5.5 feet and a minimum freeboard of 1.5 feet from water surface to the basin rim.

## **Flow Rates:**

The minimum flow rate will be 0 cubic feet per second and the maximum flow rate will be 20 cubic feet per second. The specific flow rate and imported water contribution will be determined by the San Gorgonio Pass Water Agency and the Yucaipa Valley Water District.

# San Gorgonio Pass Water Agency Connection Point 4 BCVWD Brookside Spreading Basins



**Assessor Parcel Number:** 403200007

**Site Description:**

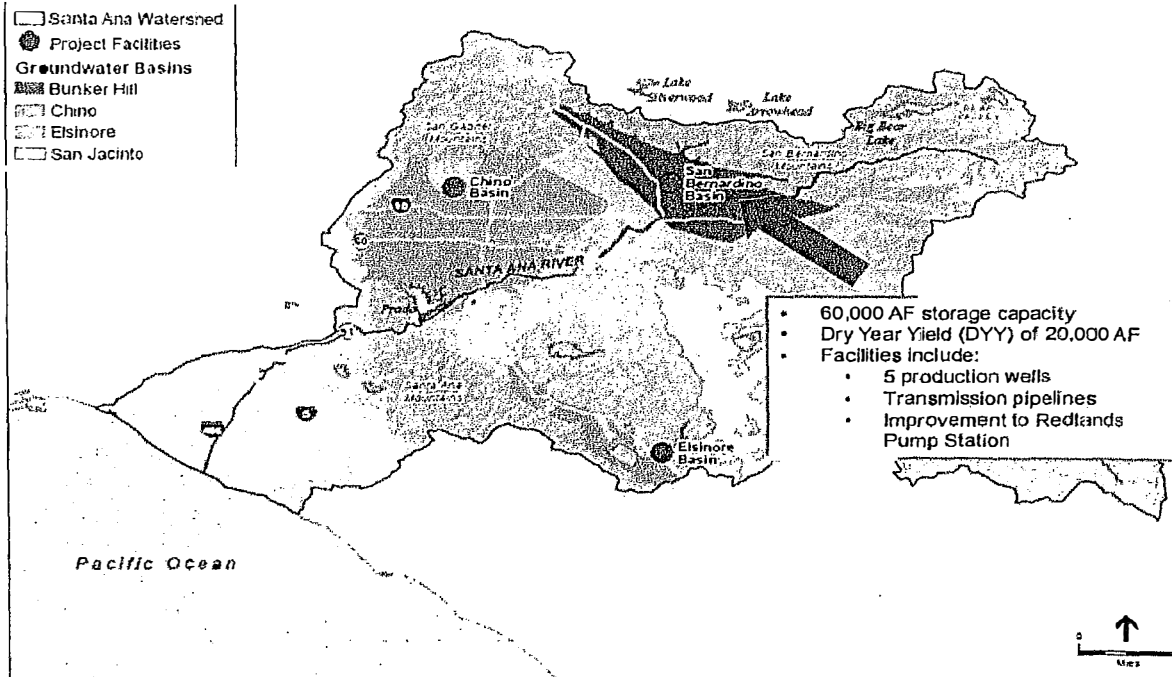
The Brookside Spreading Basins are operated by the Beaumont Cherry Valley Water District and is used to recharge captured storm flow and imported water from the San Gorgonio Pass Water Agency. The initial spreading facilities were completed and operational in 2006, with the most recent phase being completed in 2014. This site has excellent recharge capabilities with historic long-term percolation rates 7 to 10 acre-feet per acre per day. Following approval of a connection point by the San Gorgonio Pass Water Agency, the Yucaipa Valley Water District will pursue a separate agreement to form a partnership with the Beaumont Cherry Valley Water District.

**Flow Rates:**

The minimum flow rate will be 0 cubic feet per second and the maximum flow rate will be 20 cubic feet per second. The specific flow rate and imported water contribution will be determined jointly by the Beaumont Cherry Valley Water District, the San Gorgonio Pass Water Agency, and the Yucaipa Valley Water District.

# San Gorgonio Pass Water Agency Connection Point 5 Bunker Hill Conjunctive Use Program

## Bunker Hill / SBBA Bank



**Assessor Parcel Numbers:** Various

**Site Description:**

On September 17, 2013, the San Bernardino Valley Municipal Water District and the San Gorgonio Pass Water Agency conducted a joint board meeting that included a discussion about a proposed Bunker Hill Conjunctive Use Project (“Bunker Hill CUP”). The Bunker Hill CUP would provide the San Gorgonio Pass Water Agency and the Yucaipa Valley Water District with an opportunity to store imported water south of the Delta in the Bunker Hill Basin.

**Flow Rates:**

The minimum flow rate will be 0 cubic feet per second and the maximum flow rate will be 30 cubic feet per second. The specific flow rate and imported water contribution will be determined jointly by the San Bernardino Valley Municipal Water District, the San Gorgonio Pass Water Agency, and the Yucaipa Valley Water District.



## **Exhibit A**

Supplemental Water Calculations for the  
San Bernardino Valley Municipal Water District and the  
San Gorgonio Pass Water Agency

**Supplemental Water Calculations for SBVMWD & SGPWA**

Monday, July 17, 2017

\$309.00  
Effective 7/1/09

**Potable Water Calculation:**

	Calculations	June 2017		
		SBVMWD	SGPWA	Total
Quantity of Imported Water Delivered to YVWD (AF)	[A]	--	--	1,014.60
Quantity of Filtered Water Delivered to Customers (AF)	[B]	--	--	879.57
Potable Water Consumption By County (kgal)	[C]	294,235	43,982	338,217
Percentage of Domestic Use per County	[D] = % of [C]	87.0%	13.0%	100.0%
Preliminary Allocation of Filtered Water (AF)	[E]=[B]*[D]	765.19	114.38	879.57
Well No. 35 Production (AF)	[F]	--	0.00	--
Well No. 40 Production (AF)	[G]	--	0.00	--
Well No. 48 Production (AF)	[H]	--	0.00	--
Well No. 61 Production (AF)	[I]	--	0.00	--
Calculation of Filtered Water Use in Riv. Co. (AF)	[J]=[E]-[F]-[G]-[H]-[I]	--	114.38	--
<b>Revised Allocation of Filtered Water (AF)</b>	<b>[K]</b>	<b>765.19</b>	<b>114.38</b>	<b>879.57</b>
Imported Water Allocated to YVWD (AF)	[L]	682.31	--	682.31
Imported Water Allocated to WHMWC (AF)	[M]	82.88	--	82.88

**Recycled Water Calculation:**

	Calculations	June 2017		
		SBVMWD	SGPWA	Total
Quantity of Recycled Water from Direct Imports (AF)	[N]=[A]-[B]	--	--	135.03
Amount of Recycled Water from B-8 at Wochholz RWRP (AF)	[O]	--	--	88.43
Actual Recycled Use in Riv. Co. (AF)	[P]	--	6.15	--
<b>Revised Allocation of Recycled Water Use from YVRWFF (AF)</b>	<b>[Q]</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**Summary of Monthly Water Purchase from SGPWA**

June 2017		
SBVMWD	SGPWA	Total
765.19	114.38	879.57

Checks paid to SGPWA	<b>Potable</b>	114.38 AF
	Check Number	
	Check Date	
	Check Amount	\$309 AF      \$35,343.42
Checks paid to SGPWA	<b>Recycled</b>	0.00 AF
	Check Number	N/A
	Check Date	N/A
	Check Amount	\$309 AF      \$0.00

6/30/2017	<b>CHECK REQUEST</b>	
02-5-01-51316	Potable (114.38 AF)	\$35,343.42
02-5-01-51316	Recycled (0.00 AF)	\$0.00
	<b>SGPWA CHECK TOTAL</b>	<b>\$35,343.42</b>

## **Exhibit B**

Email Message from Jeff Davis to Joseph Zoba  
dated Monday, July 17, 2017

## Joseph Zoba

---

**From:** Jeff Davis <JDavis@sgpwa.com>  
**Sent:** Monday, July 17, 2017 8:02 AM  
**To:** Joseph Zoba  
**Subject:** Additional Delivery Points for YVWD Water

Joe,

Following up on a conversation we had a few weeks ago, we need to work together to add some delivery points to your water service from the Agency. This will be done formally by completing a three page form that can be found on the Agency's web site. I can probably do some of that work for you, but I would like a letter first that would initiate the process.

The letter would indicate the District's desire to change its service from the Agency by adding delivery points. As I recall, those new delivery points would be the Agency's proposed recharge facility, the Wilson Creek facility, and Valley's BHCUP. Was there another one? Maybe BCVWD's facility?

In any case, once I receive the letter, I can start the process. The key point for the Board in making its decision will be assurances that:

- Any water purchased from the Agency and delivered to those facilities would eventually be delivered to the Agency's service area in Riverside County; and
- CEQA has been complied with for the construction and operation of all of those facilities. We know that is true for our facility and we know that Valley is working on CEQA for its facility. At some point we would need some kind of evidence that someone (I presume the City of Yucaipa) complied with CEQA in constructing the Wilson Creek facility.

Overall I see it as a relatively simple process that won't take long so long as we work together. I'm initiating this partly because I told you I would, and partly because you have requested 2500 AF of water this year over and above your direct deliveries, and we need to get this paperwork completed so that we can start scheduling delivery of that water (presumably to Wilson Creek).

Let me know if you see things any differently. Otherwise, I will expect a letter from you in the next week or so.

Jeff Davis  
San Geronio Pass Water Agency  
General Manager  
951/845-2577

## **Exhibit C**

*San Geronio Pass Water Agency Application for SGPWA  
Water Service in Accordance with SGPWA Ordinance No. 8,  
dated July 17, 2017*



**San Gorgonio Pass Water Agency**  
**APPLICATION FOR SGPWA WATER SERVICE**  
**IN ACCORDANCE WITH SGPWA ORDINANCE NO. 8**

**1. APPLICANT NAME:** Yucalpa Valley Water District

**2. LEGAL CAPACITY:**

Public Agency (enabling law): California Government Code Sections 30000  
 \_\_\_\_\_ Public Utility (enabling law): \_\_\_\_\_  
 \_\_\_\_\_ Mutual Water Company \_\_\_\_\_ PUC Regulated Water Company  
 \_\_\_\_\_ Private Water Company \_\_\_\_\_ Partnership \_\_\_\_\_ Individual  
 \_\_\_\_\_ Limited Liability Company (State): \_\_\_\_\_  
 \_\_\_\_\_ Corporation (type and State): \_\_\_\_\_

**3. TYPE OF USE:**

Municipal \_\_\_\_\_ Industrial  Agriculture \_\_\_\_\_ Recreation  
 Ground Water Recharge \_\_\_\_\_ Other \_\_\_\_\_

**4. QUANTITY and FLOW RATES:**

Maximum Flow Rate (cfs) 30 cfs Minimum Flow Rate (cfs) 0 cfs

**FIRST YEAR QUANTITY REQUESTED BY MONTH FOR (Acre-Feet)**

January: 2017 - 0 acre feet	July: 2017 - 0 acre feet
February: 2017 - 0 acre feet	August: 2017 - 0 acre feet
March: 2017 - 0 acre feet	September: 2017 - 0 acre feet
April: 2017 - 0 acre feet	October: 2017 - 0 acre feet
May: 2017 - 0 acre feet	November: 2017 - 0 acre feet
June: 2017 - 0 acre feet	December: 2017 - 0 acre feet

TOTAL ANNUAL QUANTITY FIRST YEAR: 0 acre feet

YEARS 2 through 5 ANNUAL QUANTITY (acre feet) :

2<sup>ND</sup>: Varies 0 to 500 3<sup>RD</sup>: Varies - 0 to 500 4<sup>TH</sup>: Varies 0 to 500 5<sup>TH</sup>: Varies 0 to 500

**STAFF USE ONLY**

First Application  Renewal Application Assigned to: \_\_\_\_\_

Date Accepted: \_\_\_\_\_ Board Hearing Date: \_\_\_\_\_

Staff Recommendation: \_\_\_\_\_

Environmental Finding:  Exempt  De Minimus  Negative Declaration  
 Mitigated Negative Declaration  BIR

**5. LOCATION OF USE** (indicate all areas where SGPWA water will be used):

- Township, Range, Section, ¼ ¼: \_\_\_\_\_
- Assessors Parcel Number: See Attached

**6. FACILITIES CONSTRUCTION** (describe all physical facilities that will be constructed as a result of this application, including specific connections to SGPWA owned facilities—attach design preliminary design if available): See Attached

**7. LOCATION OF DELIVERY** (indicate where connection will be made to SGPWA system):

- Township, Range, Section, ¼ \_\_\_\_\_
- Assessors Parcel Number: See Attached
- SGPWA Pipeline Station if known \_\_\_\_\_

**8. TREATMENT** (describe water treatment facilities (if any) that will be used for the purpose of use intended by the applicant): Not applicable.

**9. ACKNOWLEDGMENT BY APPLICANT:**

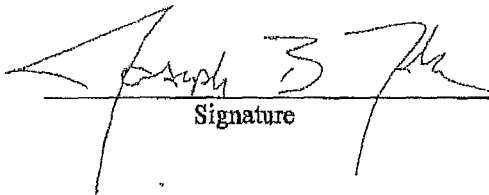
Applicant acknowledges and agrees to the following by signature below:

- SGPWA water service will at all times be in accordance with SGPWA Ordinance No. 8, and any other rules and regulations as may be amended, adopted or mandated by the SGPWA Board of Directors or any entity of the State of California. SGPWA water service is wholesale in nature. Due to the annual variable nature of the SGPWA water supply, SGPWA water deliveries shall not constitute a vested right to a fixed amount of SGPWA water each year or to any specific level of pressure.
- SGPWA water service shall be subject to all of the terms and conditions of SGPWA's SWP contract with DWR, including delivery interruption by reason of DWR and/or SGPWA's requirements for maintenance and operation of its facilities or by reason of demand in excess of SGPWA's Table A Amount. SGPWA water is raw and untreated, and SGPWA makes no representation as its quality with respect to suitability for any particular purpose.

- Applicant agrees to fund all costs that result from processing this application and/or from construction of facilities required to provide the service requested, including but not limited to: environmental review; circulation of the application for review by the public; engineering analysis and design; and, construction of related physical facilities. The applicant will deposit sufficient funds with the SGPWA prior to expense being incurred by SGPWA.
- Applicant agrees to pay charges for SGPWA water delivered at established SGPWA rates within 30 days after SGPWA invoice. The Applicant shall not use the water delivered by SGPWA outside of SGPWA.
- Applicant agrees to defend, indemnify and hold harmless SGPWA, its directors, officers, agents and employees from and against any and all claims, demands, losses, costs, expenses, liability and damages, including but not limited to reasonable engineers' and attorneys' fees, arising out of or related to (i) the control carriage, handling, use, disposal, or distribution of water delivered by SGPWA after the point of delivery; (ii) the attachment to or removal of Applicant's facilities to those of SGPWA; and (iii) the environmental review and approval for this Application. This covenant to defend, indemnify and hold harmless shall survive the termination of SGPWA's water service to Applicant.

Yucaipa Valley Water District

Applicant



Signature

Joseph B. Zoba  
Printed Name

General Manager  
Title

July 17, 2017  
Date



## **Exhibit D**

Yucaipa Valley Water District Workshop Memorandum  
No. 17-108, Application for Four (4) Additional Imported Water  
Service Connections with the San Geronio Pass Water Agency,  
dated July 25, 2017



**Date:** July 25, 2017  
**From:** Joseph Zoba, General Manager  
**Subject:** Application for Four (4) Additional Imported Water Service Connections with the San Gorgonio Pass Water Agency

---

The Yucaipa Valley Water District currently has one approved connection point with the San Gorgonio Pass Water Agency at the Yucaipa Valley Regional Water Filtration Facility. While this connection point is in the service area of the San Bernardino Valley Municipal Water District, the Yucaipa Valley Water District was required to process an application consistent with the San Gorgonio Pass Water Agency Ordinance No. 8 (attached).

The District staff is in the process of applying for the following additional connection points for imported water service from the San Gorgonio Pass Water Agency.

- |                          |  |
|--------------------------|--|
| SGPWA Connection Point 2 | Surface Spreading / Groundwater Recharge at the Wilson Creek Spreading Basins, Bryant Street, Yucaipa, California;   |
| SGPWA Connection Point 3 | Surface Spreading / Groundwater Recharge at the San Gorgonio Pass Water Agency, Beaumont Avenue Recharge Facilities, Beaumont Avenue, Beaumont California;       |
| SGPWA Connection Point 4 | Surface Spreading / Groundwater Recharge at the Beaumont Cherry Valley Water District, Brookside Spreading Basins, Beaumont Avenue, Beaumont, California; and    |
| SGPWA Connection Point 5 | Surface Spreading / Groundwater Recharge at the San Bernardino Valley Municipal Water District, Bunker Hill Basin Conjunctive Use Project, Redlands, California. |

As part of the application process, the District staff will confirm and validate that imported water received from the San Gorgonio Pass Water Agency at connection points 2 through 5 will eventually be delivered for use within the Agency's service area.

The application process and the validation of using the imported water in the Agency's service area do not represent significant issues for the District. This item is presented for information purposes.

**SAN GORGONIO PASS WATER AGENCY  
ORDINANCE NO. 8**

**AN ORDINANCE ESTABLISHING RULES AND REGULATIONS  
FOR SGPWA WATER SERVICE**

WHEREAS, the Board of Directors of the San Gorgonio Pass Water Agency ("SGPWA") hereby finds:

1. SGPWA is a wholesale water agency organized and operated pursuant to the San Gorgonio Pass Water Agency Law, California Uncodified Water Act 9099, found in California Water Code Appendix 101 ("SGPWA Act").
2. SGPWA sale of water and dedication of Return Flows resulting from use of such SGWA Water to eliminate Overdraft in SGPWA groundwater basins provides the highest priority that is reasonably available to eliminate overdraft conditions.

NOW, THEREFORE, be it ordained by the Board of Directors of SGPWA as follows:

**RULES AND REGULATIONS  
FOR SGPWA WATER SERVICE  
AS SET FORTH BE ADOPTED**

ARTICLE I

TABLE OF CONTENTS

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                          Section 4.09 Return Flows

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ARTICLE II

DEFINITIONS

**Section 2.01 Definitions.** As used herein the terms set forth below shall be defined as follows and shall have such meaning unless the context indicates otherwise.

(a) **APPLICATION:** A request by the "Applicant" for SGPWA Water service pursuant to these Rules and Regulations, including Section 3.01.

(b) **HYDRAULIC HEAD:** The force measured in pounds per square inch that represents the vertical distance between an unimpaired water surface and the point of delivery.

(c) **OVERDRAFT:** A condition wherein the total annual production from a groundwater basin exceeds the "safe yield" thereof. "Safe yield" is the maximum quantity of water which can be produced annually from a groundwater basin under a given set of conditions without causing a gradual lowering of the groundwater level leading eventually to depletion of the supply in storage.

(d) **RETURN FLOWS:** Amounts of SGPWA Water that return to surface or ground water after initial use by a retail consumer by irrigation or disposal through onsite waste disposal system.

(e) **SGPWA:** The San Geronio Pass Water Agency.

(f) **SGPWA WATER:** Water imported by SGPWA from outside the boundaries of SGPWA for sale to retail agencies within SGPWA or water otherwise "authorized" and developed by SGPWA pursuant to its Act, available for delivery by SGPWA subject to the limitations set forth in these Rules and Regulations.

(g) **SWP:** The California State Water Project.

(h) **TABLE A AMOUNT:** The annual amount of SWP water which SGPWA might obtain under its contract with the California Department of Water Resources ("DWR").

### ARTICLE III

#### AUTHORIZATION FOR SERVICE

**Section 3.01 Application for Service.** A person or entity ("Applicant") desiring SGPWA Water service pursuant to these Rules and Regulations shall submit an Application for service in such form as may be required by the SGPWA General Manager, which Application must include the following information:

1. Identity and legal capacity of the Applicant;
2. Amount, rate, location, time and manner of delivery of the SGPWA Water;
3. Description of delivery facilities, capacity and flow rates;
4. Environmental review and approval necessary under the California Environmental Quality Act;

5. Any further information and/or requirements that may be reasonably necessary for SGPWA to evaluate the Application according to the criteria of these Rules and Regulations and to carry out SGPWA's responsibilities under the law.

The SGPWA General Manager shall notify the Applicant within 30 days whether the Application is complete. The Applicant shall fund all costs incurred to process the Application and to construct facilities required to deliver the SGPWA Water. SGPWA may require a deposit to cover all or a portion of the estimated costs prior to accepting an application.

**Section 3.02 Investigation and Action by SGPWA.** The SGPWA General Manager shall investigate each Application and may require the submission of additional relevant information, to be provided at the cost of the Applicant. The SGPWA General Manager shall consider and act upon the Application and any required additional relevant information within a reasonable period of time after acceptance and submission of other required information.

The SGPWA Board of Directors shall have discretion to deny, approve or conditionally approve the Application. In acting on an Application, SGPWA may take into account whether the delivery or intended use of the Supplemental Water meets the requirements of applicable state, federal and local law or regulation. SGPWA approval of the Application will authorize delivery of SGPWA Water to be purchased by the Applicant, as "Purchaser", at the identified service connection, subject to conditions of the approval and this Ordinance.

**Section 3.03 Service Connections.** The design of service connections for SGPWA Water service shall meet the specifications as determined by the SGPWA General Manager to be necessary according to reasonable engineering practices and standards. Should the Application require the construction of a service connection, the Applicant, if approved by the Agency and at Applicant's cost, may design, according to SGPWA specifications, the service connection and any flow control facilities required by SGPWA, subject to the approval of the SGPWA General Manager, which approval shall not be unreasonably withheld. The Applicant shall pay the cost for SGPWA to install the service connection and any flow control facilities required by SGPWA and any cost for SGPWA design or design review of the service connection and flow control facilities. The service connection shall include any required flanges, valves, pipe, meters, electronic and remote telemeter and other required equipment. The flow control facilities must include any pipes, vertical structures, vertical meters, control panels, check valves, check valve structures, flanges, and other equipment required by SGPWA. SGPWA will confer with the Applicant regarding design and operation of the SGPWA service facilities.

The service connection and any flow control facilities required by SGPWA, to the downstream flange of the flow control facility meter, shall be the property of

SGPWA (collectively "SGPWA Service Facilities"), and the Applicant shall provide to SGPWA a grant from the landowner to SGPWA of any easement necessary for the construction, reconstruction, operation, maintenance and repair of the SGPWA Service Facilities. The Applicant shall, if required by SGPWA, provide evidence of clear title to the easement.

If the Applicant has not already done so in connection with the Application, the Applicant shall deposit an amount sufficient to cover all costs estimated by the SGPWA General Manager prior to SGPWA action towards construction of the SGPWA Service Facilities. Upon approval and receipt of the deposit, SGPWA shall procure all equipment and materials and construct the SGPWA Service Facilities. Upon completion of construction of the SGPWA Service Facilities, SGPWA shall render to the Applicant a statement of all costs; if such costs exceed the sum of money deposited by the Applicant with SGPWA, the Applicant promptly shall pay to SGPWA the amount by which such costs shall exceed such deposit; and if such costs be less than the deposit, any unexpended balance shall be returned by SGPWA to the Applicant.

**Section 3.04 Meter Testing.** When the accuracy of a water meter measuring the amount of SGPWA Water delivery through a service connection is questioned by the Purchaser, SGPWA upon request will cause an official test to be made at its own expense. The Purchaser will be duly notified of the time and place of such test and may be present when any such test is made by SGPWA.

The meter will be tested on variable rates of delivery and if the average registration is more than two percent in excess of the actual quantity of water passing through the meter, SGPWA shall refund to the Purchaser the overcharge based upon the test, for the prior twelve months, unless it can be shown that the error was due to some cause for which the date can be fixed. In the latter case, the overcharge shall be computed back to and not beyond such time. Any undercharge determined upon the basis of the test may be billed to the Purchaser on a similar basis.

Requests for a test within 12 months of a prior test will be at the Purchaser's expense unless the meter is determined to be over registering deliveries as determined in this section.

**Section 3.05 Indemnity.** The Applicant shall agree to defend, indemnify and hold harmless SGPWA, its directors, officers, agents and employees from and against any and all claims, demands, losses, costs, expenses, liability and damages, including but not limited to reasonable engineers' and attorneys' fees, arising out of or related to (i) the control, carriage, handling, use, disposal, or distribution of SGPWA Water sold by SGPWA after the point of delivery to the Applicant; (ii) the attachment to or removal of the Applicant's facilities to those of SGPWA.

Such agreement to defend, indemnify and hold harmless shall survive the termination of the Applicant's use of the service connection for delivery of SGPWA Water. In the event that SGPWA determines that the Applicant does not meet certain financial criteria, SGPWA may require surety for the Applicant's obligation under this section.

## ARTICLE IV

### DELIVERY

**Section 4.01 Establishment and Payment of Water Charges.** SGPWA shall establish and charge rates for delivery of SGPWA Water sufficient to cover SGPWA's variable costs (including off-aqueduct costs) for delivery of SGPWA Water, internal SGPWA costs and other amounts as determined by the SGPWA Board of Directors reasonably related to the cost of delivery. The rates are subject to the price, classification, and conditions that SGPWA establishes from time to time, according to the use to be made of such water, and taking into account the amount of Return Flows from different uses. The rates are subject to review and change by SGPWA.

Water charges are due and payable at the SGPWA office on the date of mailing as set forth on the bill to the Purchaser and shall be delinquent 30 days thereafter. Upon 10 days notice, SGPWA may suspend delivery of SGPWA Water to the Purchaser if payment of the water charge is not made prior to the date such charge becomes delinquent. With the exception of any rights reserved to SGPWA pursuant to this Ordinance, title to the purchased SGPWA Water shall pass to the Purchaser at the point of delivery. The point of delivery for direct deliveries is the downstream side of the check valve structure and flange of the flow control facility connected to the Purchaser's (or its designee's) system. The point of delivery for SGPWA Water to be stored in SGPWA recharge facilities shall be the point of recharge. The Purchaser shall be responsible for such additional charges, if any, for SGPWA operational costs as may be necessary for SGPWA to deliver and/or handle the SGPWA Water beyond the point of delivery on behalf of the Purchaser.

**Section 4.02 Need Forecasting Procedures.** Before August 1 of each year, each Purchaser shall furnish the SGPWA in a form provided by the SGPWA, with an estimate of the amounts of water to be delivered to such Purchaser by the SGPWA.

Each estimate shall contain, as a minimum, for each service connection for each month of the year beginning with the succeeding January 1, and for each of the succeeding four years, the following information:



1. The quantity of water to be delivered by SGPWA to the Purchaser.
2. The quantity of water to be used for:
  - (a) Domestic, industrial, and municipal purposes, exclusive of groundwater replenishment by spreading or injecting;
  - (b) Groundwater replenishment by spreading or injecting;
  - (c) Agricultural purposes;
  - (d) Recreational purposes;
  - (e) Other uses.

The first year's estimate shall constitute the Purchaser's request for deliveries for the first of the five years covered therein. The Purchaser may make revisions to any of its estimates upon reasonable notice to the SGPWA.

The estimates will be used by the SGPWA in planning the construction needed to complete the SGPWA's ultimate distribution system; in planning the future operation of such system; and in preparing notices for submission to the State Department of Water Resources that will be used by the state to order power for pumping on the SWP.

**Section 4.03 Weekly Water Delivery Schedules.** The Purchaser shall submit a weekly delivery schedule to the SGPWA at least 10 days before the start of each weekly period commencing on Monday. The schedule shall state the flow rate required and times of delivery and location within the SGPWA system.

**Section 4.04 State Water Project Contract.** SGPWA Water deliveries shall be subject to all of the terms and conditions of SGPWA's SWP contract with DWR, including delivery interruption by reason of DWR and/or SGPWA's requirements for maintenance and operation of its facilities or by reason of demand by Purchasers in excess of SGPWA's Table A Amount. SGPWA will notify Purchasers in advance of any nonstandard delivery interruptions and planned outages, and coordinate such events with Purchaser's requirements, to the extent reasonably feasible.

**Section 4.05 Variable Supply.** Due to the annual variable nature of the SWP supply, SGPWA Water deliveries shall not constitute a vested right to a fixed amount of delivery each year or to any specific level of pressure. Purchasers should take into account the variable nature of SWP supply in their plans and operations.

**Section 4.06 Wholesale Only.** SGPWA Water deliveries from SGPWA shall be wholesale in nature, and SGPWA shall not assume the obligations of a water purveyor providing direct retail service to consumers.

**Section 4.07 Water Quality.** All SGPWA Water is raw untreated water and shall not be supplied for domestic purposes by any Purchaser or retail water service provider without such treatment as may be required to comply with all applicable laws and regulations. The SGPWA makes no representation as to the quality of the water it delivers with respect to its suitability for any particular purpose.

**Section 4.08 SGPWA Boundaries.** The SGPWA Water delivered by SGPWA shall not be used outside the SGPWA, directly or indirectly. Delivery or treatment of water outside of SGPWA for use within SGPWA shall not constitute use outside the SGPWA.

**Section 4.09 Return Flows.** SGPWA expressly reserves the right to Return Flows that are received by any groundwater basin determined to be in Overdraft for the purpose of eliminating Overdraft in such basin. The Beaumont Storage Unit, as identified in *San Timoteo Watershed Management Authority v. City of Banning et al* (Riverside County Superior Court Case No. RIC 389197), is a groundwater basin that has been determined to be in Overdraft. Therefore, SGPWA hereby dedicates Return Flows in the Beaumont Storage Unit to Overdraft elimination uses that may be required by the Riverside County Superior Court or the Court appointed Watermaster in the *San Timoteo Watershed Management Authority v. City of Banning et al* case. SGPWA does not reserve rights to Return Flows to any groundwater basin determined to not be in Overdraft, using reasonable, accepted and prevailing engineering standards.

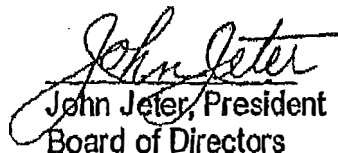
**Section 4.10 Hydraulic Head.** SGPWA reserves the right to use and prevent others from using Hydraulic Head within the SWP or SGPWA facilities for hydroelectric production provided, however, that SGPWA will consider proposals, joint or otherwise, to implement the production.

[CONTINUED ON FOLLOWING PAGE]

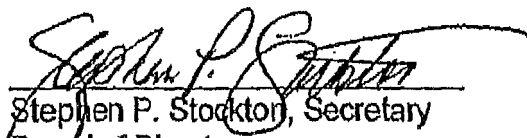
This Ordinance shall be in full force and effect on the thirty-first day after adoption, and shall be published in full in a newspaper of general circulation within fifteen (15) days from the date of adoption.

Passed and adopted this 7th day of February, 2005, by the following vote:

AYES: Larsen, Voigt, Morris, Andersen, Snyder, Mann and Jeter  
NOES: None  
ABSTAIN: None  
ABSENT: None

  
John Jeter, President  
Board of Directors  
San Geronio Pass Water Agency

ATTEST:

  
Stephen P. Stockton, Secretary  
Board of Directors  
San Geronio Pass Water Agency

**SURPLUS WATER SUPPLY SALE AGREEMENT**

This Surplus Water Supply Agreement ("Agreement") is made and entered into as of \_\_\_\_ day of \_\_\_\_\_, 2017, by and between the SAN GORGONIO PASS WATER AGENCY ("Agency") and SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT ("District"). Agency and District are sometimes individually referred to herein as a "Party" and collectively as the "Parties".

**RECITALS**

A. Agency and District are state water contractors and regional water agencies that provide water on a wholesale basis to retail water providers and other public agencies within their respective service areas. There are two retail water providers that are within the service areas of both Agency and District. Those retailers are the Yucaipa Valley Water District and the South Mesa Water Company (collectively referred to as "Retailers"); and

B. Agency desires additional water supplies of all kinds to improve its water supply reliability, including wet year yield; and

C. Agency and District have a long history of cooperative efforts to serve water to their respective service areas, including water exchanges and sharing capacity in the East Branch Extension; and

D. District anticipates that from time to time, it may have surplus State Water Project water ("Surplus Water") that is surplus to the needs of its retail customers; and

E. District has adopted its Ordinance 79 which establishes procedures for the surplus and sale of surplus State Water Project Water; and

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F. District desires to provide Agency the first right of refusal to purchase up to 5,000 acre-feet of District's Surplus Water; and

G. ~~and~~ Agency desires to purchase Surplus Water from District under the terms and conditions set forth in this Agreement.

NOW THEREFORE, in consideration of the foregoing recitals and the promises and covenants contained herein, the Parties agree as follows:

**1. Term of Agreement.**

The term of this Agreement shall commence on December 1, 2017 and end on ~~the later of the following dates: (i) the date which is fifteen (15) years from the commencement date; or (ii) the date of expiration of that certain agreement between District and the Metropolitan Water District of Southern California, dated \_\_\_\_\_~~ ("Term").

**2. Purchase and Sale of Surplus Water.**

(a) District may determine, in its sole discretion, the amount of Surplus Water that will be available for purchase during each year of the term of this Agreement. Notwithstanding the foregoing, if District determines ~~to make that~~ Surplus Water is available ~~to any purchaser in any~~ year, District shall provide Agency ~~shall have~~ the right of first refusal to purchase up to the first 5,000 acre feet of said Surplus Water.

(b) On or before June 15 of each year during the Term, District shall provide notice to Agency of the amount of Surplus Water that is available for purchase for that ~~applicable calendar~~ year. Agency shall then have 30 days from the date of said notice to notify District of the amount of said Surplus Water that it wishes to purchase for that applicable year.

**3. Purchase Price for Surplus Water.**

The purchase price for Surplus Water delivered by District to Agency shall be the total of

the costs as calculated in subsections (a) and (b) below.

(a) The cost of the water shall be based on the State Water Project Table A allocation as determined for the applicable year as follows:

Final SWP Allocation	Cost Per Acre-Foot
0 - 20%	\$400
21 - 40%	\$300
41 - 60%	\$200
61 - 81.00%	\$100
81 - 100%	\$95

**Comment [BT1]:** This is our latest pricing table for the proposed MWDSC agreement

(b) The power cost to move the Surplus Water through the State Water Project facilities, District facilities, and then to the Point of Delivery as defined herein, shall be paid as follows: (i) Agency shall pay to District power costs at the power cost rate established for the State Water Project for the applicable year. The actual power costs shall be reconciled on or before the end of the calendar year following the year of the delivery. In the event it is determined that Agency has underpaid power costs, Agency shall make payment for the amount owed to District within 30 days of said determination. In the event it is determined that Agency has overpaid power costs, Agency may elect to either receive payment from District within 30 days from the date of said determination or to apply said amount as a credit toward power costs for a subsequent year.

(c) On or before expiration of each 5-year period during the Term, the Parties shall meet and confer in good faith in regard to whether the amount and/or calculation of the purchase price should be changed. In the event the Parties cannot agree as to a new or different amount or calculation, then either Party shall have the right to terminate this Agreement. Unless a Party elects to so terminate this Agreement, the purchase price then in effect shall remain in effect unless or until the Parties reach an agreement to make any such change.

**4. Delivery of Water.**

(a) **Point of Delivery.** The physical point of delivery (“Point of Delivery”) of Surplus Water pursuant to this Agreement shall be at the afterbay of the SWP Devil Canyon Hydroelectric Generating Facility in San Bernardino, California.

(b) **Delivery Schedule.** District will cooperate with Agency to coordinate for the delivery at the Point of Delivery upon a mutually agreeable delivery schedule.

5. **Resale of Surplus Water.** During the applicable year, Agency shall first offer to sell Surplus Water to the Retailers in equal shares. Each Retailer shall notify Agency within 30 days of said offer as to whether, and to what extent, each Retailer desires to purchase Surplus Water. If one Retailer elects not to purchase any share, or elects to purchase less than its equal share, then the balance shall be made available to the other Retailer. In the event the Retailers elect not to purchase any Surplus Water or do not elect to purchase all of said Surplus Water that is available, ~~Agency shall be free to market and sell~~ Agency shall only purchase the amount of the Surplus Water to any other entity without restriction to price and terms that it is able to put to beneficial use within its service area during the calendar year.

6. **Regulatory Requirements.** The implementation of this Agreement shall be subject to satisfaction by District and Agency of applicable legal and regulatory requirements.

7. **Default and Termination.** In the event either Party fails to make any payment under this Agreement when due, or fails to perform any obligation otherwise required by this Agreement, the non-defaulting Party shall demand in writing that the defaulting Party cure such non-performance. The defaulting Party shall have ninety (90) days after receipt of such demand to cure. In the event the defaulting Party fails to cure a default within the ninety (90) day period, the non-defaulting Party may pursue any applicable action in law or equity including, but not limited to, termination, specific performance and/or damages for breach of this Agreement.

**8. Entire Agreement.** This Agreement contains the entire understanding between the Parties with respect to its subject matter, and supersedes all prior agreements, oral or written, and all prior or contemporaneous discussions or negotiations between the Parties. This Agreement cannot be amended except in writing signed by both Parties.

**9. No Waiver.** Any failure or delay on the part of either Party to exercise any right under this Agreement shall not constitute a waiver of the right, and shall not preclude such Party from exercising or enforcing the right, or any other provision of this Agreement, on any subsequent occasion.

**10. Notices.** All notices or other communications required or desired to be given pursuant to this Agreement shall be in writing and shall be hand-delivered or sent by a reputable overnight courier service providing delivery confirmation. Each such notice or communication shall be deemed to be duly given when hand-delivered or one (1) day after being deposited for next day delivery with an overnight courier. Each such notice or communication shall be addressed to the Parties at their respective addresses set forth next to their signatures below, or such other address as a Party notifies the other in writing.

**11. Separability.** If any provision of this Agreement is finally determined by a court to be invalid or unenforceable as written, the provision shall, if possible, be enforced to the extent reasonable under the circumstances and otherwise shall be deemed deleted from this Agreement. The other provisions of this Agreement shall remain in full force and effect so long as the material purposes of the Agreement and understandings of the Parties are not impaired.

IN WITNESS WHEREOF, the Parties have executed this agreement as of the date first written above.

**DISTRICT:**  
SAN BERNARDINO VALLEY  
MUNICIPAL WATER DISTRICT

**AGENCY:**  
SAN GORGONIO PASS WATER  
AGENCY



By:  
Name: \_\_\_\_\_  
Title:  
Address: \_\_\_\_\_

By:  
Name: \_\_\_\_\_  
Title:  
Address: \_\_\_\_\_