

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, CA
Board of Directors Meeting
Agenda
February 5, 2018

- 1. Call to Order, Flag Salute, Invocation, and Roll Call**
- 2. Adoption and Adjustment of Agenda**
- 3. 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.
- 4. Consent Calendar:** If any board member requests that an item be removed from the Consent Calendar, it will be removed so that it may be acted upon separately.
 - A. Approval of the Minutes of the Regular Board Meeting, January 16, 2018* (p. 3)
 - B. Approval of the Minutes of the Finance and Budget Workshop, January 22, 2018* (p. 6)
 - C. Approval of the Finance and Budget Workshop Report, January 22, 2018* (p. 9)
 - D. Approval of the Minutes of the Special Board Meeting, January 29, 2018* (p. 27)
- 5. Reports:**
 - A. General Manager's Report* (p. 29)
 1. Operations Report
 2. General Agency Updates
 - B. General Counsel Report
 - C. Directors' Reports
- 6. New Business:**
 - A. Consideration of Acceptance of 2016 Water Conditions Report* (p. 53)
 - B. Discussion and Possible Action of Proposed Budget Revision* (p.105)
- 7. Topics for Future Agendas**
- 8. Announcements:**
 - A. Engineering Workshop, February 12, 2018 at 1:30 p.m.
 - B. Office closed February 19, 2018 in observance of Presidents' Day
 - C. Regular Board Meeting, **Tuesday**, February 20, 2018 at 1:30 p.m.
 - D. Finance and Budget Workshop. February 26, 2018 at 1:30 p.m.
- 9. Closed Session (3 Items)**
 - A. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Pursuant to Government Code section 54956.8
Property: Potential water rights/supplies offers from the City of Ventura
Agency negotiator: Jeff Davis, General Manager
Negotiating parties: Lynn Takaichi
Under negotiation: price and terms of payment

- B. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Pursuant to Government Code section 54956.8
Property: Potential water rights/supplies offers from the South Mesa Water Company
Agency negotiator: Jeff Davis, General Manager
Negotiating parties: David Armstrong, General Manager, South Mesa Water Company
Under negotiation: price and terms of payment

- C. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code Section 54956.9
One potential case

10. 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: 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.

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223
Minutes of the
Board of Directors Meeting
January 16, 2018

Directors Present: David Fenn, President
Ron Duncan, Vice President
Lenny Stephenson, Treasurer
Blair Ball, Director
David Castaldo, Director
Stephen Lehtonen, Director
Michael Thompson, Director

Staff Present: Jeff Davis, General Manager
Jeff Ferre, General Counsel
Cheryle Stiff, Executive Assistant

1. **Call to Order, Flag Salute, Invocation, and Roll Call:** The meeting of the San Gorgonio Pass Water Agency Board of Directors was called to order by Board President Fenn at 1:30 p.m., January 16, 2018 in the Agency Boardroom at 1210 Beaumont Avenue, Beaumont, California. President Fenn led the Pledge of Allegiance to the flag. Director Duncan gave the invocation. A quorum was present.
2. **Adoption and Adjustment of Agenda:** *President Fenn asked if there were any adjustments to the agenda.* There were no adjustments to the agenda. The agenda was adopted as published.
3. **Public Comment:** *President Fenn asked if there were any members of the public that wished to make a public comment on items that are within the jurisdiction of the Agency that are not on today's agenda.* There were no members of the public that wished to comment at this time.
4. **Consent Calendar:**
 - A. Approval of the Minutes of the Regular Board Meeting, January 2, 2018
 - B. Approval of the Minutes of the Engineering Workshop, January 8, 2018

President Fenn asked for a motion on the Consent Calendar. Director Stephenson made a motion, seconded by Director Castaldo, to adopt the consent calendar as presented. Motion passed 7-0.

5. Reports:

A. General Manager's Report:

(1) Operations Report: (a) SWP Water Deliveries: The Agency has delivered a total of 621 acre-feet to the Noble Creek Connection, so far this month. General Manager Davis reported to the Board the total amount of SWP water delivered in 2017. A grand total of 15,860 acre-feet were delivered, this is a new record for the Agency. The Agency has carryover water of about 4200 acre-feet.

(2) General Agency Updates: General Manager Davis reported on the following: **(a). Department of Water Resources Announcement:** Karla Nemeth was appointed to serve as Director of DWR. Director Nemeth succeeds Grant Davis, who is returning to Sonoma County Water Agency to serve as General Manager. **(b). Oroville Spillway:** The final forensic report on the Oroville Spillway has been released. The key point, which was stated by the forensic team, is that they would not have necessarily have done anything differently. **(c) Audit Report Recommendation:** The Agency's Auditor had recommended dual custody on electronic transactions. Pursuant to the Board's direction, staff met with a Wells Fargo representative to instruct them to implement the dual custody requirement. **(d) Beaumont Basin Watermaster (BBW):** BBW hired Hydrogeologist Thomas Harder to provide a Groundwater Model for Analyzing Basin Losses. According to Mr. Harder the draft study will be presented to the Beaumont Basin Watermaster during the February 7th meeting. **(e) Noble Expansion:** DWR gave the Agency approval to move forward. The two existing vaults will need to be replaced with new ones to allow for the 24-inch valve and meter. **(f) Board Emails:** Staff is working on the final steps for the emails. Board members will need to meet with staff on an individual basis to review the Agency's emailing procedure and how to gain access to their email accounts.

B. General Counsel Report: General Counsel Jeff Ferre provided a written report on SB 45 – pertaining to additional restrictions on mass mailings.

C. Directors Reports: **(1) Director Stephenson** reported on the South Mesa Board meeting that he attended on January 10th. **(2) Director Duncan** reported on the BCVWD Board meeting he attended on January 10th. **(3) President Fenn** reported on the BCVWD Board meeting he attended on January 10th. **(4) Director Lehtonen** reported on the City of Banning Council meeting that he attended on December 26th.

6. New Business:

A. Consideration and Possible Action to Award Consulting Contract for Water Rate Study to David Taussig & Associates (DTA): A staff report and a copy of the Scope of Work from DTA were included in the agenda packet. General Manager Davis stated that the topic of increasing the water rate was discussed with the Board at a number of different Board meetings; December 11th Engineering workshop was the last time this subject was discussed. At the Engineering workshop the Board directed staff to obtain a proposal for consideration of a nexus study for the purpose of developing a new water rate. The Board recognized that a number of new water deals that the Agency has entered into require additional revenues and expressed a desire to explore the possibility of including those costs in a new water rate. DTA has previously developed rate studies for the Agency. The proposal provided in the agenda packet includes attendance at up to five meetings. One or more of the meetings would be for DTA to present the preliminary and final report to stakeholders at workshops or public meetings. The time involved could be up to six months. The contract amount for the nexus study is \$40k; however it is possible that the Board

may make requests that are not included in the Scope of Work, which would incur additional costs. After discussion, Director Thompson made a motion, seconded by Director Duncan, authorizing staff to contract with DTA to perform a water rate nexus study and to begin work on adoption of a new water rate.

7. Topics for Future Agendas: There were no requests made.

8. Announcements:

- A. Finance and Budget Workshop, January 22, 2018 at 1:30 p.m.
- B. San Geronio Pass Regional Water Alliance, January 24, 2018 at 5:00 p.m. – Banning City Hall
- C. Regular Board Meeting, February 5, 2018 at 1:30 p.m.
- D. Engineering Workshop, February 12, 2018 at 1:30 p.m.

9. Closed Session (One Item) Time: 2:22 p.m.

- A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code Section 54956.9
One potential case

The meeting reconvened to open session at: Time: 3:12 pm

General Counsel Ferre stated that there was no action taken during closed session that is reportable under the Brown Act.

10. Adjournment

Time: 3:13 pm

Draft – Subject to Board Approval

Jeffrey W. Davis, Secretary of the Board

0017

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue
Beaumont, California 92223
Minutes of the
Board Finance and Budget Workshop
January 22, 2018

Directors Present: David Fenn, President
Ron Duncan, Vice President
Lenny Stephenson, Treasurer
Blair Ball, Director (arrived at 1:33 pm)
David Castaldo, Director (left at 3:10 pm)
Steve Lehtonen, Director
Mike Thompson, Director (left at 2:45 pm)

Staff and Consultants Present:
Jeff Davis, General Manager
Tom Todd, Jr., Finance Manager
Steve Anderson, Best, Best & Krieger

1. **Call to Order, Flag Salute and Roll Call:** The Finance and Budget workshop of the San Gorgonio Pass Water Agency Board of Directors was called to order by Treasurer Lenny Stephenson at 1:30 pm, January 22, 2018, in the Agency Conference Room at 1210 Beaumont Avenue, Beaumont, California. Treasurer Stephenson led the Pledge of Allegiance to the flag. A quorum was present.
2. **Adoption and Adjustment of Agenda:** The agenda was adopted as published.
3. **Public Comment:** No members of the public requested to speak at this time.
4. **New Business:**
 - A. Ratification of Paid Invoices and Monthly Payroll for December, 2017 by Reviewing Check History Reports in Detail: After review and discussion, a motion was made by Director Castaldo, seconded by Director Thompson, to recommend that the Board ratify paid monthly invoices of \$1,738,252.03 and payroll of \$32,990.98 for the month of December, 2017, for a combined total of \$1,771,243.01. The motion passed 6 in favor, no opposed, with Director Ball not yet arrived.
 - B. Review Pending Legal Invoices: After review and discussion, a motion was made by Director Duncan, seconded by Director Thompson, to recommend that the Board approve payment of the pending legal invoices for December, 2017. The motion passed 7 in favor, no opposed.
 - C. Review of December, 2017 Bank Reconciliation: After review and discussion, a motion was made by Director Duncan, seconded by Director Lehtonen, to recommend that the Board acknowledge receipt of the Wells Fargo bank

reconciliation for December, 2017 as presented. The motion passed 7 in favor, no opposed.

- D. Review of Budget Report for December, 2017: After review and discussion, a motion was made by Director Duncan, seconded by Director Castaldo, to recommend that the Board acknowledge receipt of the Budget Report for December, 2017. The motion passed 7 in favor, no opposed.
- E. Consideration of Proposed Budget Revision: After review and discussion, a motion was made by Director Castaldo, seconded by Director Thompson to recommend that the Board authorize staff to make a one-time transfer of \$5,855,985.00 from the Debt Service Fund to the General Fund to reimburse the General Fund for previous expenditures used to build facilities later included in the State Water Project, as discussed at previous Board meetings, including the January 2, 2018 Board meeting. The motion passed 7 in favor, no opposed.
- F. Review of Cash Reconciliation Report for December 31, 2107: After review and discussion, a motion was made by Director Duncan, seconded by Director Thompson, to recommend that the Board acknowledge receipt of the Cash Reconciliation for December, 2017. The motion passed 7 in favor, no opposed.
- G. Review of Reserve Allocation Report for December 31, 2017: After review and discussion, a motion was made by Director Lehtonen, seconded by Director Ball, to recommend that the Board accept the Reserve Allocation Report without change for December, 2017. The motion passed, 7 in favor, no opposed.
- H. Review of Investment Report for December 31, 2017: Finance Manager Todd handed out copies of the Report. After review and discussion, a motion was made by Director Duncan, seconded by President Fenn, to recommend that the Board acknowledge receipt of the Investment Report for June 30, 2017. The motion passed, 7 in favor, no opposed.

5. Announcements

- A. Closed Session, January 29, 2018, 6:00 pm
- B. Regular Board Meeting, February 5, 2018, 1:30 pm
- C. Engineering Workshop, February 12, 2018, 1:30 pm
- D. The office will be closed in observance of President's day, February 19, 2018
- E. Regular Board Meeting, Tuesday, February 20, 2018, 1:30 pm

6. 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
- B. There was no reportable action under the Brown Act.

- 7. Adjournment:** The Finance and Budget workshop of the San Geronio Pass Water Agency Board of Directors was adjourned at 3:21 pm.

Draft - Not Approved

Jeffrey W. Davis, Secretary of the Board

Finance and Budget Workshop Report

From Treasurer Lenny Stephenson, Chair of the Finance and Budget Committee

The Finance and Budget Workshop was held on January 22, 2018. The following recommendations were made:

1. The Board ratify payment of Invoices of \$1,738,252.03 and Payroll of \$32,990.98 as detailed in the Check History Report for Accounts Payable and the Check History Report for Payroll for December, 2017 for a combined total of \$1,771,243.01.
2. The Board authorize payment of the following vendor's amounts:

Best, Best & Krieger LLP	\$12,046.01
--------------------------	-------------
3. The Board acknowledge receipt of the following:
 - A. Wells Fargo bank reconciliation for December, 2017
 - B. Budget Report for December, 2017
 - C. Cash Reconciliation Report for December 31, 2017
 - D. Investment Report for December 31, 2017
4. The Board approve the following:
 - C. Reserve Allocation Report for December 31, 2017

SAN GORGONIO PASS WATER AGENCY

1210 Beaumont Ave, Beaumont, CA 92223

Board Finance & Budget Workshop

Agenda

January 22, 2018, at 1:30 p.m.

1. Call to Order, Flag Salute

2. Adoption and Adjustment of Agenda

3. Public Comment

Members of the public may address the Board at this time concerning items not on the agenda. To comment on specific agenda items, please complete a speaker's request form and hand it to the Board secretary.

4. New Business (Discussion and possible recommendations for action at a future regular Board meeting)

A. Ratification of Paid Invoices and Monthly Payroll for December, 2017 by Reviewing Check History Reports in Detail*

B. Review of Pending Legal Invoices*

C. Review of December, 2017 Bank Reconciliation*

D. Review of Budget Report for December, 2017*

E. Consideration of Proposed Budget Revision*

F. Review of Cash Reconciliation Report for December, 2017*

G. Review of Reserve Allocation Report for December, 2017*

H. Review of Investment Report for December, 2017

5. Announcements

A. Regular Board Meeting, February 5, 2018, 1:30 pm

B. Engineering Workshop, February 12, 2018, 1:30 pm

C. The office will be closed in observance of President's day, February 19, 2018

D. Regular Board Meeting, Tuesday, February 20, 2018, 1:30 pm

6. 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

7. 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 Ave., Beaumont, CA 92223 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, during regular business hours. When practical, these public records will also be available on the Agency's Internet website, 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 to make a request for a disability-related modification or accommodation.

San Gorgonio Pass Water Agency
Check History Report
December 1 through December 31, 2017

ACCOUNTS PAYABLE

<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
12/04/2017	118686	AT&T MOBILITY	261.25
12/04/2017	118687	BDL ALARMS, INC.	78.00
12/04/2017	118688	BEST BEST & KRIEGER	27,424.92
12/04/2017	118689	DAVID L. FENN	1,192.70
12/04/2017	118690	LEONARD C. STEPHENSON	338.90
12/04/2017	118691	UNDERGROUND SERVICE ALERT	16.60
12/04/2017	118692	VISIONARY LOGICS	720.00
12/11/2017	118693	ACWA BENEFITS	862.42
12/11/2017	118694	CALIFORNIA NEWSPAPER PARTNERSHIP	1,134.00
12/11/2017	118695	KENNETH M. FALLS	340.00
12/11/2017	118696	DAVID L. FENN	528.01
12/11/2017	118697	MATTHEW PISTILLI LANDSCAPE SERVICES	1,411.25
12/11/2017	118698	OFFICE SOLUTIONS	235.24
12/11/2017	118699	SOUTHERN CALIFORNIA GAS	12.65
12/11/2017	118700	SOUTHERN CALIFORNIA WATER COMMITTEE	2,000.00
12/11/2017	118701	UNLIMITED SERVICES BUILDING MAINT.	295.00
12/11/2017	118702	WASTE MANAGEMENT INLAND EMPIRE	94.80
12/18/2017	118703	ARMSTRONG & BROOKS ENGINEERS	4,800.00
12/18/2017	118704	AVEK WATER AGENCY	1,226,193.00
12/18/2017	118705	FRONTIER COMMUNICATIONS	1,254.65
12/18/2017	118706	GOPHER PATROL	51.00
12/18/2017	118707	NICE-INCONTACT	120.14
12/18/2017	118708	PROVOST & PRITCHARD	840.00
12/18/2017	118709	THOMAS W. TODD, JR.	1,150.52
12/18/2017	118710	WELLS FARGO ELITE CREDIT CARD	2,254.40
12/28/2017	118711	STANDARD INSURANCE COMPANY	435.44
12/15/2017	594748	EMPLOYMENT DEVELOPMENT DEPARTMENT	1,299.01
12/15/2017	548631	ELECTRONIC FEDERAL TAX PAYMENT SYSTEM	6,013.06
12/28/2017	519899	EMPLOYMENT DEVELOPMENT DEPARTMENT	1,113.86
12/28/2017	538565	ELECTRONIC FEDERAL TAX PAYMENT SYSTEM	6,501.75
12/15/2017	900160	CALPERS RETIREMENT	5,980.54
12/19/2017	900161	CALPERS HEALTH	7,740.38
12/28/2017	900162	CALPERS RETIREMENT	5,980.54
12/29/2017	900163	DEPARTMENT OF WATER RESOURCES	429,578.00
TOTAL ACCOUNTS PAYABLE CHECKS			1,738,252.03

San Gorgonio Pass Water Agency
Check History Report
December 1 through December 31, 2017

PAYROLL

<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
12/14/2017	801473	JEFFREY W. DAVIS	4,561.84
12/14/2017	801474	KENNETH M. FALLS	2,404.17
12/14/2017	801475	CHERYLE M. STIFF	2,113.71
12/14/2017	801476	THOMAS W. TODD, JR.	3,546.72
12/27/2017	801477	BLAIR M. BALL	934.32
12/27/2017	801478	JEFFREY W. DAVIS	5,192.36
12/27/2017	801479	RONALD A. DUNCAN	1,167.90
12/27/2017	801480	KENNETH M. FALLS	2,973.86
12/27/2017	801481	DAVID L. FENN	1,167.90
12/27/2017	801482	STEPHEN J. LEHTONEN	1,167.90
12/27/2017	801483	LEONARD C. STEPHENSON	1,167.90
12/27/2017	801484	CHERYLE M. STIFF	2,111.36
12/27/2017	801485	MICHAEL D. THOMPSON	934.32
12/27/2017	801486	THOMAS W. TODD, JR.	3,546.72
TOTAL PAYROLL			<u>32,990.98</u>
TOTAL DISBURSEMENTS FOR DECEMBER, 2017			<u><u>1,771,243.01</u></u>

SAN GORGONIO PASS WATER AGENCY
New Vendors List
January, 2018

Vendor - Name and Address	Expenditure Type
C.J.M. Electric and Lighting Service 8460 Red Oak St., Rancho Cucamonga, CA 91730	Building Maintenance

SAN GORGONIO PASS WATER AGENCY

**LEGAL INVOICES
ACCOUNTS PAYABLE INVOICE LISTING**

<u>VENDOR</u>	<u>INVOICE NBR</u>	<u>COMMENT</u>	<u>AMOUNT</u>
BEST, BEST & KRIEGER	171231	LEGAL SERVICES DEC17	12,046.01

TOTAL PENDING INVOICES FOR DECEMBER 2017 12,046.01

**SAN GORGONIO PASS WATER AGENCY
BANK RECONCILIATION
December 31, 2017**

BALANCE PER BANK AT 12/31/2017 - CHECKING ACCOUNT 210,954.06

LESS OUTSTANDING CHECKS

<u>CHECK NUMBER</u>	<u>AMOUNT</u>	<u>CHECK NUMBER</u>	<u>AMOUNT</u>
118700	2,000.00	118708	840.00
118705	1254.65	118711	435.44
	<u>3,254.65</u>		<u>1,275.44</u>

TOTAL OUTSTANDING CHECKS (4,530.09)

BALANCE PER GENERAL LEDGER 206,423.97

BALANCE PER GENERAL LEDGER AT 11/30/2017 962,028.79

CASH RECEIPTS FOR DECEMBER 5,715,728.52

CASH DISBURSEMENTS FOR DECEMBER

ACCOUNTS PAYABLE - CHECK HISTORY REPORT (1,738,252.03)

NET PAYROLL FOR DECEMBER (32,990.98) (1,771,243.01)

BANK CHARGES (90.33)

TRANSFER TO LAIF (4,700,000.00)

BALANCE PER GENERAL LEDGER AT 12/31/2017 206,423.97

REPORT PREPARED BY:



Cheryl M. Stiff

**SAN GORGONIO PASS WATER AGENCY
DEPOSIT RECAP
FOR THE MONTH OF DECEMBER 2017**

<u>DATE</u>	<u>RECEIVED FROM</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>TOTAL DEPOSIT AMOUNT</u>
DEPOSIT TO CHECKING ACCOUNT				
12/7/17	RIVERSIDE COUNTY	PROPERTY TAXES	32,704.82	32,704.82
12/8/17	Mamco, Inc.	Fiesta Recharge Plans	15.00	15.00
12/8/17	Environmental Construction	Fiesta Recharge Plans	15.00	15.00
12/8/17	DDH Apple Valley Const.	Fiesta Recharge Plans	75.00	75.00
12/8/17	DDH Apple Valley Const.	Fiesta Recharge Plans	15.00	15.00
12/8/17	Los Angeles Engineering	Fiesta Recharge Plans	15.00	15.00
12/8/17	Inland Water Works	Fiesta Recharge Plans	15.00	15.00
12/8/17	Jeremy Harris Construction	Fiesta Recharge Plans	65.00	65.00
12/13/17	BCVWD	WATER SALES	439,679.00	439,679.00
12/13/17	CITY OF BANNING	WATER SALES	10,144.00	10,144.00
12/15/17	RIVERSIDE COUNTY	PROPERTY TAXES	5,197,582.38	5,197,582.38
12/15/17	Dangelo Co.	Fiesta Recharge Plans	15.00	15.00
12/15/17	LEHTONEN	REPAYMENT - DINNER	65.00	
12/15/17	YVWD	WATER SALES	21,694.89	
12/15/17	Borden Excavating, Inc.	Fiesta Recharge Plans	50.00	21,809.89
12/21/17	SAN BERNARDINO CNTY	PROPERTY TAXES	12.42	12.42
12/27/17	TVI	CD - BOND INTEREST	13,566.01	13,566.01
	TOTAL FOR DECEMBER 2017		5,715,728.52	5,715,728.52

**SAN GORGONIO PASS WATER AGENCY
 BUDGET REPORT FY 2017-18
 BUDGET VS. REVISED BUDGET VS. ACTUAL
 FOR THE SIX MONTHS ENDING ON DECEMBER 31, 2017**

FOR THE FISCAL YEAR JULY 1, 2017 - JUNE 30, 2018

177107

	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
GENERAL FUND - INCOME				Comparison:	50%
INCOME					
WATER SALES	5,500,000		5,500,000	2,527,944.01	54.04%
TAX REVENUE	2,350,000		2,350,000	849,835.82	63.84%
INTEREST	110,000		110,000	72,747.79	33.87%
DESIGNATED REVENUES	0		0	0.00	0.00%
OTHER (REIMBURSEMENTS, TRANSFERS)	456,000		456,000	193,278.60	57.61%
TOTAL GENERAL FUND INCOME	8,416,000	0	8,416,000	3,643,806.22	56.70%
GENERAL FUND - EXPENSES					
COMMODITY PURCHASE					
PURCHASED WATER	6,230,000		6,230,000	2,660,496.77	57.30%
TOTAL COMMODITY PURCHASE	6,230,000	0	6,230,000	2,660,496.77	57.30%
SALARIES AND EMPLOYEE BENEFITS					
SALARIES	454,000		454,000	228,849.59	49.59%
PAYROLL TAXES	38,000		38,000	17,339.30	54.37%
RETIREMENT	123,000		123,000	70,991.39	42.28%
OTHER POST-EMPLOYMENT BENEFITS (OPEB)	25,000		25,000	12,824.48	48.70%
HEALTH INSURANCE	61,000		61,000	37,160.85	39.08%
DENTAL INSURANCE	4,500		4,500	2,678.56	40.48%
LIFE INSURANCE	1,300		1,300	785.25	39.60%
DISABILITY INSURANCE	4,700		4,700	2,356.01	49.87%
WORKERS COMP INSURANCE	3,400		3,400	873.36	74.31%
SGPWA STAFF MISC. MEDICAL	10,000		10,000	6,297.54	37.02%
EMPLOYEE EDUCATION	1,000		1,000	448.00	55.20%
TOTAL SALARIES AND EMPLOYEE BENEFITS	725,900	0	725,900	380,604.33	47.57%

SAN GORGONIO PASS WATER AGENCY
BUDGET REPORT FY 2017-18
BUDGET VS. REVISED BUDGET VS. ACTUAL
FOR THE SIX MONTHS ENDING ON DECEMBER 31, 2017

FOR THE FISCAL YEAR JULY 1, 2017 - JUNE 30, 2018

	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
GENERAL FUND - EXPENSES				Comparison:	50%
ADMINISTRATIVE & PROFESSIONAL					
DIRECTOR EXPENDITURES					
DIRECTORS FEES	108,000		108,000	45,143.61	58.20%
DIRECTORS TRAVEL & EDUCATION	15,000		15,000	3,368.92	77.54%
DIRECTORS MISC. MEDICAL	23,000		23,000	8,617.96	62.53%
OFFICE EXPENDITURES					
OFFICE EXPENSE	24,000		24,000	6,896.10	71.27%
POSTAGE	650		650	400.00	38.46%
TELEPHONE	11,000		11,000	5,699.31	48.19%
UTILITIES	5,000		5,000	1,479.94	70.40%
SERVICE EXPENDITURES					
COMPUTER, WEB SITE AND PHONE SUPPORT	10,000		10,000	2,080.05	79.20%
GENERAL MANAGER & STAFF TRAVEL	22,000		22,000	8,897.11	59.56%
INSURANCE & BONDS	23,000		23,000	20,968.00	8.83%
ACCOUNTING & AUDITING	21,000		21,000	20,600.00	1.90%
STATE WATER CONTRACT AUDIT	5,500		5,500	5,158.00	6.22%
DUES & ASSESSMENTS	31,500		31,500	29,734.00	5.61%
OUTSIDE PROFESSIONAL SERVICES	2,000		2,000	1,850.00	7.50%
BANK CHARGES	1,500		1,500	221.53	85.23%
MISCELLANEOUS EXPENSES	500		500	0.00	100.00%
MAINTENANCE & EQUIPMENT EXPENDITURES					
TOOLS PURCHASE & MAINTENANCE	1,000		1,000	0.00	100.00%
VEHICLE REPAIR & MAINTENANCE	7,000		7,000	1,401.04	79.99%
MAINTENANCE & REPAIRS - BUILDING	15,000		15,000	6,762.97	54.91%
MAINTENANCE & REPAIRS - FIELD	4,500		4,500	112.70	97.50%
CONTRACT OPERATIONS AND MAINTENANCE	150,000		150,000	25,011.35	83.33%
COUNTY EXPENDITURES					
LAFCO COST SHARE	5,000		5,000	5,368.12	-7.36%
ELECTION EXPENSE	0		0	0.00	0.00%
TAX COLLECTION CHARGES	10,500		10,500	2,471.10	76.47%
TOTAL ADMINISTRATIVE & PROFESSIONAL	496,650	0	496,650	202,241.81	59.28%

18 / 107

**SAN GORGONIO PASS WATER AGENCY
 BUDGET REPORT FY 2017-18
 BUDGET VS. REVISED BUDGET VS. ACTUAL
 FOR THE SIX MONTHS ENDING ON DECEMBER 31, 2017**

FOR THE FISCAL YEAR JULY 1, 2017 - JUNE 30, 2018

20 / 107

	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
GENERAL FUND - EXPENSES				Comparison:	50%
GENERAL FUND CAPITAL EXPENDITURES					
BUILDING & EQUIPMENT					
BUILDING	10,000		10,000	0.00	100.00%
FURNITURE & OFFICE EQUIPMENT	10,000		10,000	0.00	100.00%
OTHER EQUIPMENT	0		0	0.00	0.00%
TRANSPORTATION EQUIPMENT	37,000		37,000	33,666.21	9.01%
FIESTA RECHARGE FACILITY					
POST DESIGN	250,000		250,000	0.00	100.00%
CONSTRUCTION	2,500,000		2,500,000	40,983.37	98.36%
FENCING	120,000		120,000	0.00	100.00%
MITIGATION	15,000		15,000	0.00	100.00%
LANDSCAPING/POWER/WATER	0		0	0.00	0.00%
BUNKER HILL CONJUNCTIVE USE PROJECT	0		0	0.00	0.00%
BCVWD TURNOUT EXPANSION					
DESIGN	35,000		35,000	0.00	100.00%
CONSTRUCTION	162,000		162,000	4,800.00	97.04%
POST DESIGN	30,000		30,000	0.00	100.00%
SITES RESERVOIR	270,000		270,000	222,295.38	17.67%
TOTAL GENERAL FUND CAPITAL EXPENDITURES	3,439,000	0	3,439,000	301,744.96	91.23%
TRANSFERS TO OTHER FUNDS	0		0	0.00	
TOTAL GENERAL FUND EXPENSES	11,447,550	0	11,447,550	3,803,759.26	66.77%
WITHDRAWALS FROM RESERVES	3,155,000		3,155,000		
TOTAL TRANSFERS FROM RESERVES	3,155,000	0	3,155,000	0.00	
GENERAL FUND NET INCOME YEAR TO DATE	123,450	0	123,450	-159,953.04	

SAN GORGONIO PASS WATER AGENCY
BUDGET REPORT FY 2017-18
BUDGET VS. REVISED BUDGET VS. ACTUAL
FOR THE SIX MONTHS ENDING ON DECEMBER 31, 2017

FOR THE FISCAL YEAR JULY 1, 2017 - JUNE 30, 2018

	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
DEBT SERVICE FUND - INCOME				Comparison:	50%
INCOME					
TAX REVENUE	21,053,359		21,053,359	5,816,867.70	72.37%
INTEREST	300,000		300,000	197,390.11	34.20%
GRANTS	0		0	0.00	0.00%
DWR CREDITS - BOND COVER, OTHER	2,827,882		2,827,882	1,427,271.66	49.53%
TOTAL DEBT SERVICE FUND INCOME	24,181,241	0	24,181,241	7,441,529.47	69.23%
DEBT SERVICE FUND - EXPENSES					
EXPENSES					
SALARIES	54,000		54,000	28,240.59	47.70%
PAYROLL TAXES	4,100		4,100	2,160.30	47.31%
BENEFITS	29,000		29,000	17,026.94	41.29%
SWC CONTRACTOR DUES	42,000		42,000	41,154.00	2.01%
STATE WATER CONTRACT PAYMENTS	17,563,554		17,563,554	11,722,409.00	33.26%
PURCHASED WATER	0		0	1,405.99	0.00%
STATE WATER PROJECT LEGAL SERVICES	0		0	185.04	0.00%
USGS	0		0	0.00	0.00%
CONTRACT OPERATIONS AND MAINTENANCE	180,000		180,000	25,011.35	86.10%
SWP ENGINEERING	75,000		75,000	34,339.95	54.21%
DEBT SERVICE UTILITIES	10,000		10,000	5,005.19	49.95%
TAX COLLECTION CHARGES	76,000		76,000	14,002.87	81.58%
TOTAL DEBT SERVICE FUND EXPENSES	18,033,654	0	18,033,654	11,890,941.22	34.06%
TRANSFERS FROM RESERVES			0	0.00	
DEBT SERVICE NET INCOME YEAR TO DATE	6,147,587	0	6,147,587	-4,449,411.75	

21/107

SAN GORGONIO PASS WATER AGENCY
FISCAL YEAR JULY 1, 2017 - JUNE 30, 2018
BUDGET REVISION FOR BOARD APPROVAL #1-A
DATE OF PROPOSAL: JANUARY 22, 2018

LINE ITEM	A AMOUNT IN ORIGINAL ADOPTED BUDGET	B BOARD APPROVED PRIOR BUDGET REVISIONS	A+B REVISED BUDGET BEFORE NEW REVISIONS	C CURRENT BUDGET REVISIONS FOR APPROVAL	A+B+C REVISED BUDGET AFTER CURRENT REVISIONS
GENERAL FUND					
Transfer from Debt Service Fund			0	5,855,985	5,855,985
This transfer will reduce the balance of the Debt Service Fund, and increase the balance of the General Fund.					
GENERAL FUND TOTALS	0	0	0	5,855,985	5,855,985

22 / 107

SAN GORGONIO PASS WATER AGENCY
FISCAL YEAR JULY 1, 2017 - JUNE 30, 2018
BUDGET REVISION FOR BOARD APPROVAL #1-B
DATE OF PROPOSAL: JANUARY 22, 2018

LINE ITEM	A AMOUNT IN ORIGINAL ADOPTED BUDGET	B BOARD APPROVED PRIOR BUDGET REVISIONS	A+B REVISED BUDGET BEFORE NEW REVISIONS	C CURRENT BUDGET REVISIONS FOR APPROVAL	A+B+C REVISED BUDGET AFTER CURRENT REVISIONS
GENERAL FUND					
Transfer from Debt Service Fund			0	1,463,996	1,463,996
Total amount to be transferred: \$5,855,985.					
Transfer will take place over 4 years, in even amounts.					
This transfer will reduce the balance of the Debt Service Fund, and increase the balance of the General Fund.					
GENERAL FUND TOTALS	0	0	0	1,463,996	1,463,996

23 / 107

**SAN GORGONIO PASS WATER AGENCY
CASH RECONCILIATION REPORT
FY 2017-18
FOR THE SIX MONTHS ENDING ON DECEMBER 31, 2017**

DEBT SERVICE FUND - RESTRICTED

BEGINNING BALANCE - JULY 1, 2017		
RESERVE FOR STATE WATER PROJECT	<u>42,217,597</u>	
DEBT SERVICE ACTIVITY		
DEBT SERVICE DEPOSITS		
PROPERTY TAX - DEBT SERVICE DEPOSITS	5,816,868	
INTEREST INCOME	197,390	
DWR REFUNDS	1,427,272	
DEBT SERVICE DISBURSEMENTS	(11,890,941)	
ENDING RESTRICTED FUNDS BALANCE - - - DEC 31 2017	<u>37,768,186</u>	<u>37,768,186</u>

GENERAL FUND - UNRESTRICTED

BEGINNING BALANCE - JULY 1, 2017	<u>13,714,574</u>	
GENERAL FUND ACTIVITY		
GENERAL FUND DEPOSITS		
WATER SALES	2,527,944	
PROPERTY TAX - GENERAL PURPOSE DEPOSITS	849,836	
INTEREST INCOME	72,748	
OTHER INCOME	193,279	
CHANGE IN RECEIVABLES	476,351	
GENERAL FUND DISBURSEMENTS		
CHANGE IN LIABILITIES	(754,871)	
CHANGE IN CAPITAL ASSETS	(322,283)	
OPERATING EXPENDITURES	(3,481,478)	
ENDING UNRESTRICTED FUNDS BALANCE - - - DEC 31 2017	<u>13,276,099</u>	<u>13,276,099</u>

TOTAL CASH - - - DEC 31 2017		<u>51,044,285</u>
-------------------------------------	--	-------------------

LOCATION OF CASH - - - DEC 31 2017

PETTY CASH	100
CASH IN CHECKING ACCOUNTS	206,424
WELLS FARGO MONEY MARKET SAVINGS	67,413
BANK OF HEMET LOCAL AGENCY MONEY MARKET ACCOUNT	510,197
LOCAL AGENCY INVESTMENT FUND	12,415,746
CALTRUST	19,930,405
TIME VALUE INVESTMENTS	17,914,000

TOTAL - - - DEC 31 2017	<u>51,044,285</u>
--------------------------------	-------------------

**SAN GORGONIO PASS WATER AGENCY
CASH RECONCILIATION REPORT
FY 2017-18
BY QUARTER**

	SEP 30, 17	DEC 31, 17	MAR 31, 18	JUN 30, 18
<u>DEBT SERVICE FUND - RESTRICTED</u>				
BEGINNING BALANCE - JULY 1, 2017				
RESERVE FOR STATE WATER PROJECT	<u>42,217,597</u>	<u>42,217,597</u>		
DEBT SERVICE ACTIVITY				
DEBT SERVICE DEPOSITS				
PROPERTY TAX - D. S. DEPOSITS	1,217,492	5,816,868		
INTEREST INCOME	104,854	197,390		
DWR REFUNDS	37,724	1,427,272		
DEBT SERVICE DISBURSEMENTS	(10,504,368)	(11,890,941)		
<u>ENDING RESTRICTED FUNDS BALANCE</u>	<u>33,073,299</u>	<u>37,768,186</u>	-	-
<u>GENERAL FUND - UNRESTRICTED</u>				
BEGINNING BALANCE - JULY 1, 2016	<u>13,714,574</u>	<u>13,714,574</u>		
GENERAL FUND ACTIVITY				
GENERAL FUND DEPOSITS				
WATER SALES	1,129,414	2,527,944		
PROPERTY TAX - GENERAL DEPOSITS	192,349	849,836		
INTEREST INCOME	34,951	72,748		
OTHER INCOME	129,372	193,279		
CHANGE IN RECEIVABLES	476,351	476,351		
GENERAL FUND DISBURSEMENTS				
CHANGE IN LIABILITIES	(755,156)	(754,871)		
CHANGE IN CAPITAL ASSETS	(61,343)	(322,283)		
OPERATING EXPENDITURES	(1,070,624)	(3,481,478)		
<u>ENDING UNRESTRICTED FUNDS BALANCE</u>	<u>13,789,888</u>	<u>13,276,099</u>	-	-
<u>TOTAL CASH - END OF QUARTER</u>	<u>46,863,187</u>	<u>51,044,285</u>	-	-
<u>CASH AND INVESTMENTS</u>				
PETTY CASH	100	100		
CASH IN CHECKING ACCOUNTS	3,102,158	206,424		
WELLS FARGO MM SAVINGS	767,313	67,413		
BANK OF HEMET L.A.M.M.A.	510,007	510,197		
LOCAL AGENCY INVESTMENT FUND	4,691,169	12,415,746		
CALTRUST	19,857,440	19,930,405		
TIME VALUE INVESTMENTS	17,935,000	17,914,000		
<u>TOTAL - END OF QUARTER</u>	<u>46,863,187</u>	<u>51,044,285</u>	-	-

**SAN GORGONIO PASS WATER AGENCY
RESERVE ALLOCATION REPORT
FY 2017-18
FOR THE SIX MONTHS ENDING DECEMBER 31, 2017**

	JUN 30, 17	SEP 30, 17	DEC 31, 17	MAR 31, 18	JUN 30, 18
RESTRICTED					
STATE WATER CONTRACT FUND	42,217,597	33,073,299	37,768,186		
UNRESTRICTED					
OPERATIONS	1,500,000	1,500,000	1,500,000		
NEW INFRASTRUCTURE	3,363,588	4,389,567	4,293,632		
Additions or Adjustments	1,002,036	-95,935	833,111		
Expenditures					
Ending Balance	4,365,624	4,293,632	5,126,743	0	0
ADDITIONAL WATER	2,500,000	2,500,000	2,500,000		
Adjustments from Other Sources	2,000,000	1,536,274	1,536,274		
Ratepayer - Balance Forward	1,537,950	1,537,950	1,636,035		
Ratepayer - Current Contribution		98,085	94,149		
Rate Stabilization - Balance Forward	621,676	621,856	670,898		
Excess Rate Stabilization - Current		49,042	46,075		
Expenditures	-360,677	103,049	-1,384,074		
Ending Balance	6,298,949	6,446,256	5,099,356	0	0
RATE STABILIZATION					
Taxpayer Contribution	0	0	0		
Previous Ratepayer Balance	150,000	150,000	150,000		
Ratepayer Contribution		49,042	46,075		
Excess Contribut.-To Addnl. Water		-49,042	-46,075		
Expenditures					
Ending Balance	150,000	150,000	150,000	0	0
REPLACEMENTS	1,250,000	1,250,000	1,250,000		
UNEXPECTED LEGAL SERVICES	150,000	150,000	150,000		
TOTAL UNRESTRICTED RESERVES	13,714,573	13,789,888	13,276,099	0	0
TOTAL RESERVES	55,932,171	46,863,187	51,044,285	0	0

CASH LOCATION

Petty Cash	100	100	100		
Checking Accounts	156,128	3,102,158	206,424		
Wells Fargo M.M. Savings	1,267,082	767,313	67,413		
Local Agency M M Acct. BofH	509,816	510,007	510,197		
LAIF	16,274,975	4,691,169	12,415,746		
CalTRUST	19,789,070	19,857,440	19,930,405		
Time Value Investments	17,935,000	17,935,000	17,914,000		
TOTAL CASH	55,932,171	46,863,187	51,044,285	0	0

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223
Minutes of the
Board of Directors Special Meeting
January 29, 2018

Directors Present: David Fenn, President
Ron Duncan, Vice President
Lenny Stephenson, Treasurer
Blair Ball, Director
David Castaldo, Director
Stephen Lehtonen, Director
Michael Thompson, Director

Staff Present: Jeff Davis, General Manager
Steve Anderson, Legal Counsel

1. **Call to Order, Flag Salute, Invocation, and Roll Call:** The meeting of the San Gorgonio Pass Water Agency Board of Directors was called to order by Board President Fenn at 6:00 p.m., January 29, 2018 in the Agency Boardroom at 1210 Beaumont Avenue, Beaumont, California. President Fenn led the Pledge of Allegiance to the flag. President Fenn gave the invocation. A quorum was present.
2. **Adoption and Adjustment of Agenda:** *President Fenn asked if there were any adjustments to the agenda.* There were no adjustments to the agenda. The agenda was adopted as published.
3. **Public Comment:** *President Fenn asked if there were any members of the public that wished to make a public comment on items that are within the jurisdiction of the Agency.* Libi Uremovic voiced her opinion on how the Agency is procuring water for the region. She also commented on the amount of money being spent by the Agency for the Watermaster litigation. Debbie Franklin commented on the ongoing litigation between the Watermaster and the Agency, stating that this issue should not be a factor when the Board is making decisions pertaining to the Whitewater flume.
4. **Announcements:**
 - A. Regular Board Meeting, February 5, 2018, 1:30 pm
 - B. Engineering Workshop, February 12, 2018, 1:30 pm
 - C. The office will be closed in observance of Presidents' Day, February 19, 2018
 - D. Regular Board Meeting, Tuesday, February 20, 2018, 1:30 pm
5. **Closed Session (1 Item) Time: 6:10 pm**
 - 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

The meeting reconvened to open session at: Time: 7:11 pm

Legal Counsel Anderson stated that there was no action taken during closed session that is reportable under the Brown Act.


6. Adjournment

Time: 7:11 pm

Draft - Subject to Board Approval

Jeffrey W. Davis, Secretary of the Board

cmr

NOTICE TO STATE WATER PROJECT CONTRACTORS**Date:** JAN 29 2018**Number:** 18-02**Subject:** 2018 State Water Project Allocation Increase – 20 Percent**From:** 

Joel Ledesma
Deputy Director, State Water Project
Department of Water Resources

The Department of Water Resources (DWR) is increasing the allocation of 2018 State Water Project (SWP) water for long-term contractors from 631,115 acre-feet to 852,333 acre-feet. Based on the recent precipitation, runoff, and current water supply condition, SWP supplies are projected to be 20 percent of most SWP contractors' 2018 requested Table A amounts, which totals 4,172,786 acre-feet. Attached is the revised 2018 SWP 20 percent allocation table.

This allocation increase is made consistent with the long-term water supply contracts and public policy. DWR's approval considered several factors including existing storage in SWP conservation reservoirs, SWP operational regulatory constraints, and the 2018 contractor demands. DWR may revise the allocation and subsequent allocations if warranted by the year's developing hydrologic and water supply conditions.

To develop the new 20 percent schedule, DWR will scale up the current long-term SWP contractors' 15 percent schedules that they submitted in October 2017 (as part of their initial request), unless the contractors submit the updated schedules. DWR will send the approved monthly water delivery schedules to the long-term SWP contractors.

If you have any questions or need additional information, please contact Pedro Villalobos, Chief, State Water Project Analysis Office, at (916) 653-4313.

Attachment

**2018 STATE WATER PROJECT ALLOCATION
(ACRE-FEET)**

SWP CONTRACTORS	TABLE A	INITIAL REQUEST	APPROVED ALLOCATION	PERCENT INITIAL REQUEST APPROVED (3)/(2) (4)
	(1)	(2)	(3)	(4)
<u>FEATHER RIVER</u>				
County of Butte	27,500	27,500	6,000	22%
Plumas County FC&WCD	2,700	2,700	540	20%
City of Yuba City	9,600	9,600	3,840	40%
Subtotal	39,800	39,800	10,380	
<u>NORTH BAY</u>				
Napa County FC&WCD	29,025	29,025	11,610	40%
Solano County WA	47,756	47,756	19,102	40%
Subtotal	76,781	76,781	30,712	
<u>SOUTH BAY</u>				
Alameda County FC&WCD, Zone 7	80,619	80,619	16,124	20%
Alameda County WD	42,000	42,000	8,400	20%
Santa Clara Valley WD	100,000	100,000	20,000	20%
Subtotal	222,619	222,619	44,524	
<u>SAN JOAQUIN VALLEY</u>				
Oak Flat WD	5,700	5,700	1,140	20%
County of Kings	9,305	9,305	1,861	20%
Dudley Ridge WD	45,350	45,350	9,070	20%
Empire West Side ID	3,000	3,000	600	20%
Kern County WA	982,730	982,730	196,546	20%
Tulare Lake Basin WSD	87,471	87,471	17,494	20%
Subtotal	1,133,556	1,133,556	226,711	
<u>CENTRAL COASTAL</u>				
San Luis Obispo County FC&WCD	25,000	25,000	5,000	20%
Santa Barbara County FC&WCD	45,486	45,486	9,097	20%
Subtotal	70,486	70,486	14,097	
<u>SOUTHERN CALIFORNIA</u>				
Antelope Valley-East Kern WA	144,844	144,844	28,969	20%
Castaic Lake WA	95,200	95,200	19,040	20%
Coachella Valley WD	138,350	138,350	27,670	20%
Crestline-Lake Arrowhead WA	5,800	5,800	1,160	20%
Desert WA	55,750	55,750	11,150	20%
Littlerock Creek ID	2,300	2,300	460	20%
Metropolitan WDSC	1,911,500	1,911,500	382,300	20%
Mojave WA	85,800	85,800	17,160	20%
Palmdale WD	21,300	21,300	4,260	20%
San Bernardino Valley MWD	102,600	102,600	20,520	20%
San Gabriel Valley MWD	28,800	28,800	5,760	20%
San Geronio Pass WA	17,300	17,300	3,460	20%
Ventura County WPD	20,000	20,000	4,000	20%
Subtotal	2,629,544	2,629,544	525,909	
TOTAL	4,172,786	4,172,786	852,333	

SWPAO
1/29/2018



San Geronio Pass Water Agency

A California State Water Project Contractor
1210 Beaumont Avenue • Beaumont, CA 92223
Phone (951) 845-2577 • Fax (951) 845-0281

December 8, 2017

President:
David Fenn

Vice President:
Ronald Duncan

Treasurer:
Leonard Stephenson

Directors:
Dr. Blair M Ball
David Castaldo
Stephen Lehtonen
Michael Thompson

**General Manager
& Chief Engineer:**
Jeff Davis, PE

Legal Counsel:
Jeffry Ferre

Pedro Villalobos
Chief, State Water Project Analysis Office
Department of Water Resources
1416 Ninth Street
P. O. Box 942836
Sacramento, CA 94236

Dear Pedro:

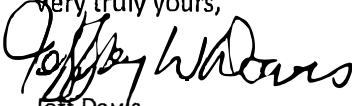
The San Geronio Pass Water Agency (Agency) desires to increase the capacity of the Noble connection on the East Branch Extension from 20 cfs to 34 cfs. The connection is located at Station 697 + 87 of the East Branch Extension, just a couple of hundred feet from the terminus of the Aqueduct.

In order to accomplish this, we will require a new turnout agreement with DWR. The purpose of this letter is to begin the process of obtaining such an agreement. Included with this letter are supporting documents, including the following:

- Technical Memorandum from Armstrong & Brooks Consulting Engineers outlining four alternatives (the selected alternative is number 4) and the requirements for each.
- Agency meeting agendas and minutes indicating that CEQA has been complied with via a Notice of Exemption, whose statute of limitations has expired.

We recognize that DWR will require a deposit in order to move forward on this project. We expect that the design will be simple, straightforward, and very similar to the design of the existing connection, the design of which was approved by DWR. Please let me know how much you will require and we will forward the deposit to you. We would like to expedite the design, review, and construction of this connection in order to take advantage of wet years.

We look forward to working with DWR staff on this expansion. Please let me know how much of a deposit you require, along with any other requirements that you need in order to draft the service connection agreement.

Very truly yours,

Jeff Davis

Enclosures

cc: Lincoln King, DWR

TECHNICAL MEMORANDUM

To: Jeff Davis, PE
General Manager / Chief Engineer
San Geronio Pass Water Agency

From: Erik T. Howard, PE, PLS
Armstrong & Brooks

Subject: Noble Creek EBX - Turnout and Control Facilities
Hydraulic Capacity Evaluation & Upgrades

The purpose of this Technical Memorandum (TM) is to assess the current capacity of subject Turnout and Control Facilities (Facilities) and determine what modifications (and associated construction cost) are needed to increase flow from the original design of 20 CFS (9,000± GPM) to a higher flow of 34 CFS (15,300± GPM).

1. Introduction and Background

The Noble Creek Turnout was part of the East Branch Extension (EBX) Phase 1, Pipeline Reach 3 Project (Garden Air Creek to Noble Creek) as constructed by Department of Water Resources (DWR) in the early 2000's. Said Turnout, consisting of a 20-inch diameter side outlet, 12± linear feet (LF) of piping, butterfly valve and access vault, is at the end of 9,400± linear feet of 36-inch diameter aqueduct as fed from Cherry Valley Pump Station (CVPS). Two (2) other identical turnouts, located off of Orchard Street at Mountain View Channel and at Little San Geronio Creek, are upstream of Noble Creek at 5,300± LF and 7,600± LF respectively from CVPS.

When constructed in 2003, CVPS had an initial pumping capacity of 16 cubic feet per second (CFS), with future plans to incrementally increase its capacity to 48 CFS. However, 52 CFS is now considered the plant's ultimate capacity due to pumping and other system improvements as part of EBX Phase 2. Based on DWR's record drawings and provided data for the Noble Creek Turnout, the available head at the turnout is 90.1 feet or about 39 psi of operating pressure. Design thresholds of 10 feet per second (FPS) for approach piping and 15 FPS for meter and flow control valve velocity were held, as was 10 psi for the downstream residual pressure.

2. Existing Turnout and Control Facilities Design

Based on collaborative meetings between Management, Staff and representative engineers from both San Gorgonio Pass Water Agency (SGPWA) and Beaumont Cherry Valley Water District (BCVWD) in 2005, the selected design flow for the subject Facilities was 20 CFS. Due to BCVWD's strong desire at the time to begin taking water through its recently constructed 24-inch Non-Potable Pipeline, DWR allowed SGPWA to construct an interim connection to operate and provide delivery on a temporary basis.

The Temporary Facilities, consisting of 100± LF of 20-inch fusion-welded HDPE piping, a propeller flow meter (saddle type; in a vault) and butterfly valve, was then operated manually until the permanent facilities could be designed by SGPWA and reviewed through DWR's plan check process. Said Temporary Facilities were constructed and put into service on or about November 2006.

Design of the permanent Facilities nominally consisted of 52± LF of 20-inch, 26± LF of 16-inch (diameter reduced for a magnetic flow meter and flow control valve; each contained in a separate vault), and 28± LF of 24-inch piping. All piping material was PVC as required by DWR, with standard ductile iron fittings used throughout. Electrical equipment and controls are contained in a precast concrete building structure, with fiber optic communication lines connected back to CVPS. The final design was approved by DWR in July 2009, with the construction contract awarded in November 2009 and completed in June 2010. Water delivery through the permanent Facilities began shortly thereafter and, except for periodic maintenance and minor programming changes or software upgrades, has worked well. The Temporary Facilities remain as an emergency backup system should the need arise.

3. Modifications for Increased Flow

The comparative velocities for pipe sizes at different flow rates are as follows:

Condition	Size (in) *	Flow (CFS)	Velocity (FPS)
A	16	20	15.6
B	20	↓	10.1
C	24	↓	7.1
D	16	34	26.5
E	20	↓	17.2
F	24	↓	12.0
G	30	↓	7.5

* Nominal diameter. Actual diameter per AWWA C-905 PVC Pipe; CI-235 (DR-18).

In order of flow from the 36-inch EBX, Conditions B, A and C apply for the existing Facility layout, for a combined head loss (piping, minor losses, and through ClaVal) of about 12.3 psi. Given the 39 psi of available operating pressure, there is still 26.7 psi available with the 20 CFS flow. Due to the large variability of potential flows and pressure in the EBX, said 39 psi is held as a constant for purposes of this study.

Using the existing piping Conditions but at the new design flow of 34 CFS, an increase of 70%, the combined head loss jumps almost three fold to about 34.3 psi. Again using 39 psi of available operating pressure, there is a 4.7 psi residual; about half of the 10 psi used as a threshold for the original design. The velocities for Conditions D and E also exceed the thresholds used for the original design.

For purposes of this design study, three (3) New Scenarios (for the 34 CFS flow rate) were reviewed and compared:

- **Scenario 1:** Conditions E & F: 52± LF of exist. 20-inch (from EBX) plus 26± LF of 20-inch (flow meter and ClaVal) then 28± LF of exist. 24-inch piping.
- **Scenario 2:** Conditions F, E & F: 52± LF of 24-inch (from EBX) then Condition E (26± LF of 20-inch; flow meter and ClaVal) then back to Condition F (28± LF of exist. 24-inch piping).
- **Scenario 3:** Conditions G, E & F: 52± LF of 30-inch (from EBX) then Condition F (26± LF of 20-inch; flow meter and ClaVal) then back to Condition F (28± LF of exist. 24-inch piping).

During the original design, DWR required that all piping between the EBX and flow meter vault be encased in a sand-cement slurry backfill which poses additional challenges (and costs) associated with implementing Scenarios 2 and 3. Also, the fiber optic communication conduits (from the EBX vault to the control building), were installed in a common trench with the encased piping, so any work may also require their removal and replacement. A short section of the original turnout (20-inch nozzle piping off the EBX) would however remain in all scenarios.

Scenario	Operating Losses @ 34 CFS	Residual Pressure
1	16.8 psi	22.2 psi
2	12.6 psi	26.4 psi
3	10.4 psi	28.6 psi

As previously mentioned, 39 psi is used as the EBX's available operating pressure, with design thresholds of 10 FPS held for approach piping velocity and 15 FPS for meter and control valve velocity, and 10 psi for residual pressure. Design flows for the Mag Meter and ClaVal were coordinated with the manufacturer's representatives (MR). Since all of the above listed residual pressures are acceptable, the component velocity will govern any computed flow limits.

Existing Design @ 20 CFS (9,000± GPM) – Baseline Design Values			
Component	Nom. Dia (in.)	Velocity (FPS)	Comment
Approach Piping	20	10.1	EBX to Meter approach
Meter	16	15.6	50% of 18,000 GPM max flow per MR
ClaVal	16	15.6	80% of 11,000 GPM max flow per MR
Downstream Piping	24	7.1	Connection to BCVWD

New Scenario 1: 19.8 CFS (8,900± GPM)			
Component	Nom. Dia (in.)	Velocity (FPS)	Comment
Approach Piping ⁽¹⁾	20	10.0	EBX to Meter approach; no change
Meter	20	10.0	31% of 29K GPM suggested max flow
ClaVal	20	10.0	52% of 17K GPM suggested max flow
Downstream Piping	24	7.0	Connection to BCVWD; no change

New Scenario 2: 28.3 CFS (12,700± GPM)			
Component	Nom. Dia (in.)	Velocity (FPS)	Comment
Approach Piping ⁽¹⁾	24	10.0	EBX to Meter approach
Meter	20	14.3	44% of 29K GPM suggested max flow
ClaVal	20	14.3	75% of 17K GPM suggested max flow
Downstream Piping	24	10.0	Connection to BCVWD; no change

New Scenario 3: 29.8 CFS (13,340± GPM)			
Component	Nom. Dia (in.)	Velocity (FPS)	Comment
Approach Piping	30	6.6	EBX to Meter approach
Meter ⁽¹⁾	20	15.0	46% of 29K GPM suggested max flow
ClaVal ⁽¹⁾	20	15.0	78% of 17K GPM suggested max flow
Downstream Piping	24	10.5	Connection to BCVWD; no change

(1) Governing component size to hold design velocity.

Since none of initial Scenarios 1-3 attained the target 34 CFS (due to holding the velocity threshold limits), Scenario 4 was subsequently developed:

New Scenario 4: 34 CFS (15,300± GPM)			
Component	Nom. Dia (in.)	Velocity (FPS)	Comment
Approach Piping	30	7.5	EBX to Meter approach
Meter	24	12.0	36% of 42K GPM suggested max flow
ClaVal	24	12.0	61% of 25K GPM suggested max flow
Downstream Piping	24	12.0	Connection to BCVWD; no change

With BCVWD's existing line size being 24-inch, the Downstream Piping velocity of 12 FPS could be accepted even though it exceeds the 10 FPS target threshold, and there is adequate residual pressure.

The existing Meter and FCV vaults should be of adequate size (8' L x 6' W x 6' D) to accommodate all scenarios but, with the original pipe openings only being 18-inch in diameter (for 16-inch piping), will need to be enlarged for any of the larger pipe sizes. Also, the throttling butterfly valve (BFV) downstream of the FCV, may need to be relocated outside of the vault if space and constructability limitations dictate. The weight of the FCV increases from 2,300 pounds (16-inch) to 3,900 pounds (20-inch) and 6,200 pounds (24-inch), so additional support(s) under the valve should be provided. Currently, there is one pipe stand support located under the Victaulic pipe spool; between the FCV and BFV.

4. Summary of Estimated Costs

As detailed on the attached TABLE 1 - Cost Comparison Matrix, the costs associated with each scenario are as follows:

- Scenario 1: \$78,500 (19.8 CFS; zero flow increase).
- Scenario 2: \$150,000 (28.3 CFS; 8.3 CFS flow increase); \$18,100± per CFS increase.
- Scenario 3: \$157,000 (29.9 CFS; 9.8 CFS flow increase); \$16,000± per CFS increase.
- Scenario 4: \$166,500 (34 CFS; 14 CFS flow increase); \$11,900± per CFS increase.

Based on the cost per incremental flow increase (\$/CFS), Scenario 4 appears the most economical and is the only option that attains the target flow rate. Scenario 1 offers no practical benefit due to the zero flow increase.

A potential cost savings alternative that includes 23 LF of 20-inch intertie piping between the Temporary and Permanent Facility's approach piping may be considered in lieu of directly upsizing the exist. 20-inch approach piping. Under this alternative, it is assumed that any flow rate from the EBX to the Meter / FCV piping would be equally shared among the two (parallel) 20-inch reaches, meaning each would convey half of the 34 CFS flow. The resultant velocity at 17 CFS would only be 8.6 FPS.

It should be noted that Temporary Facilities were constructed from a limited design effort and were not built for permanent use; no integrity testing was performed. The HDPE material specifications used are also unknown (pipe class, IPS or DIPS; or wall thickness), and would need to be potholed and measured to confirm. They also have an increased risk to potential damage due to their closer exposure to Noble Creek's floodplain.

Using a modified Cost Comparison Matrix (TABLE 2), the costs associated with the alternative scenarios will be:

- Scenario 1: \$78,500 (19.8 CFS; zero flow increase).
- Scenario 2a: \$89,000 (29.8 CFS; 9.8 CFS flow increase); \$9,100± per CFS increase.
- Scenario 3a: \$89,000 (29.8 CFS; 9.8 CFS flow increase); \$9,100± per CFS increase.
- Scenario 4a: \$98,500 (34 CFS; 14 CFS flow increase); \$7,000± per CFS increase.

With their approach piping now being the same, the resultant alternative renders Scenarios 2a and 3a identical. Based again on the cost per incremental flow increase (\$/CFS), Scenario 4a is the most economical and is still the only option that attains the target flow rate of 34 CFS.

The presented costs are construction estimates only. A design allowance of 25% plus a contingency of 15% to 20% should also be added. Other project costs like mobilization/demobilization, bonds, permits and traffic control, and required shoring protection may also apply.

TABLE 2: ALTERNATE COST COMPARISON MATRIX
Noble Creek EBX - Turnout and Control Facilities

No.	Description	Est. Costs	Scenario				Notes
			1	2a	3a	4a	
1	Remove and dispose of exist. 26± LF 16-Inch PVC piping and fittings. Salvage Meter, FCV & BFV to owner.	\$10,000	X	X	X	X	(1)
2	Remove and dispose of exist. 52± LF 20-Inch piping, fittings & BFV, Incl. slurry backfill. P.I.P. FO system.	\$25,000		N/A	N/A	N/A	(2)
3	Furnish and install 26± LF 20-Inch PVC piping and fittings, Incl Meter, FCV & BFV. Modify Vaults.	\$60,500	X	X	X		(1)
4	Furnish and install 26± LF 24-Inch PVC piping and fittings, incl Meter, FCV & BFV. Modify Vaults.	\$70,000				X	(1)
5	Furnish and install 52± LF 24-Inch PVC approach piping, fittings & BFV, Incl. slurry backfill.	\$42,000		N/A			(2)
6	Furnish and install 52± LF 30-Inch PVC approach piping, fittings & BFV, Incl. slurry backfill.	\$49,000			N/A	N/A	(2)
7	Misc. Electrical & Control Modifications.	\$8,000	X	X	X	X	
8	Noble St. Pavement Restoration	\$4,500		N/A	N/A	N/A	
9	BYPASS ALTERNATIVE: Construct 23 LF of 20-inch PVC Intertie piping, fittings & new BFV.	\$10,350		X	X	X	(3)
	(1) Includes removal /replacment 6± LF slurry encasement before Meter Vault.						
	(2) Contractor may elect to remove and replace existing FO conduit system in lieu of protecting-in-place.						
	(3) Class / thickness of exist. HDPE piping unknown. New piping and fittings to be PVC with DI fittings (per 2009 design drawings).						
ALTERNATE COST SUMMARY:			\$78,500	\$88,850	\$88,850	\$98,350	

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, CA
Board of Directors Meeting
Agenda
June 5, 2017 at 7:00 p.m.

1. Call to Order, Flag Salute, Invocation, and Roll Call

2. Adoption and Adjustment of Agenda

3. 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.

4. Consent Calendar: If any board member requests that an item be removed from the Consent Calendar, it will be removed so that it may be acted upon separately.

- A. Approval of the Minutes of the Regular Board Meeting, May 15, 2017* (Page 3)
- B. Approval of the Minutes of the Finance and Budget Workshop, May 22, 2017* (Page 8)
- C. Approval of the Finance and Budget Workshop Report, May 22, 2017* (Page 10)

5. Reports:

- A. General Manager's Report
 - 1. Operations Report
 - 2. General Agency Updates
- B. General Counsel Report
- C. Directors' Reports

6. New Business:

- A. Public Hearing on Determination of Whether to Form a Groundwater Sustainability Agency Pursuant to the Sustainable Groundwater Management Act for the Yucaipa Sub-Basin
- B. Consideration and Possible Action Regarding Adoption of Resolution No. 2017-09 - Election to become a Groundwater Sustainability Agency for the Yucaipa Sub-Basin* (Page 27)
- C. Consideration and Possible Action Regarding Engagement of New Auditor for Fiscal Year 2016-2017* (Page 52)
- D. Consideration and Possible Action Regarding Cost of Living Adjustment for Agency Staff * (Page 89)
- E. Consideration and Possible Action Regarding Nominations for ACWA Region 9 Board of Directors* (Page 91)
- F. Consideration and Possible Action Regarding Authorization to Advertise Fiesta Recharge Facility for Construction* (Page 103)
- G. Consideration and Possible Action Regarding Adoption of Ordinance 13 Amending Ordinance 8* (Page 106)
- [H. Consideration and Possible Action Regarding Application from Beaumont Cherry Valley Water District to Expand Noble Connection from 20 cfs to 34 cfs Pursuant to Revised Ordinance 8* (Page 120)

7. Topics for Future Agendas

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223
Minutes of the
Board of Directors Meeting
June 5, 2017

Directors Present: David Fenn, President
Ron Duncan, Vice President
Lenny Stephenson, Treasurer
Blair Ball, Director
David Castaldo, Director
Stephen Lehtonen, Director
Michael Thompson, Director

Staff Present: Jeff Davis, General Manager
Thomas Todd, Finance Manager
Jeff Ferre, General Counsel

1. **Call to Order, Flag Salute, Invocation, and Roll Call:** The meeting of the San Gorgonio Pass Water Agency Board of Directors was called to order by Board President Fenn at 7:00 p.m., June 5, 2017 in the Agency Boardroom at 1210 Beaumont Avenue, Beaumont, California. President Fenn led the Pledge of Allegiance to the flag. Director Ball led the invocation. A quorum was present.
2. **Adoption and Adjustment of Agenda:** *President Fenn asked if there were any adjustments to the agenda.* There being none the Agenda was adopted as presented.
3. **Public Comment:** *President Fenn asked if there were any members of the public that wished to make a public comment on items that are within the jurisdiction of the Agency.* There were no members of the public that wished to comment at this time.
4. **Consent Calendar:**
 - A. Approval of the Minutes of the Regular Board Meeting, May 15, 2017
 - B. Approval of the Minutes of the Finance and Budget Workshop May 22, 2017
 - C. Approval of the Finance and Budget Workshop Report, May 22, 2017

Director Stephenson made a motion, seconded by Director Thompson, to adopt the consent calendar as presented. Motion passed 7-0.

5. Reports:

A. General Manager's Report:

(1) Operations Report: (a) SWP Water Deliveries: The Agency delivered a total of 1418 acre-feet to the Noble Creek Connection, for the month of May; a total of 5451 acre-feet so far this year.

(2) General Agency Updates: (a) Cal Water Fix: USFWS and NMFS issue final Biological Opinion this week (Friday). Once the ROD/NOD has been issued engineering and design work will progress toward construction. More updates will

be provided in the coming weeks and months. Cal Water Fix is not needed for the state as a whole, it will also protect our Investment in EBX; Lowers our marginal cost of water; possibly incentivize other Contractors to sell or lease their Table A water to other Contractors. **(b) Flume Update:** The PEs have submitted an alternate cost share agreement in the amount of \$100k instead of \$600k and are working on setting up a follow-up meeting with the Regional Forester.

B. General Counsel Report: (a) General Counsel Jeff Ferré deferred from reporting due to the length of the agenda.

C. Directors Reports: (1) **President Fenn** reported on the City of Beaumont Council meeting that he attended on May 16th. He also reported on the May 18th BCVWD Board meeting stating that its board approved the Sites cost sharing agreement with the Agency. (2) **Director Ball** reported on the BCVWD May 18th Board meeting. (3) **Director Castaldo** reported on the BCVWD May 18th Board meeting.

6. New Business:

A. Public Hearing on Determination of Whether to Form a Groundwater Sustainability Agency Pursuant to the SGMA for the Yucaipa Sub-basin: *President Fenn opened the Public Hearing at 7:12 pm.* A colored map of the Yucaipa Sub-basin was handed out to the Board and to members of the public. General Manager Davis provided his report on this item. He stated that the map is of the Yucaipa Basin. He explained why SGPWA was invited to be a participant. He also reviewed why this agreement is different from other GSA's that the Agency is now a part of. General Manager Davis answered questions from the Board. After discussion, General Manager Davis concluded his report for the public hearing. President Fenn requested public comment. *There being none President Fenn closed the Public Hearing at 7:24.*

B. Consideration and Possible Action Regarding Adoption of Resolution No. 2017-09 – Election to become a Groundwater Sustainability Agency (GSA) for the Yucaipa Sub-Basin: A staff report, Resolution No. 2017-09 and a Memorandum of Agreement were included in the agenda packet. After discussion, Director Duncan made a motion, seconded by Director Stephenson to adopt Resolution 2017-09, creating the Yucaipa Sub-Basin GSA, and to participate as a member of the GSA in developing a Groundwater Sustainability Plan (GSP) for the Yucaipa Sub-basin. Motion passed 7-0.

C. Consideration and Possible Action Regarding Engagement of New Auditor for Fiscal Year 2016-2017: A staff report and an Engagement Letter from Eadle & Payne were included in the agenda packet. General Manager Davis explained the interview process that he and Finance Manager Thomas Todd conducted in order to secure an auditor. He stated that the Auditor reports to the Board and not to Staff. He is confident that Eadle & Payne is the best firm to perform the Agency's audit for 2016-2017 at a proposed cost of \$19,900. The funds are budgeted for next year; there will be no fiscal impact. Discussion took place between the board members on the process of hiring auditors for the future and that perhaps it would be best to have

board members have a more active role in the hiring of the auditor and to invite the auditor to a Finance and Budget workshop to answer questions from the Board. After discussion, Director Stephenson made a motion, seconded by Director Ball, to authorize contracting with Eadie & Payne to perform the 2016-2017 Audit, and to authorize the President and General Manager to sign the engagement letter. Motion passed 7-0.

D. Consideration and Possible Action Regarding Cost of Living Adjustment for Agency Staff: A staff report was included in the agenda packet. President Fenn made a motion, seconded by Director Duncan, that Agency staff (not including the General Manager) receives a 2.7% cost of living increase starting July 1st. Motion passed 7-0.

E. Consideration and Possible Action Regarding Nominations for ACWA Region 9 Board of Directors: A staff report and ACWA Nomination materials were included in the agenda packet. General Manger Davis reported on the Agency's past involvement and expected duties of ACWA Region 9 Board members. He also explained the potential fiscal impact, as the Agency would be responsible for travel costs for meetings and other events. After discussion, Director Castaldo requested to be nominated. General Manager Davis stated that a nomination resolution will be drafted for consideration at the next regular board meeting.

F. Consideration and Possible Action Regarding Authorization to Advertise Fiesta Recharge Facility for Construction: A staff report was included in the agenda packet. General Manager Davis stated that the Board directed staff to move forward in getting a packet ready for advertising of the construction of the facility. The purpose of this item is for the Board to decide if it would like to proceed with the advertising at this point in time. The estimated cost of construction and other post-design costs is approximately \$2.75 million, not including fencing, landscaping, water, or power. The cost estimate includes an unofficial inflation accounting from the original cost estimate. The project is eligible for funding under Prop 1 and can be applied for even if construction has been completed. The Agency has spent approximately \$5.7 million to date on land, CEQA, preliminary and final design, and construction of the pipeline portion of the project. Director Bail felt that going out to bid at this time would diminish the Agency's chances of Prop 1 funding. He questioned additional costs that will be incurred above and beyond the construction of the facility. Director Duncan stated that the action on this item is to go out to bid only. This information will be used to determine if it is feasible to begin construction now or to wait until a future date. General Manager Davis stated that Prop 1 funding decisions could be another year or more before a funding decision is made. General Manager Davis then explained the bidding process. Director Stephenson stated that Beaumont Cherry Valley Parks and Recreation has indicated an interest in utilizing some of our purchased land and it is possible that they may assist with some of the burden of landscaping. General Manager Davis stated that BCVPR has indicated that they might share a well, but improvements to the well are needed. The Board requested Staff to provide additional cost estimates for fencing and landscaping at a future meeting. After discussion, Director Stephenson made a motion, seconded by Director Duncan, to move forward with advertising for the construction of the facility. President Fenn requested a roll call vote:

<u>Roll Call:</u>	Aye	Noes	Absent	Abstain
Director Stephenson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Ball	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Lehtonen	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Castaldo	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Duncan	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Thompson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
President Fenn	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Motion passed 6-1, with Director Ball opposed.

G. Consideration and Possible Action Regarding Adoption of Ordinance 13 Amending Ordinance 8: A staff report was included in the agenda packet. General Counsel Ferre explained that the Agency is not changing Ordinance 8; the Agency is changing the Rules and Regulations. Adoption of Ordinance 13 will change portions of the applicable Rules and Regulations in regards to an application for service. The change will remove the return flows requirement that is currently in the Rules and Regulations Section 4.09. Should the Board adopt Ordinance 13, Section 4.09 would be removed and the rest of the application requirements will remain in place. Director Duncan made a motion, seconded by Director Thompson, making the change that was indicated by counsel. President Fenn requested a roll call vote:

<u>Roll Call:</u>	Aye	Noes	Absent	Abstain
Director Stephenson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Ball	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Lehtonen	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Castaldo	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Duncan	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Thompson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
President Fenn	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Motion passed 7-0.



H. Consideration and Possible Action Regarding Application from BCVWD to Expand Noble Connection from 20 cfs to 34 cfs Pursuant to Revised Ordinance 8: A staff report and a Biological Resources Assessment performed by Webb were included in the agenda packet. General Manager Davis stated that this item was discussed last month. The agenda packet includes a new staff report and last month's staff report. The recommendation is that the Board approves BCVWD's application, and that the Noble Connection expansion is exempt from CEQA Class 1 and Class 3 exemptions. The Board would also need to direct staff (BBK) to have a CEQA Notice of Exemption lawfully filed. Director Thompson made a motion, seconded by Director Duncan, to approve as recommended. Motion passed 7-0.

7. Topics for Future Agendas: 1. Director Ball would like a staff report on High Valleys water needs. 2. Director Castaldo would like for the Board to consider reviewing the policy for the hiring of an auditor. General Counsel Ferre stated that the Board could direct the Finance Committee to be involved in the interviews. 3. Director Lehtonen asked that discussion on fencing and power for the Beaumont Avenue Recharge Facility be addressed at the next Engineering Committee meeting.

8. Announcements:

- A. Engineering Workshop June 12, 2017 at 4:00 p.m.
- B. Regular Board Meeting, June 19, 2017 at 7:00 p.m.
- C. Finance and Budget Workshop June 26, 2017 at 4:00 p.m.

9. Adjournment

Time: 8:20 pm



Jeffrey W. Davis, Secretary of the Board

DEPARTMENT OF WATER RESOURCES

1416 NINTH STREET, P.O. BOX 942836
SACRAMENTO, CA 94236-0001
(916) 653-5791



JAN 16 2018

Mr. Jeff Davis, P. E.
General Manager and Chief Engineer
San Geronio Pass Water Agency
1210 Beaumont Avenue
Beaumont, California 92223-1506

Dear Mr. Davis,

This is in response to your request letter, dated December 8, 2017, to increase the capacity of the existing Noble Creek Turnout (also known as the Beaumont-Cherry Valley Turnout No. 1) at Station 697+87 of the California Aqueduct's East Branch Extension from 20 cubic-feet-per-second (cfs) to 34 cfs. In a conversation with my staff on January 4th, 2018, you mentioned that modifications would be made to the existing turnout located at Station 697+90 and not at station 697+87. Please reconfirm the actual location of the turnout.

In order to modify this turnout to receive future increased deliveries, the Department of Water Resources (DWR) must approve design drawings and specifications and execute a modification, operation and maintenance agreement. In general, the required sequence of steps to accomplish DWR's review and approval of construction plans and execution of a permanent agreement is as follows:

1. San Geronio Pass Water Agency (SGPWA) submits a written request to DWR providing a description of the proposed project, including the following information:
 - Conceptual plan and profile of the turnout facilities;
 - Anticipated maximum and minimum flow rates in cfs;
 - Anticipated maximum monthly water delivery in acre-feet;
 - Estimated start date for water delivery through the permanent turnout; and
 - Authorization for DWR to bill SGPWA for review costs incurred by DWR. Initially, DWR requests authorization of \$60,000 to complete the project. DWR's initial estimate of \$60,000 is broken down roughly as follows:
 - \$15,000 for the initial review and approval process;
 - \$15,000 for administrative activities, which includes final review and approval of all required documents and preparation of a modification, operation and maintenance agreement;
 - \$25,000 for construction inspection activities; and
 - \$5,000 for project closeout activities.

Depending on the project's complexity, changes or additions to project plans may result in additional review time and costs. We will inform SGPWA if charges are approaching the estimated amount so that additional costs may be authorized, if necessary.

2. Upon receipt of the written authorization, DWR will set up a chargeable account to track all work performed and will assign staff reviewers. Staff review of the initial request will generally include consideration of the following:
 - Feasibility of the turnout location;
 - All features and structures of the turnout connection;
 - Anticipated construction activities within DWR's right-of-way;
 - Access roads required during construction, operation and maintenance phases;
 - Access to an electric power source;
 - Hydraulic devices and their appurtenances; and
 - Operational and hydraulic analyses related to the effects on the integrity of the California Aqueduct.
3. DWR requires approximately four to six weeks to review plans and specifications. DWR will provide comments to SGPWA regarding the proposed turnout modifications upon completion of its review of the plans and specifications, once they are submitted. If subsequent submittals are required, additional review time will be required for each submittal. Staff will provide written comments upon completion of each review. Subsequent submittals, depending on the extent of additional work involved, may require an increase in the funding authorization.
4. Upon approval of the initial and any subsequent submittals, SGPWA will incorporate DWR's comments into final plans and specifications and submit copies to DWR, together with all required environmental documents, encroachment permits, a construction schedule, and a proposed outage schedule for DWR review. The proposed outage schedule should be coordinated with DWR's Southern Field Division.
5. The final plans and specifications must be approved by DWR prior to SGPWA's award of a construction contract.
6. The Lead Agency is responsible for complying with all applicable environmental laws and regulations. SGPWA is required to provide written proof to DWR that all such laws have been complied with. To assist with this, DWR has enclosed the "Contract Information Form" for SGPWA to submit. The completed form is to be submitted along with any backup documentation that the Lead Agency or SGPWA may have. DWR will not process the agreement (described below in Number 7) for the modification, operation and maintenance of the proposed turnout until this step is completed.
7. Prior to construction, DWR will prepare an agreement between DWR and SGPWA for the modification, operation and maintenance of the proposed turnout and will send copies to SGPWA for signature. SGPWA will return all signed copies and, if

JAN 16 2018

necessary, a Board of Director's Resolution of Authorization. After final execution by DWR, a copy of the agreement will be returned to SGPWA. Typically, the process takes approximately four months from the date of receipt of the environmental documents through obtaining an executed agreement.

8. Prior to the start of construction, SGPWA will provide DWR with the following:
 - Proof of insurance coverage;
 - Date the construction contract was awarded; and
 - Date of entry onto DWR's right-of-way.
9. DWR will inspect the turnout construction to ensure compliance with approved plans and specifications within DWR's right-of-way, resolve any technical issues, and perform meter calibration.
10. When construction of the turnout has been satisfactorily completed, SGPWA shall furnish a set of reproducible as-built drawings for DWR's review. After the as-builts have been reviewed and approved, DWR will prepare a formal Statement of Acceptance of the turnout that will be sent to SGPWA.
11. DWR may send an invoice to SGPWA, at any time, for all work completed to date, or in advance for anticipated costs. DWR will send a final invoice, or refund any remaining balance, after the project has been completed. Payment will be due 30 days after the date of any invoice.

Please provide the required information as soon as possible so that we may begin review of the proposed turnout and initiate the agreement. If you have any questions or need additional information, you may call me at (916) 653-4313 or Haydeh Hakim-Edrissi of my staff at (916) 653-9983.

Sincerely,



Pedro Villalobos, Chief
State Water Project Analysis Office

Enclosure



San Geronio Pass Water Agency

A California State Water Project Contractor
1210 Beaumont Avenue • Beaumont, CA 92223
Phone (951) 845-2577 • Fax (951) 845-0281

January 23, 2018

President:
David Fenn

Pedro Villalobos, Chief
State Water Project Analysis Office
Department of Water Resources
1416 Ninth Street
P.O. Box 942836
Sacramento, CA 94236

Vice President:
Ronald Duncan

Treasurer:
Leonard Stephenson

Dear Pedro:

Directors:
Dr. Blair M Ball
David Castaldo
Stephen Lehtonen
Michael Thompson

I am in receipt of your letter of January 16 regarding the expansion of the existing Noble Creek turnout on the East Branch Extension at Station 697-90. The expansion would be from 20 cfs to 34 cfs and would necessitate new piping, a new meter, and a new flow control valve, though the existing 20-inch turnout would not be altered.

**General Manager
& Chief Engineer:**
Jeff Davis, PE

Attached please find a conceptual drawing of the proposed expanded connection, as well as a completed Contract Information Form (CIF). We anticipate that the maximum flow rate of the proposed expanded connection will be 34 cfs, with a minimum flow rate of approximately eight cfs. The maximum monthly delivery through the proposed connection will be approximately 2000 acre-feet. We would hope that the construction can be completed by the end of this summer and the anticipated timeline for water delivery through the expanded turnout is expected in September 2018.

Legal Counsel:
Jeffry Ferre

Please consider this letter as authorization to bill the Agency for all DWR costs associated with your reviews.

The Agency Board approved a Notice of Exemption pursuant to the California Environmental Quality Act (CEQA) on June 5, 2017. The statute of limitations has expired on this action; therefore, the proposed project is exempt from CEQA under Class 1 and Class 3 exemptions.

Please do not hesitate to contact me if you have any questions regarding this matter.

Very truly yours,

Enclosures

CONTRACT INFORMATION FORM

FOR OFFICE USE ONLY

Tracking Number: _____

SWPAO Number: _____

Date: _____

1.0 Title: Noble Creek Turnout Enlargement

2.0 SWP Contractor or Lead Agency. Please list name, phone number, and email address for the following staff below:

Engineering/Contract: Jeff Davis (951) 845-2577 jdavis@sgpwa.com
 Environmental: " "
 Legal: " "

3.0 Date of Request to DWR: 01/23/2018

4.0 Project Description (Brief):
Expansion of existing turnout on Agency property from 20 cfs to 34 cfs. Project includes new piping, meter, and valve.

5.0 Name(s) of Local Public Agency(s) Participating in Project
San Geronio Pass Agency

6.0 Construction
 Is this a modification or expansion of an existing facility? Yes No

6.1 For new or modification projects, please provide: legible and reproducible site plan, to scale, with north arrow, coordinates (or mile posts), dimensions, footprint, DWR right of way, and adjacent land use.

7.0 Environmental Documents (NEPA/CEQA or functionally equivalent)
 (Title) Exemption
 State Clearing House Number # _____
 Federal # _____; Other control numbers _____
 Notice of Determination date _____
 Notice of Exemption: date and posting place _____
 DFG or USFWS Consultation, if required _____

Provide four (4) hard copies to address below [or electronic]
 Chief, Water Delivery Analysis & Documentation Branch
 State Water Project Analysis Office
 Department of Water Resources
 1416 9th Street, Room 1620
 Sacramento, CA 95814 (916.653.6250)

• *Electronic files may be included on a CD or sent electronically. Please provide electronic files in Word, pdf, or Excel file formats.*

2915

2910

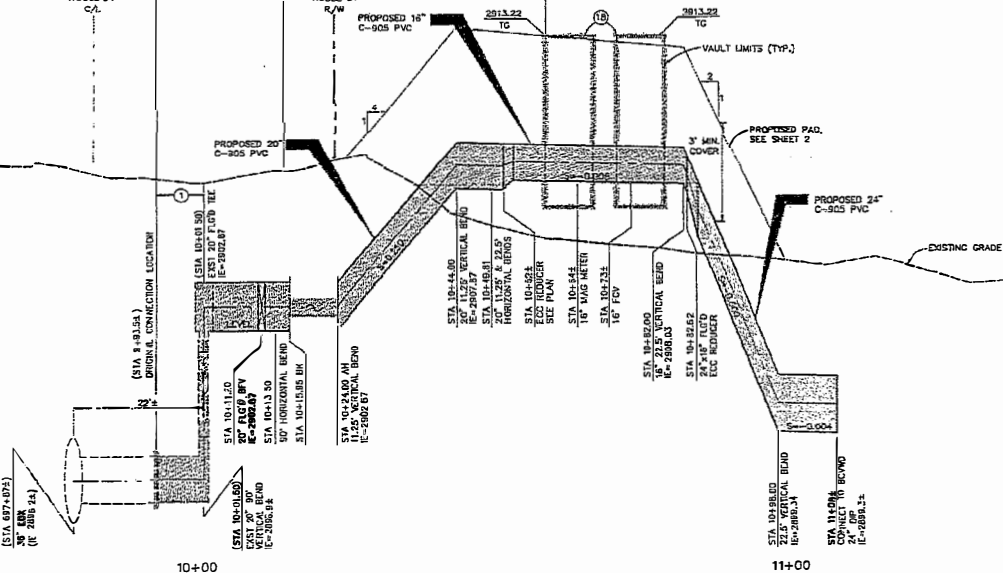
2905

2900

52/107

NOBLE ST
C/L

2-SACK SAND/CEMENT SLURRY BACKFILL LIMITS



PROFILE

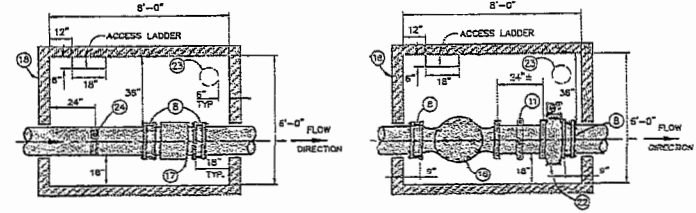
H: 1"=10'
V: 1"=2'

EXISTING 20" HOPE PIPING
PROJECT-IN-PLACE



LEGEND

- Exist. Piping, Meter & FCV (to be upsized)
- Exist. Piping (to remain)



METER VAULT DETAIL A

FCV VAULT DETAIL B

CONSTRUCTION NOTES:

- REMOVE ALL EXISTING DI PIPING AND REPLACE WITH C-90S PVC PER NOTE 1 HEREON. REMOVE EXISTING FLANGED ADAPTER AND DIELECTRIC ISOLATION KIT AND REPLACE WITH EPOXY COATED FLANGE COUPLING ADAPTER. WAX TAPE AFTER ASSEMBLY.
- 20" FLANGED BUTTERFLY VALVE
- 20" FLANGED 90° DI ELBOW
- 16" FLANGED 22.5" DI ELBOW
- 20" FLANGED 22.5" DI ELBOW
- 24" FLANGED 22.5" DI ELBOW
- 20" FLANGED 11.25" DI ELBOW
- RESTRAINED FLANGED COUPLING ADAPTER, TYP (SIZE AS REQD)- EBAA SERIES 2100 OR APPROVED EQUAL (NOT ALL SHOWN).
- 20" PIPING AND FITTINGS SEE NOTE 1 HEREON
- 24" PIPING AND FITTINGS SEE NOTE 1 HEREON
- 18" FLANGED X VERTICAL CUT-DROOVED SPOOL AND COUPLING (STYLE 31)
- 20" X 16" FLANGED DI ECCENTRIC REDUCER
- 24" X 16" FLANGED DI ECCENTRIC REDUCER
- REMOVE EXIST 20" BLIND FLANGE AND CONNECT TO EXIST TEE.
- REMOVE EXIST 20" 90° ELBOW AND 24" X 20" REDUCER. INSTALL 24" X 20" FLANGED TEE AND RECONNECT TO 20" HOPE WITH COUPLING.
- 16" FLANGED FLOW CONTROL VALVE PER SPECIFICATIONS. CLA VAL MODEL 131-01 1/2" 131 VC WITH OPENING AND CLOSING SPEED (FLOW) CONTROL.
- 16" FLANGED MAGNETIC FLOW METER PER SPECIFICATIONS. SPARLING MODEL 66S OR EQUAL. INSTALL CONDUIT AND CONTROLS PER ELECTRICAL AND INSTRUMENTATION DRAWINGS.
- 8' X 6' X 6" (MIN. SIZE) PRECAST CONCRETE TRAFFIC VAULT AND COVER (4-20 LADING); JENSEN PRECAST OR AGENCY APPROVED EQUAL WITH "STYLE E3" HINGED COVER OVER LADDER; SEE DETAILS A & B. HEREON. PROVIDE 6" SQUARE HINGED ACCESS COVER CONTROLLED OVER BUTTERFLY VALVE NUT; FCV VAULT ONLY.
- 12' X 10' PRECAST CONCRETE BUILDING ROCKWAT PRECAST OR AGENCY APPROVED EQUAL. SEE ELECTRICAL PLANS FOR FIBER OPTIC CONDUITS TO EBX VAULT.
- 2" COMBINATION AIR VALVE INSTALLATION WITH 4" OFFSET.
- 4" VENT PIPING WITH 5' OFFSET
- 18" FLANGED BUTTERFLY VALVE (FOR THROTTLING).
- 10" DIA (MIN) FLOOR DRAIN WITH RECESSED (SET FLUSH) CAST IRON GRATE. EXCAVATE MIN. 24" FROM VAULT FLOOR AND HILL WITH 3/4" CRUSHED ROCK.

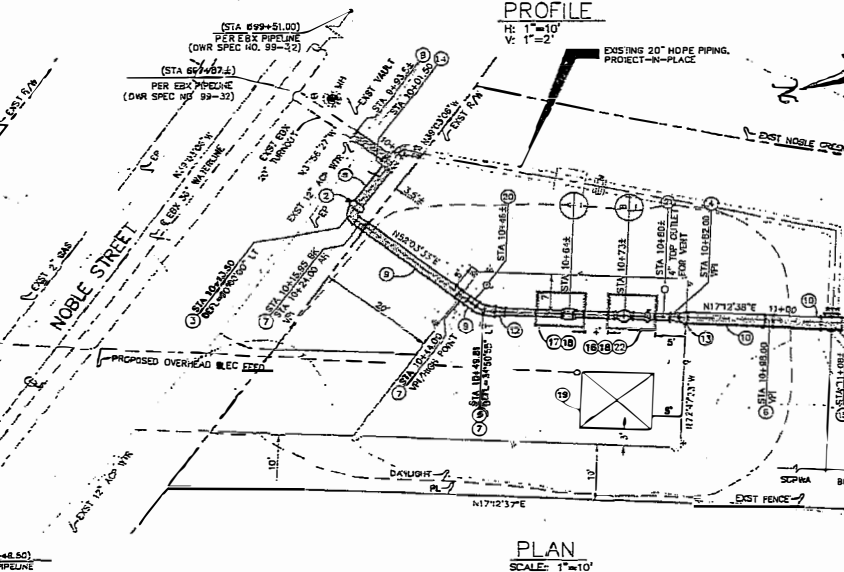
APPROVED FOR CONSTRUCTION

Dist. of Change
Department of Water Resources

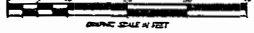
NOTES:

- UNLESS OTHERWISE NOTED, ALL PIPING SHALL BE CL-235 (OR-15) C-90S PVC WITH STANDARD DI FITTINGS, EXPOSED PIPING, METERS, VALVES, AND ALL COUPLINGS SHALL BE EPOXY COATED TO AGENCY'S PREFERRED COLOR.
- CONTRACTOR SHALL FIELD VERIFY DIMENSIONS PRIOR TO PURCHASING MATERIALS. CONTRACTOR MAY REUSE EXISTING DI FITTINGS AT HIS DISCRETION.
- ALL PIPING AND FITTINGS SHALL HAVE FULLY RESTRAINED FLANGED JOINTS.
- ALL PIPING AND FITTINGS BETWEEN STA 8+94.00 AND THE METER VAULT SHALL BE BACKFILLED (12-INCHES MIN. ALL AROUND) BY A 2-SACK SAND/CEMENT SLURRY.

06-09-09



PLAN
SCALE: 1"=10'



NO	REV	DATE	REVISION	APP
1		2/2/09		

DESIGN BY KO/WH	SUBMITTED:
DRAWN BY KO/XK	<i>[Signature]</i>
CHECKED BY SM	13 FEB 09
DATE	DATE
ERIK P. HOWARD	



PBSJ

- Engineering
- Planning
- Surveying
- Construction Services

10370 Emerald St., Suite 200
PR: (951) 358-1433
RIVERSIDE, CA 92503
Fax: (951) 358-1434

SAN GORGONIO PASS WATER AGENCY

1210 Beaumont Ave.
Beaumont, CA 92223
Phone: (951) 845-2577
Fax: (951) 845-0261

SAN GORGONIO PASS WATER AGENCY		DRAWING NO	5-HEET
NOBLE CREEK EBX CONNECTION SITE PLAN, PIPING PLAN AND PROFILE		C-2	3
FILE NO		OF 10 SHEETS	

MEMORANDUM

TO: Board of Directors

FROM: General Manager

RE: Acceptance of 2016 Report on Water Conditions

DATE: February 5, 2018

Summary:

The purpose of this proposed Board action is to accept the Agency's 2016 Report on Water Conditions, reviewed by the Board at the December 11, 2017 Engineering workshop.

Background:

The Agency has been producing an annual Report on Water Conditions in some form since the 1990's. The report summarizes the condition of local groundwater basins and other local water resources. The report is in part a settlement of litigation between the Agency and the Cherry Valley Environmental Planning Group.

Detailed Report:

Staff reviewed the report with the Board in detail at the December Engineering workshop. The report details how water demands in the region have decreased over the past two years by approximately 20% (the report is through 2016). This is after a gradual increase in demands over the previous four years. The report shows how water imported by the Agency has helped the region, adding over 80,000 acre-feet of water to the Beaumont Basin since 2003.

The report also shows that water levels in some areas have stabilized and have even increased, while in other areas water levels are still dropping. The report notes that SGMA will have a huge impact on how groundwater basins are managed in the future, and that the Agency is actively involved in implementing SGMA in our region.

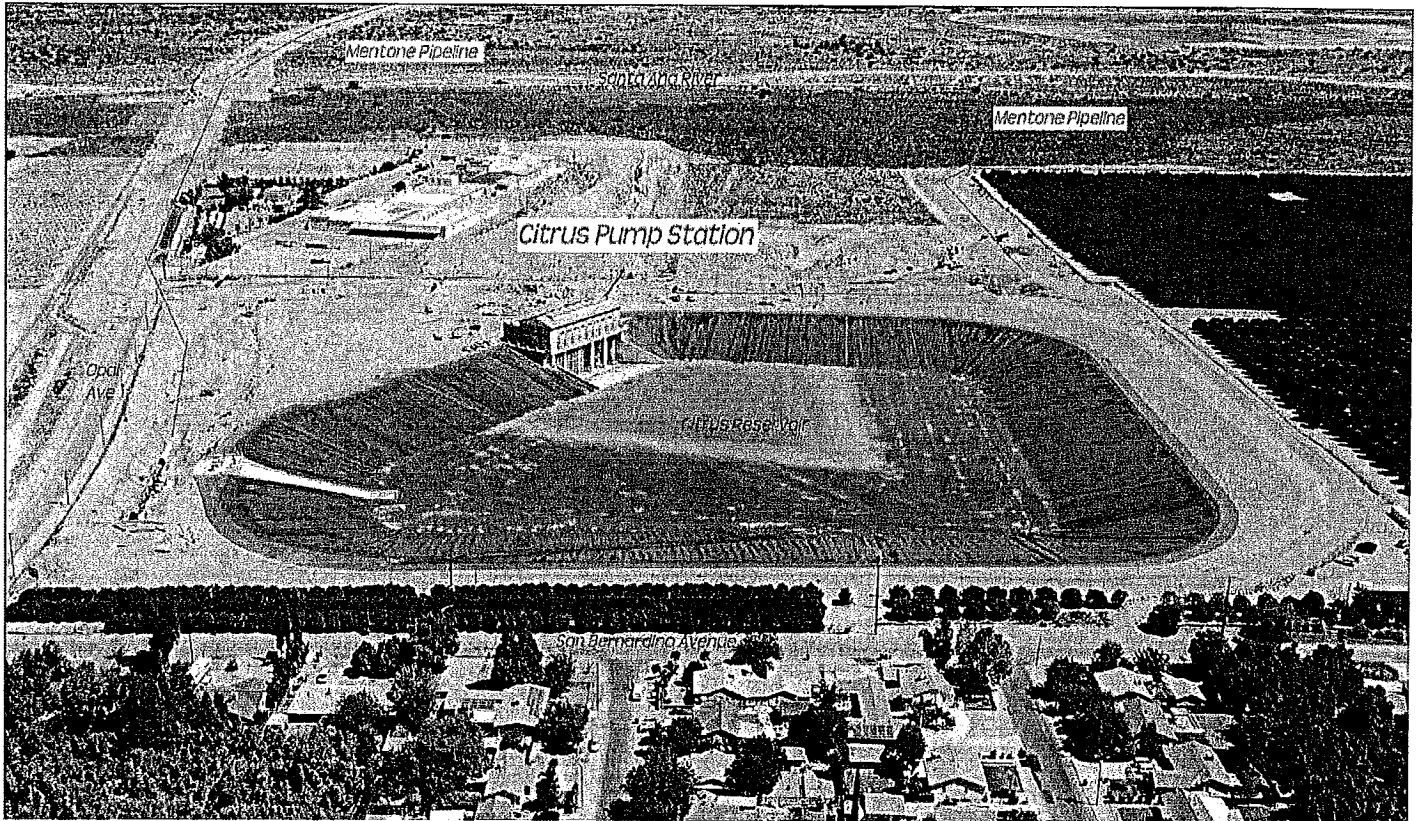
Fiscal Impact:

There is no fiscal impact to accepting the report.

Recommendation:

Staff recommends that the Board accept the 2016 Report on Water Conditions so that it may be distributed and posted on the Agency's web site.

SAN GORGONIO PASS WATER AGENCY REPORT ON WATER CONDITIONS



Reporting Period 2016

**San Geronio Pass Water Agency
Annual Report on Water Conditions
Reporting Period 2016**

Prepared by

San Geronio Pass Water Agency
1210 Beaumont Avenue
Beaumont, CA 92223

January 2018

SAN GORGONIO PASS WATER AGENCY

Board of Directors

David Fenn	President
Ron Duncan	Vice President
Leonard Stephenson	Treasurer
Blair Ball	Director
David Castaldo	Director
Stephen Lehtonen	Director
Mike Thompson	Director

On the cover:

An aerial view of the newly constructed Citrus Reservoir and Pump Station in Mentone, major components in Phase 2 of the East Branch Extension. The facilities will go online in 2017.

List of Tables

1. Groundwater Production in San Gorgonio Pass Water Agency by Basin (2004 through 2016 as reported)
2. Groundwater Production in San Gorgonio Pass Water Agency by Purveyor (2004 through 2016 as reported)
3. Groundwater Production in San Gorgonio Pass Water Agency by Purveyor by Basin (2004 through 2016 as reported)
4. State Water Project Deliveries to San Gorgonio Pass Water Agency Service Area
5. Water Quality Analysis at Devil Canyon Afterbay Near San Bernardino (Selected Constituents)

List of Figures

1. San Gorgonio Pass Water Agency
2. Drainage Basins and Principal Streams
3. Groundwater Storage Units
4. Long-Term Mean Annual Precipitation at Beaumont
5. Wastewater Discharge Totals by Discharger by Calendar Year
6. Historical Groundwater Production All Basins 1947 through 2016 (as reported)
7. Historical Groundwater Production All Basins 1997 through 2016 (as reported)
8. Total Production by Storage Unit in 2016 (as reported)
- 9a. Accumulated Overdraft in the Beaumont Basin 1997 Through 2016
- 9b. Accumulated Overdraft in the Beaumont Basin 1997 Through 2016 With Replenishment
10. SGPWA Monitoring Well Network
11. Map showing the water-level network and water-level change between fall 2015 and fall 2016 at selected wells
12. Groundwater Hydrographs – Banning Basin 3S/1E-18A01 and 3S/1E-18C01
13. Groundwater Hydrographs – Beaumont Basin 2S/1W-33L01 and 2S/1W-27L01
14. Groundwater Hydrograph – Beaumont Basin 2S/2W-25B01
15. Groundwater Hydrographs – Beaumont Basin 2S/2W-25B01 and 2S/1W- 27L01
16. Groundwater Hydrographs – Cabazon Basin 3S/3E-07M01 and 3S/2E-07K01
17. Groundwater Hydrographs – Calimesa and Banning Canyon Basins 2S/2W-14R01 and 2S/1E-29P01
18. Monthly TDS at Devil Canyon Afterbay Near San Bernardino 2006-2016
19. Average TDS at Devil Canyon Afterbay Near San Bernardino 1990-2016



San Gorgonio Pass Water Agency

A California State Water Project Contractor
1210 Beaumont Avenue • Beaumont, CA 92223
Phone (951) 845-2577 • Fax (951) 845-0281

January 2018

President:
David Fenn

Vice President:
Ronald Duncan

Treasurer:
Leonard Stephenson

Directors:
Dr. Blair M Ball
David Castaldo
Stephen Lehtonen
Michael Thompson

**General Manager
& Chief Engineer:**
Jeff Davis, PE

Legal Counsel:
Jeffry Ferre

To the Reader:

On behalf of the Board of Directors of the San Gorgonio Pass Water Agency, I am pleased to publish this annual Report on Water Conditions, which we have been doing in various forms for over two decades.

The primary purpose of the report is to convey the status of ground and surface water resources within the Pass region, specifically our service area. The Agency uses the report as a tool to help us determine the extent of recharge needed in local basins each year. Others use the report for planning purposes.

The Agency maintains an extensive database on local water resources. This report affords the Agency the opportunity to make that database easily accessible to the public and other interested parties.

This report complies with and goes beyond the Stipulation for Entry of Judgment, Cherry Valley Environmental Planning Group vs. San Gorgonio Pass Water Agency, Case No. 249947 (Riverside Superior Court 1996). That judgment requires the Agency to produce such an annual report. According to the Judgment, "These annual reports shall evaluate, by utilizing such reliable information as may be available, the groundwater conditions within [the Agency's] jurisdiction, and shall determine the annual overdraft, if any, of the groundwater basins and amount of water to be scheduled for following year or years replenishment. In preparing the annual report on water conditions, [the Agency] shall collect, review, and make available to the public, water extraction data within [the Agency's] boundaries from such drilling logs, recordation files, or other sources as may be available..."

This report is available on the Agency's website, www.sgpwa.com, or from the Agency's office in hard copy or on a CD for a nominal charge.

In reading the report, we hope that you learn more about the Pass's most precious natural resource—water.

Jeff Davis
General Manager

1.0 Background

The San Gorgonio Pass Water Agency is a State Water Contractor and wholesale water agency that provides imported water to retail water purveyors within its service area, which extends from Calimesa on the west to Cabazon on the east. Its service area covers approximately 228 square miles, most of which is in Riverside County but which includes two small areas in San Bernardino County. One of these is unpopulated, adjoining the San Bernardino National Forest, and the other, in Edgar Canyon south of Oak Glen, includes a few residences. The service area is depicted on **Figure 1**.

The Agency was created by the San Gorgonio Pass Water Agency Act, passed by the California Legislature in 1961 and signed by Governor Pat Brown on July 12, 1961. The first Board of Directors, appointed by the Riverside County Board of Supervisors, held its initial formal meeting on October 10 of that year. It had previously met briefly on September 22 to elect Ted Silverwood as the first President of the Agency. The area had a population of approximately 21,000 at the time (today it is over 90,000, an increase of over 400%).

The San Gorgonio Pass is an elevated, relatively narrow land mass between the San Bernardino Mountains on the north and the San Jacinto Mountains on the south, connecting the San Bernardino Valley on the west to the Coachella Valley on the east. Both of these valleys are at much lower elevations than the Pass region. The region straddles two large watersheds. The western half of the service area is drained primarily by Little San Gorgonio Creek and Noble Creek, which are tributary to San Timoteo Creek and the Santa Ana River. The eastern half of the service area is drained by the San Gorgonio River, which is tributary to the Whitewater River and is part of the Colorado River Basin. A small portion of the region drains to the San Jacinto River which drains to Lake Elsinore. **Figure 2** depicts the drainage basins and principal streams in the region.

This report, published annually by the Agency for over two decades, is intended to help monitor and make available to the public the quantity and quality of water in local groundwater basins. It is based on the Agency's extensive database as well as data from other sources. It includes data from 2016 as well as historical data, which provide a basis to put the most recent data into historical context.

Tables 1, 2, and 3 are extraction (production) summaries of groundwater pumping and surface water diversions within the Agency's service area, hereinafter referred to as the region. These tables summarize annual production for the past 13 years, and represent the heart of this report. These data were obtained from the State Water Resources Control Board, Division of Water Rights (State Board); local sources; or in some cases estimated by the Agency. The Agency does not independently verify the data. The State Board does not require reporting for well owners who extract less than 25 acre feet per year (about eight million gallons). Also, it is possible that some well owners do not file as required. The data in these tables represent the

Agency's best estimate of actual pumping, based on both actual data and production estimates. Most wells are not metered and therefore data from these wells must be estimated by various means.

The report also includes water quality data from the State Water Project's sampling station at Devil Canyon in San Bernardino. Devil Canyon is the Agency's delivery point for State Water Project water, and the closest sampling station to the region. It is representative of the water that the Agency receives from the State Water Project. The data, summarized in **Table 5**, reflect that the water quality varies from year to year and from month to month. It is primarily a function of water quality conditions in the Sacramento/San Joaquin Delta and of runoff in watersheds tributary to the Delta. That water quality in turn is largely a function of hydrology. In wet years and during wet periods within dry and average years, fresh water from upland rivers drains to the Delta and improves overall water quality.

The water quality constituent of greatest interest to the Agency and other local water agencies is TDS, or total dissolved solids (also known as salinity or salts). Salinity has become more heavily regulated by Regional Water Quality Control Boards throughout the State, especially as water agencies around the state have implemented recycled water systems. In order to maintain reasonable TDS levels in the lower reaches of the Santa Ana watershed (primarily Orange County), the Santa Ana Regional Water Quality Control Board must set standards for TDS at relatively low concentrations in the upper reaches of the watershed, where the western portion of the Agency's service area is located. Salinity is less of an issue in the eastern portion of the region, which is part of the Colorado River watershed and is more sparsely populated.

Sewage treatment plant effluent from Beaumont, Yucaipa, and Calimesa is discharged into tributaries to the Santa Ana River and is regulated by the Santa Ana Regional Board; effluent from Banning is currently regulated by the Colorado River Regional Board, though it is likely that the Santa Ana Regional Board may at some time regulate this discharge or portions thereof. This is due to the fact that the City of Banning has plans for a recycled water system, parts of which may overlie a portion of the Santa Ana watershed. While most of the City is in the Colorado Basin, a small portion of it is in the Santa Ana basin.

State legislation passed in 2009 requires more extensive groundwater elevation monitoring in basins throughout the State similar to what the Agency has performed for nearly two decades. The California Department of Water Resources has set up CASGEM (the California Statewide Groundwater Elevation Monitoring system). The Agency is the monitoring entity for the region. This represents a legislative mandate to perform the groundwater level monitoring that the Agency has performed on its own for many years. The data uploaded by the Agency to the CASGEM system represent a relatively small subset of the Agency's overall groundwater database.

Newer legislation passed in 2014 (the Sustainable Groundwater Management Act or SGMA) requires virtually all groundwater basins in California to have a plan to be managed sustainably by 2022. This could have a long-term impact on how groundwater basins in the region are

managed. A Groundwater Sustainability Plan, or GSP, must be developed for all these basins by 2022.

2.0 Water Supply Conditions

There are three principal sources of water within the region—groundwater, which begins as precipitation in the form of rain and snow in the local mountains; imported water from the State Water Project; and recycled wastewater. A fourth source—local runoff of surface water—accounts for a small but important portion of the local water supply portfolio, primarily in Edgar and Banning Canyons. Even most of this runoff is typically recharged into local groundwater basins where it becomes part of the groundwater supply.

Recycled water from Yucaipa Valley Water District is in use in Calimesa. Two other retail water agencies, including the Beaumont Cherry Valley Water District and the City of Banning, have plans to implement recycled water systems in the next few years and have begun planning, designing, and constructing the needed infrastructure for these systems.

2.1 Precipitation

Annual precipitation in the Beaumont area since 1900 is shown on **Figure 4**. The long-term mean annual precipitation in Beaumont is approximately 17.5 inches. This figure depicts the variable nature of precipitation. Of the approximately 115 years of records, the precipitation in 50 years has exceeded the average, while 75 years have been relatively dry as compared to the average. The figure shows several periods—1900-1904, 1948-1952, 1960-1965, 1986-1992, 1999-2002, 2005-2009, and 2011-2016—with multiple consecutive dry years. The figure shows that 2007, 2009, 2013, 2014, and 2015 were among the driest on record in Beaumont (and in fact in all of Southern California), while 2010 was one of the wettest and 2011 and 2012 were below normal. The figure indicates that, since 1999, there have been only three years that met or exceeded the long-term average rainfall. In fact, since 2005 there has been only one “wet” year. This is dramatic evidence of the current drought that has persisted in California and the West. Officially, 2016 is the fifth year of a drought, but as can be seen by the data, the seventeen years since 1999 represent a very dry period. Data presented are for Beaumont because the National Weather Service’s official weather station in the region is located in Beaumont.

Precipitation is highly variable, both spatially and temporally. The National Weather Service’s official station is at an elevation of about 2600 feet. It is highly likely that higher elevations receive more precipitation, including snow, and lower elevations receive relatively less precipitation. In addition, storms, particularly summer storms, can be highly concentrated and impact one area, while another area a mile or two away may get little or no rain. Thus, while the long-term average rainfall may be approximately 17.5 inches in one part of the region, it could easily be an inch or two more or less at other locations in the same region. A rain gauge in Cabazon would show a lower average precipitation than a similar gauge in Calimesa. These gauges would show that climatic and hydrologic differences are present even within the region.

Groundwater basins are able to naturally capture and store much, but not all, of the precipitation in wet years. During and after a rainfall event, runoff drains to streams where it runs into creeks and rivers. Some of this will recharge the local groundwater basins. During large storm events, much of the runoff will flow downstream. In this case, it will either flow from San Timoteo Creek into the Santa Ana River in Redlands, or it will flow from the San Gorgonio River into the Whitewater River in the Coachella Valley. A small portion of runoff from the region flows to the San Jacinto River in Hemet, which eventually runs to Lake Elsinore, a natural low spot. Cities and water agencies in the region have begun planning how to capture additional stormwater that currently runs down the Santa Ana River to Prado Dam in Chino and eventually to the Pacific Ocean.

Stormwater capture represents a potential new source of water to the region. While additional sources of local water are always good for a region, stormwater capture requires a lot of land, and thus has been found to be too expensive for large-scale development in many areas, particularly where land prices are high. Large areas of land are required in order to construct ponds to settle out the particulate matter that accompanies storm flows. Since large storms are not abundant every year, land acquired for large scale stormwater capture would not be used on a consistent basis, and therefore represents a large investment that does not reap benefits every year. A huge benefit in capturing stormwater is the fact that its salinity is very low, and any stormwater captured would improve the water quality of groundwater basins.

2.2 The State Water Project

The San Gorgonio Pass Water Agency Act was signed by Governor Pat Brown in 1961, and the first Board of Directors held its initial meeting in September of that year. Within another year, the Agency had signed a contract with the State of California for 15,000 acre feet of water from what at the time was known as the Feather River Project. A year later, the Agency increased its contract amount, or Table A amount, to 17,300 acre-feet, an increase of 15%. The Agency's Board of Directors fought hard to get this additional amount, and made financial sacrifices to do so. The additional water increased the annual amount of debt service owed by the Agency, and the expenditure of these additional funds precluded the ability to begin construction on a pipeline to San Bernardino to take delivery of the water at that time.

The Agency began importing State Water Project water into the region in 2003, when Phase 1 of the East Branch Extension of the California Aqueduct was completed. Since that time, deliveries of State Water Project water within the region increased steadily until the current drought took hold. **Table 4** summarizes these deliveries. This table shows that the Agency delivered nearly 11,000 acre-feet in 2011 and 2012, dropping to less than 10,000 acre-feet in 2013, to just over 5,000 acre-feet in 2014, and under 4,000 acre-feet in 2015. This increased to just over 11,000 acre-feet in 2016, a relatively wet year in northern California (though as noted above, a fifth year of drought in Southern California). The 80% allocation of Table A water in 2011 was the highest since 2006, and enabled the Agency to deliver water that not only met local water demands, but that added to local banked groundwater as well. Even though the 35% allocation of water in 2012 was considerably less, the Agency was able to deliver virtually

the same amount as in 2011 due to its ability to carry over water from the previous year. This number dropped in 2013 as the Agency had less carryover water to deliver. The 5% allocation in 2014 was one of the lowest on record.

The Table A allocation is a function of hydraulic conditions in the Sacramento/San Joaquin delta as well as northern California hydrology. The average long-term reliability of the State Water Project is approximately 60%. For the Agency, this represents a long-term annual supply of approximately 10,400 acre-feet, nearly 7,000 acre-feet less than its contracted amount. And, this reliability is expected to decrease over time for a number of reasons. This points out the importance of being able to store water in those years when the Table A allocation is greater than 60%. The ability to import and store more water locally in wet years in the future will be a key to the sustainability of the region and to minimizing the amount of additional supplemental water that must be procured to meet projected water demands. The Department of Water Resources has proposed a \$17 billion project, the Cal Water Fix, to improve the reliability of the State Water Project by improving the ability to move water across the Delta in average and wet years.

Currently, the Agency can import a maximum of approximately 11,000 acre-feet per year with existing infrastructure. When Phase 2 of the East Branch Extension is completed in 2017, the Agency will be able to import its entire Table A allocation when it is available, plus additional supplies. Completion of this \$250 million project is a high priority for the Agency, the San Bernardino Valley Municipal Water District (Valley District), and the California Department of Water Resources, the Agency's partners in this project.

Phase 2 of the project (named EBX 2) consists of a pipeline under the Santa Ana River near Highland, a reservoir and pump station in Mentone, and a pipeline from this pump station to the existing Crafton Hills Pump Station in Mentone. The project also includes new pumps in the Crafton Hills Pump Station and the Cherry Valley Pump Station. The new pipeline, which will be 72-inches and 66-inches in diameter, will replace an existing 48-inch diameter line under the Santa Ana River that was constructed in the 1980's. In addition, the Agency and Valley District have recently constructed improvements to the existing EBX that make it more reliable in the event of outages. These improvements include an expansion of Crafton Hills Reservoir from approximately 90 acre-feet to approximately 135 acre-feet, and a bypass line around the reservoir that can be used to deliver water when the reservoir is out of service for any reason.

The ability to import and store more water in the region will depend on these projects, additional connection capacity to the East Branch Extension, and additional regional recharge and storage capacity. As of 2016, the total turnout capacity of the pipeline is 20 cfs. The current pipeline capacity is 16 cfs. When EBX 2 goes online in 2017, the total pipeline capacity will be 32 cfs, expandable to 64 cfs. However, unless additional infrastructure is constructed to be able to convey this additional water out of the pipeline to new or existing recharge or treatment facilities, the project will not add appreciably to the region's water resources.

The Agency is currently planning such infrastructure. The Beaumont Avenue Recharge Facility includes a new connection to the EBX, a new recharge facility, and a short pipeline connecting

the two. The Agency is moving forward on this project and plans to have it on-line by 2018, just after EBX 2 is expected to be completed. The facility will enable the region to import additional water in wet years and store it for dry years. This “conjunctive use” of water is an effective water management tool that is used throughout the West, and whose use is increasing.

In addition, the Agency is considering purchasing capacity in the Valley District’s proposed Bunker Hill Conjunctive Use Project, which would enable the Agency to store water in the Bunker Hill Basin in San Bernardino and deliver it to retail water agencies such as the Yucaipa Valley Water District and the South Mesa Water Company in dry years.

2.3 Wastewater

Three public agencies, plus one Native American tribe, discharge treated wastewater in the region—the cities of Beaumont and Banning, the Yucaipa Valley Water District, and the Morongo Band of Mission Indians. The annual discharges since 1988 for the three public sewage treatment entities are shown on **Figure 5**. Figures for the Morongo plant are not included. Unlike precipitation and the State Water Project, which are highly variable from year to year, wastewater discharges from the region have consistently increased over time, as the region has developed. They have been relatively constant over the past five years. Wastewater treatment plant discharges are a function of indoor water use, not hydrology or exterior water use. Hence they are considered to be relatively more reliable and stable than imported water or local runoff or stormwater.

Thus, treated wastewater, or recycled water, is an important asset to the region, because it can be a reliable, non-potable water source in the future. All three of the public agencies mentioned above are in various stages of implementing recycled and/or non-potable water systems for irrigation, golf courses, parks, medians, etc., or to recharge it into local groundwater basins. The Yucaipa Valley Water District received its permit to deliver recycled water in 2016.

As mentioned in Section 1.0, salinity is a growing concern in California, and recycled water is high in dissolved solids or salinity. While recycled water is a huge potential benefit to the region, its use as a water supply will require desalting. Desalting is an expensive operation that requires brine disposal, a costly process. The Yucaipa Valley Water District has constructed a desalination plant and brine disposal pipeline. It is now able to utilize recycled water in lieu of groundwater or imported water for non-potable uses, primarily irrigation and construction water. The District has plans to use recycled water for exterior water use in most new homes in Calimesa, reducing the amount of potable water required for each new home.

The City of Banning is moving towards a recycled water system, and the City of Beaumont, which owns a sewage treatment plan, and the Beaumont Cherry Valley Water District, which is the water purveyor in the City and surrounding areas, are in talks to distribute the City’s treated effluent as part of a recycled water system owned by BCVWD.

Use of recycled water either for direct non-potable use or for recharge requires a permit from the Santa Ana Regional Water Quality Control Board. Such permits will be granted only when the Regional Board is convinced that the permit holder will take all required steps to meet its standards for salinity and other constituents based on its current Basin Plan.

3.0 Groundwater Conditions

Figure 3 shows the principal groundwater basins, sometimes referred to as storage units, in the region. The boundaries of these basins are as defined by the United States Geological Survey. It should be noted that these basins are different from the groundwater basins identified by the California Department of Water Resources in its Bulletin 118. The Beaumont Basin is the largest and most productive of these local basins, is the only one that is adjudicated, and serves a large majority of the population in the region. By the Bulletin 118 definition, the Beaumont Basin is partly in the San Timoteo Sub-basin of the Santa Ana Basin and partly in the San Gorgonio Pass Sub-basin of the Coachella Valley Basin.

The region is characterized by numerous faults, which make for complex geology. The Beaumont Basin is characterized by a number of smaller sub-basins, but can be viewed as one continuous basin, or storage unit, and has been modeled in that manner. East of the Beaumont Basin is the Banning Basin, and east of that is the Cabazon Basin. The Agency is in the process of expanding its model of the Beaumont Basin (developed by the United States Geologic Survey) eastward to include both the Banning and Cabazon basins, or storage units. This work should be completed and peer-reviewed by 2018.

The existing model is a tool that can be used to predict how various recharge scenarios will impact water levels in the Beaumont Basin.

As the Sustainable Groundwater Management Act (SGMA) is implemented by the Department of Water Resources, the Agency will place great emphasis on participating in Groundwater Sustainability Agencies (GSA's) for each of the basins within the Agency's service area. This will unfold over the next few years, with creation of all GSA's required by June 2017.

3.1 Groundwater Extractions (Production)

Table 1 summarizes groundwater production from the eleven basins in the region. **Table 2** summarizes reported production from each individual producer, whether public or private. **Table 3** provides a detailed breakdown of extractions by each reporting producer (including some based in San Bernardino County) for each basin for the thirteen most recent years of available data. Surface diversions from the Whitewater River are not included, as the Agency is not convinced the available data are reliable enough to report. In addition, they are outside the region. These diversions serve the Banning Bench and the City of Banning.

Figure 6 illustrates the long-term trend in reported groundwater production in the region since 1947. **Figure 7** summarizes the same data since 1997, about the time significant growth started. Both figures show a distinct increasing trend in groundwater extractions both over the long term and over the past 19 years, though 2015 and 2016 clearly break that trend. The results of these recent years show a sharp reduction in local extractions from 2008 to 2010, followed by gradual increases over the next four years, in contrast to decades of increases prior to 2008. Perhaps the most striking element of these figures is the sharp decline in production in 2015, continued in 2016, also characterized in Tables 1, 2, and 3.

Figure 6 indicates that extractions remained relatively constant from the early 1960's to the mid 1980's. Extractions increased gradually from that point until the mid-1990's, when they started to increase significantly. **Figure 7** shows a significant increase from 1998 to 2007 (from less than 25,000 AF to over 35,000 AF, an increase of over 40%), and a significant decrease since that time, from over 35,000 AF to just under 31,000 AF in 2014, just under 23,000 AF in 2015, and just over 24,000 AF in 2016 (a decrease of about 32% over 9 years).

Figure 8 illustrates the percentage share for each basin's total production within the region in 2016. This is only slightly different from the 2015 percentages, with the primary change being an increase in the Banning Basin from 8% to 11%, and a corresponding decrease in the Banning Bench Basin from 3% to 1%. In 2012, the Beaumont Basin represented only 48% of all extractions, compared to 57% in 2015 and 56% in 2016. This increase was primarily at the expense of the Banning Canyon Basin (decreased from 14% to 11%), the Banning Bench Basin (decreased from 6% to 1%), and Edgar Canyon (reduced from 11% to 6%). The Beaumont Basin is the largest basin by far, with over half of all production. The Banning Canyon, Banning, and Edgar Canyon basins are next. The Banning Canyon Basin is fed largely by runoff from an interbasin transfer, the flows of which have been greatly reduced during the current drought. With smaller, shallower runoff-fed basins yielding less water, purveyors must make up the difference with more water from larger basins. This is reflected in the increased dependence on the Beaumont Basin, with its yield increasing from less than half to nearly 60% of all production in five drought years.

Table 1 indicates that total production in the region increased about 6% from 2015 to 2016, after a 25% reduction from 2014 to 2015, from 22,835 to 24,150 acre-feet. Compared to the peak year of 2007, when production totaled 35,474 acre-feet, this represents a 32% reduction in groundwater production over the past seven years, with most of this decrease coming in one year—2015. It should be noted that, in 2015, the State Water Resources Control Board implemented mandatory water conservation measures throughout the State. This was the primary reason for the large decrease in production from 2014 to 2015. The fact that production increased only 6% in 2016 indicates that residents in the region were continuing their water conservation practices. This could be an indication that these practices are permanent. Data for a wet year would have to be analyzed in order to determine this with any certainty.

In the Beaumont Basin, the region's largest, production increased about 4%, from 12,954 to 13,529 acre-feet. This confirms the ability of local residents to continue conserving water even when mandatory restrictions have been lifted. As can be seen from Table 3, virtually all of this increase can be attributed to increased production from the Beaumont Cherry Valley Water District (an increase of about 900 acre-feet). All other producers actually decreased their pumping slightly.

The Cabazon Basin presents an interesting data set. According to the data submitted to the Agency, extractions from this basin decreased by approximately 55% from 2007 to 2012, yet increased by over 80% in 2013 and decreased by 12% in 2014 and another 18% in 2015. These numbers lead to a question of whether the data are correct every year, especially in 2012, when the data showed extractions of 654 acre-feet, compared to 900 acre-feet in 2011 and 1226 acre-feet in 2013. In verbal discussions with the General Manager of the Cabazon Water District, there was an indication that these numbers are in fact correct, and reflect a rapidly decreasing demand for a number of years, followed by an increase in demand when the outlet malls expanded and began taking water deliveries from the District. The 12% reduction in production from 2013 to 2014 is not readily explained, while the 18% decrease from 2014 to 2015 is readily explained by the aforementioned water conservation regulations.

Table 2 summarizes overall production by owner, regardless of basin. In reviewing the production by the major water agencies and overlayers, the data are relatively consistent, with most owners showing only minor increases or decreases in production. One of the few large increases in production is from South Mesa Water Company, an increase from 1424 to 1705 AF, or about 20%. However this represents a small fraction of overall production. In addition, South Mesa's overall production is well under its levels of 2012, indicating that it has done a very good job of conserving water during the drought.

An examination of the groundwater production data demonstrates that, overall, economic condition, annual precipitation, and temperature play large roles in determining water demand in any given year. The gradual increase in water production in the region over the four years from 2011 to 2014 can be explained in large measure by a gradually recovering economy, which causes higher water use. Per capita reductions in water use in homes over the three years prior to that could be explained either by cutbacks due to economic conditions during that time, reduced usage due to higher water rates, or water conservation efforts on the part of local residents. A detailed study would have to be performed to determine the specific impacts of these issues on the reduction in water demand during that three year period.

The reduction in production due to decreased water demand from 2008 to 2010, and especially the dramatic drop in 2015 and continuing to 2016, point out a major issue within the water industry. As water demand falls, water sales revenues fall, making it difficult for water agencies to meet financial obligations, especially fixed costs. Most of their costs (primarily labor) are fixed and do not decrease when water demand falls. These agencies have to make up for these lost revenues in other ways, either by changing their rate structures, by increasing water rates, by reducing their costs, or by drawing from reserves. Over the past several years, water

districts throughout California have gradually begun implementing tiered rate structures, which charge a higher rate for more water use. The Agency has held its wholesale water rate constant since 2009, one of the few water agencies in the state to be able to do so during the drought.

Review of the data for 2016 clearly shows that mandatory water conservation measures imposed in 2015 trump all other factors in determining water use. Residents of the San Geronio Pass significantly decreased their water use in 2015 in response to the Governor's Executive Order and its implementation by the State Water Resources Control Board, and continued their water conservation efforts into 2016. The Agency will monitor this in future years to see if the conservation ethic remains a trend, even when the drought ends.

3.2 State of Overdraft

Overdraft of a groundwater basin refers to the amount of water pumped out in excess of its safe yield. Safe yield is the average annual replenishment of a basin through natural sources such as rainfall, runoff, snowmelt, and underflows from other groundwater basins, as well as man-made sources such as return flows from irrigation and septic tanks. Safe yield is difficult to establish and represents only an average. In a given year, natural replenishment of a groundwater basin could be more or less than the average safe yield, depending on local hydrology. As a basin changes, for example through development, or as its management changes, the safe yield can also change.

The Agency has been closely monitoring overdraft of the Beaumont Basin since at least 1988, when the Agency's first engineering investigation of the basin indicated that pumping significantly exceeded the basin's probable safe yield. Studies by the Agency have pointed to an estimated long-term average safe yield of about 5,000 to 6,100 acre feet per year for the Beaumont Basin (Boyle Engineering, 1995; Boyle Engineering, 2002). This is smaller than the safe yield of 8,650 acre feet that was defined in the 2004 Beaumont Basin Stipulated Judgment, a number which represents the sum of overlie water rights. Overlie water rights refer to rights based on historical production for water used on the land.

In order to remedy the possibility of long-term overdraft, the Judgment requires the Beaumont Basin Watermaster to "redetermine" the safe yield of the basin at least once every ten years, beginning ten years after the date of entry of the Judgment (no later than February 2014). If the redetermined safe yield were to be different from the 8,650 acre feet per year identified in the Judgment, it would change the amount of overdraft on an annual basis. Depending on the redetermined safe yield, this could be more or less than the current overdraft.

In April 2015, the Watermaster adopted a resolution determining the safe yield to be 6,700 acre-feet per year, after having a consultant model the basin. This is very close to the Agency's earlier estimate of 6,100 acre-feet per year. This has broad-ranging implications for the future, as it means that less water will be able to be pumped out of the basin each year. However it also means that the Basin will be more sustainable in the long term, which will serve the region well.

According to the Judgment, the basin must be in balance after 2014. That is, the total amount pumped out cannot exceed the average safe yield as identified by the Watermaster unless it is drawn out of storage accounts already in place at that time, or replenished from additional sources, including State Water Project water, recycled water, stormwater, or some other source.

Total production in 2016 from the basin, as reported, was 13,529 acre-feet. Therefore, the Beaumont Basin experienced an apparent overdraft of about 6829 acre-feet, assuming an average safe yield of 6,700 acre-feet. This was more than offset, however, by importing 11,461 acre-feet of supplemental water. This is the fifth time in seven years that the volume pumped out of the basin was less than the sum of average natural recharge plus imported water. This is the biggest impact of the Agency on local water resources—reducing and eliminating groundwater overdraft. In years when production exceeds the average safe yield plus imported water, such as 2015, the “apparent” overdraft is in fact not a true overdraft, as the excess production comes out of storage accounts. That is, water that was previously purchased from the Agency and added to basin storage through recharge was drawn out of storage, thus not counting against the safe yield.

Selecting 1997 as a base year (the year when significant increases in production began in the region), the cumulative overdraft in the Beaumont Basin since that time (assuming the Agency’s original estimated safe yield of 6,100 acre-feet) would be 162,000 acre-feet, an average of approximately 9,000 acre-feet per year over the past 18 years, without importation of State Water Project water. **Figure 9a** depicts this graphically. Through 2016, the Agency has imported over 82,000 acre-feet of supplemental water (**Table 4**). This offsets the cumulative overdraft and reduces it to approximately 80,000 acre-feet over the same time period. This is depicted in **Figure 9b**. The difference in these two figures shows the immense impact that the State Water Project and the Agency have had on the region since water importation began in earnest in 2006.

Although other local groundwater basins are at similar risk of overdraft, the state of the overdraft of the Beaumont Basin is far more apparent (in part because it has been studied more) and, due to the large population served by the basin, more critical to the region. Since the safe yields of other basins in the region have not yet been defined, it is difficult to determine whether or not they are in overdraft at this time. However, monitoring of water levels in these basins shows that levels are decreasing in at least some of the eleven basins in the region.

The Agency is continuing studies of the Cabazon Basin and at some point in the next few years will likely define an average safe yield for this basin. It is estimated that this is the second largest basin in the region based on storage volume. Other basins will require additional studies over time to better understand their geology and hydrology. It is believed that most of them have storage volumes and safe yields far smaller than the Beaumont and Cabazon basins.

With the advent of the Sustainable Groundwater Management Act, passed by the Legislature in 2014, management of groundwater basins in California will change significantly. Virtually all

basins will be required to be managed sustainably by 2022. This means that a plan must be in place to ensure that each basin is in long-term balance. Each plan must detail a method for implementing this, either through reductions in production or through artificial recharge (recharge of the basin with non-native water, recycled water, or stormwater), or both.

Implementation of SGMA will be by groundwater basins defined by the Department of Water Resources in its Bulletin 118. In that document, there are only two major groundwater basins in the Agency's service area—the San Gorgonio Pass sub-basin of the Coachella Valley Basin, and the San Timoteo sub-basin of the Santa Ana Basin. In addition, a small portion of the Yucaipa sub-basin is in the Agency's service area. As the Agency continues to publish this report every year, and as SGMA is gradually implemented over the next several years, some changes may be made in this report to reflect the fact that the DWR basin boundaries are the "official" groundwater basins of the State. In the meantime, the Agency will continue to report on the eleven separate and distinct groundwater basins within the region.

3.3 Groundwater Levels

The Agency monitors water levels in a large monitoring well network. Currently there are approximately 110 wells in the system, each of which is monitored for groundwater elevation twice a year, typically in May and November. The monitoring network is depicted on **Figure 10**.

Between Fall 2015 and Fall 2016, approximately 80 of the wells had water level changes, including a number of sites with multiple wells. Of these, seven sites had wells that recorded a water level increase of more than five feet, 15 recorded a decline of more than five feet, and 58 recorded little or no change. Of the seven wells showing a large increase in water levels, approximately 5 are in the Beaumont Basin, while one is in the Banning Canyon Basin and one in the Banning Bench Basin. Of the 15 wells showing declines of more than five feet, four of them are in the Beaumont Basin, one in the San Timoteo, seven are in the Cabazon, one in the Banning Canyon Basin, one in the Banning Basin, and one in the South Beaumont Basin. These are depicted on **Figure 11**. Overall, this figure shows the continual decline of water levels in the Cabazon Basin and the increase in water levels in some portions of the Beaumont Basin.

As of 2011, the Agency is part of the California State Groundwater Elevation Monitoring (CASGEM) system. This is a formal statewide groundwater monitoring system initiated through 2009 legislation. The Agency is the formal monitoring entity for two basins—the San Timoteo sub-basin and the San Gorgonio sub-basin—which roughly correspond to the Agency's boundaries. As noted above, the state uses different basin names because it views the statewide geology and hydrology on a larger scale, and aggregates smaller basins into larger ones. What is known in the CASGEM system as the San Timoteo sub-basin is essentially the Beaumont Basin, the Singleton Basin, the South Beaumont Basin, and the San Timoteo Basin, and what CASGEM labels the San Gorgonio sub-basin is essentially the Cabazon Basin, the Banning Bench Basin, the Banning Canyon Basin, the Banning Basin, and the Millard Canyon Basin. While the boundaries are not exact, they are similar. The Agency files water level data for selected wells through the Department of Water Resources into the CASGEM database.

These data are available on the CASGEM web site. At some point in the future, the CASGEM data reporting will disappear, as it will be superseded by implementation of SGMA, which has a higher standard of sustainable groundwater basins, as opposed to the CASGEM standard of simply reporting groundwater elevation data.

Figures 12 through 17 show time-series groundwater elevations (hydrographs) for selected wells in five different basins within the Agency service area. In general, these same wells have been depicted in this report for the past several years.

The two wells shown in **Figure 12** are Banning production wells in the Banning Basin. Each shows great variability in groundwater elevation from 2002 to 2006. Both of these wells show a long-term trend of lower groundwater levels. However, both appear to be relatively stable over the past few years. The well depicted in **Figure 12a** appears to be holding at a water level between 350 and 400 feet below ground surface. The well in **Figure 12b** is down about 75 feet since 1998, but appears to be stable at approximately 375 feet below ground surface. The Banning Basin gets no artificial recharge of any kind.

The five wells depicted in **Figures 13-15** are in the Beaumont Basin. The wells in **Figures 13b and 15b** are in the same location, approximately 1000 feet east of Beaumont Avenue and 50 feet south of Cherry Valley Boulevard in Cherry Valley. This location is likely influenced by the past recharge at Little San Geronio Creek, and possibly by the recharge at Noble Creek. The upturn in water levels from 2008 to 2014 indicates that this is quite likely the case. The downturn since that time could be attributed to the fact that no water has been recharged at Little San Geronio during that time, or possibly to the ongoing drought, in which less water has been available for recharge at Noble Creek. The well in **Figure 13a** is on the Oak Valley Golf Course. After a steady drop over at least a decade, the water surface appears to be stabilizing over the past two years. This may be due to reduced production from Oak Valley Partners and/or Oak Valley Management, as indicated in **Table 2**.

The wells in **Figures 14 and 15a** are on Calimesa Boulevard near the western edge of the Beaumont Basin. These wells show continually falling water levels over the past decade and a half. That portion of the Beaumont Basin would appear to not be influenced as yet by the ongoing recharge efforts and reduced production. While it is clear that ongoing recharge and reduced extractions have had an impact on at least some of the wells in the Beaumont Basin, water levels at other wells are still falling. There is some indication of some leveling out of the lengthy decline over the past year. It remains to be seen if this will be a trend or is simply an anomaly.

The two wells in **Figure 16** are both in the Cabazon Basin. The well in **Figure 16a** is a production well of the Mission Springs Water District, while the well in **Figure 16b** is a former production well currently used as a monitoring well in the Jensen area of South Cabazon. Both show severe drops in water surface elevation over the past 15 years. The well in **Figure 16a** shows a drop of more than 15 feet over the past ten years. The well in **Figure 16b** is changed from previous reports. Previously this report depicted the Cabazon Water District's Well Number 1.

However, this well has become difficult if not impossible to monitor. Thus the change to the Jensen well. This well shows a drop of approximately 20 feet over the past eight years. These data would seem to indicate that, even though the wells are several miles away from each other, that water levels in the Cabazon Basin are dropping and have been for a number of years. This is somewhat surprising, given the decline in extractions from this basin over the past several years. This could mean that inflows to the basin have also declined over the same period of time. It could mean that any impact of reduced extractions just requires a longer period of time before the impact is seen in wells. It certainly means that there are other factors at work in this basin that impact water surface elevations that are beyond the scope of this report. The latest data point at the well in **Figure 16b** does show some increase in water level. It remains to be seen what, if anything, this means.

This is one reason that the Agency has worked with the United States Geological Survey to extend its model of the Beaumont Basin to the Cabazon Basin. The Agency wishes to learn more about the Cabazon Basin and how it reacts to various hydrologic events. The basin is an important regional resource as a water supply source and storage reservoir and the Agency is trying to better understand the detailed workings of it.

The wells depicted in **Figure 17** are in the Calimesa and Banning Canyon Basins. The data in **Figure 17b** show clearly that the Banning Canyon Basin is a shallow basin, and that water levels fluctuate more in such basins. The year 2006 was a wet one locally, and the figure shows that groundwater levels in the basin came up nearly 15 feet that year. The next three years, on the other hand, were dry ones, and the water level dropped nearly seven feet in that time. The level in this well is influenced by the amount of water imported to the basin through a trans-basin transfer and conveyed by a flume system that is over 100 years old. The system has transported much less water in recent years; this could have an impact on the continually declining water level in this well. The data for the well in the Calimesa Basin show that groundwater levels increased in 2006 and have remained relatively constant since, with a slight downward trend. This could have to do with the Yucaipa Valley Water District's filtration plant, which came online in 2006. This event reduced extractions from the Calimesa Basin and likely contributed to the stabilization of the water level.

These figures represent only a small portion of all groundwater elevation data available in the region. These data indicate that, in general, groundwater elevations continue to decline except in certain areas where recharge of imported water or the switch to surface water is apparently stabilizing or even raising the water levels. Reductions in extractions over the past six years have in many cases slowed the rate of decline.

The implications of lower water levels are great. As water levels decline throughout the local basins, every well will have to pump water from a lower elevation, thus increasing power costs for well owners and rate payers. Some overlies' wells may be quite shallow, and as water levels decline further some of these wells may be in danger of going dry. This would necessitate a large expense to the overlie—either a new well, a deeper well, or connection to one of the water purveyors' systems.

In general, continually decreasing water levels can also lead to land subsidence (sinking) and the drying up of traditional wetlands or streambeds. In the region, most of these wet areas, to the extent that they existed, dried up decades ago. The Beaumont Basin Watermaster is charged with monitoring land elevations to determine if subsidence is occurring in the Beaumont Basin. As of this time, the Watermaster has not reported any appreciable land subsidence over the basin.

The Sustainable Groundwater Management Act (SGMA) will require Groundwater Sustainability Plans (GSP's) for all medium and high priority groundwater basins in California by 2022, with sustainability to be reached within 20 years after that time. It remains to be seen how SGMA may impact long-term groundwater levels, though it is likely that they will stabilize over the next two decades. This report will continue to monitor water levels in part to determine if implementation of these GSP's will impact all wells, or some fraction thereof.

4.0 Water Quality

4.1 State Water Project

The Agency takes delivery of its State Water Project water at the Devil Canyon hydroelectric facility in San Bernardino and conveys it through the East Branch Extension to various delivery points. Water quality is a very important component of the Agency's supplemental water supply program.

Table 5 shows six common constituents and their measured monthly concentrations from the SWP system at Devil Canyon over the past four years. TDS, or total dissolved solids, is perhaps the most significant constituent in this table. It represents salinity, which is becoming more important to water agencies in California. It can be seen that TDS was mostly below 300 parts per million (ppm) or milligrams per liter (mg/l) through 2013. In 2014, the third consecutive year of drought, a number of readings above 300 appear; this is to be expected in dry years. This continued in 2015, another dry year, as the monthly average was above 300 every month that year. In 2016, a somewhat wetter year, the monthly average is above 300 for six of the twelve months. Many readings from 2011 through 2013 are in the 240-250 ppm range, and there are a number of readings in the 220 range and below. In 2011, which was a relatively wet year in northern California, TDS readings were very low after January. This is significant because the ambient salinity concentration of the Beaumont Basin is approximately 280 ppm, so the great majority of the time, importation of SWP water reduces the overall concentration of salinity in the Beaumont basin.

Figure 18 shows the monthly average salinity concentration at Devil Canyon since 2006, while **Figure 19** shows the annual average since 1990. **Table 5** and **Figure 18** clearly show an outlier salinity concentration that is likely the result of an incorrect reading or analysis. The annual average shown in **Figure 19** is useful because it indicates clearly that salinity is higher in dry

years and lower in wet years. The two highest years, 1991 and 1992, were very dry and the last two years of a five year drought in California. The years 1996, 1997; 1998, 2006, and 2011 were all very wet years (in the case of 2011, it was a wet year in northern California, where State Water Project water originates). Salinity in 2010 is significantly lower than the previous three years, which represented a three year drought in California. This inverse correlation between salinity and rainfall comes about because State Water Project water passes through the Sacramento/San Joaquin delta. In dry years, there is less fresh water available to flush out the system by pushing relatively more saline water to the ocean, so the fresh water/salt water interface is higher in the delta and hence salinity of SWP water is higher.

These figures also point out why it is advantageous to take more water in wet years when it is available—the water has a lower salinity in those years. In the long term, water quality (from a salinity standpoint) is helped by hydrology, as more water is typically delivered in wet years when salinity is lower, and less water is delivered in dry years when salinity is higher.

4.2 Groundwater

The Santa Ana Regional Water Quality Control Board's Basin Plan has a maximum benefit goal of 330 ppm of salinity for the Beaumont Management Zone, which includes the Beaumont Basin. The current ambient salinity concentration in the Beaumont basin is approximately 280 ppm. The Basin Plan requires local entities to begin planning desalters when the ambient TDS concentration increases to 320 ppm or if other conditions are met. These desalters must be online within seven years after that time.

Groundwater quality in the region is very high. There is no known historical industrial or mining activity in the region that has generated harmful plumes of pollutants. In addition to salinity or TDS, nitrate is the only other constituent that needs to be monitored closely. This too is regulated by the Regional Board, but nitrate concentrations are currently well within the maximum benefit standards. Over the past few years there have been isolated incidents of high nitrates at individual wells for short periods of time, typically after a large rainstorm that causes flushing of the system. However these have not proven to be a health hazard.

Nitrates in ambient groundwater do not necessarily translate to a danger in drinking water. Nitrates in drinking water are regulated by the California Department of Public Health, not the Regional Board. Nitrates in groundwater can effectively be managed if needed through dilution. If nitrates were to become a persistent problem in a particular location, the local purveyor may consider installing wellhead treatment for nitrates. Such treatment is costly. However, there is no evidence that such treatment is needed in the region in the near future.

It should be noted that salinity in drinking water is regulated by a secondary water quality standard, while nitrate is regulated under a primary standard. Primary standards are for constituents that can directly impact human health. Secondary standards are for constituents that do not directly impact human health, but that may have aesthetic issues. Salinity is not

harmful to human health and safety directly, while nitrate can be harmful at high concentrations, particularly to infants.

In 2013, the California Department of Public Health changed the maximum contaminant level (MCL) for chromium 6 in drinking water, lowering the standard. Because of this change in the standard, several wells in the region suddenly became unusable, as they produced water with chrome 6 that met the previous MCL, but not the new one. Chrome 6 is a naturally occurring contaminant that is present at some level in many areas of California, including the San Gorgonio Pass. Because of the more stringent standard, some wells owned by the City of Banning and the Beaumont Cherry Valley Water District were temporarily taken out of service, pending implementation of a fix to the problem. This water quality issue has had an impact on water supplies in the region, as those wells are now not able to produce potable water for those two purveyors. Those entities are currently taking steps to ensure that all drinking water served meets this more stringent standard, and plan to meet the State's timeline for doing so, thus ensuring that drinking water meets all water quality standards.

4.3 Emerging Contaminants

There is a relatively new class of chemical constituents that has recently been found in the environment and in drinking water known as emerging contaminants. These are primarily pharmaceuticals and personal care products (PPCP's) that pass through human or animal bodies or get flushed and end up in sewage or septic flows. They have become known because of the technological ability to measure concentrations at increasingly smaller concentrations (parts per billion or even parts per trillion). Because of their presence in the environment, the Santa Ana Regional Water Quality Control Board has required that dischargers (those entities that own and operate sewage treatment plants) monitor for these constituents on an annual basis.

There is no evidence that these constituents are harmful to humans in their current concentrations in the environment. Some groups have claimed that these products could harm animals in the environment and thus have called for their regulation. At this point in time they are not regulated. Water agencies in the watershed are developing a database so that the number and concentrations of these constituents can be monitored on an ongoing basis.

Emerging contaminants are mentioned in this report not because they have any immediate impact on water quality in the region, or even that they are expected to have an impact in the near future. They are included because they are mentioned increasingly in the literature and by regulators as a growing issue for the water industry to be aware of.

5.0 SUMMARY

Reported groundwater extractions within the region increased slightly in 2016, following a significant decrease the previous year. Total extractions in 2016 were up approximately 6% from 2015, or 32% below levels for 2007, the peak historical year for extractions in the region. This is likely due to continued conservation efforts following mandatory water conservation regulations imposed by the State Water Resources Control Board in 2015.

Local retail water purveyors continue to make progress in implementing recycled water systems. These systems are complex and expensive to complete, and funding and water quality (salinity) are key issues that require attention. Implementation of these systems over the next few years should reduce groundwater extractions significantly. Such reductions began in 2016, when the Yucaipa Valley Water District received a permit to deliver recycled water. The Regional Water Quality Control Board has adopted a Basin Plan Amendment which will have an impact on the proposed recycled systems by changing water quality rules.

Another factor leading to reduced withdrawals is the reduction in the safe yield of the Beaumont Basin, as published by the Beaumont Basin Watermaster in early 2015.

Based on data in this report, there is evidence that groundwater levels have increased slightly in portions of the region over the past three to five years. In other areas, the rate of groundwater decline has slowed. At the same time, groundwater levels continue to drop in some areas within the region. Future reports will determine the significance of these data. Lower groundwater levels in shallow basins in dry years is not a long-term concern; however, continued falling groundwater levels in larger, deeper basins would be cause for concern.

The Sustainable Groundwater Management Act, passed by the Legislature and signed by the Governor in 2014, will require virtually all groundwater basins in California to have a plan to be managed sustainably by 2022. The Agency will actively participate in these plans for the basins in the region.

Over the past eight to ten years, retail water agencies in the region have done a good job of managing local water resources. The Yucaipa Valley Water District has built a surface water treatment plant in order to reduce its groundwater withdrawals, and also a desalter and brine line to facilitate use of recycled water for non-potable uses. The Beaumont Cherry Valley Water District has constructed a recharge facility in the Beaumont Basin and has purchased a large quantity of replenishment water from the Agency. The City of Banning has purchased water for replenishment as well, and is working with Southern California Edison, the Banning Heights Mutual Water Company, and the Agency to make improvements to a system that delivers runoff from the San Bernardino Mountains to the Banning Bench and the City of Banning. High Valleys Water District has replaced much of its old, leaky pipe, thus reducing its water losses significantly. The Cabazon Water District has also reduced its water losses significantly. The South Mesa Water Company has drilled a new, more efficient well. Several water purveyors

have implemented tiered rate structures, which tend to reduce water usage. Three major recycled water systems are in the planning, design, or construction phase. These are all positive steps that will help extend and preserve local groundwater basins into the future.

During this same time period, the Agency has increased its imported water deliveries to such an extent that, in four of the past six years, more water was put into the Beaumont Basin than withdrawn from it. A three-year string was broken in 2014 and 2015 due to the fact that less water was available from the State Water Project, but in 2016 this trend returned. Since the completion of Phase I of the East Branch Extension in 2003, the Agency has increased its deliveries to the region every year, with the exception of 2005, 2013, 2014, and 2015 (the latter three being dry years). Overall, the Agency has delivered approximately 82,000 acre-feet of State Water Project water over the past thirteen years, either for replenishment, overdraft mitigation, or direct deliveries.

In the future, the local economy and local weather patterns will continue to play large roles in determining water demands each year. As new homes are constructed in the future, recent legislation will require lower water use landscaping. This should reduce per capita water consumption for future development, further extending the life of local water resources. Production data for 2015 and 2016 bear this out.

Based on data in this report and observation of ongoing events, it is apparent that the recession has ended, and construction of new homes in the region is beginning again, thereby increasing water demands. The Agency and retail water purveyors will need to work together to continue to meet the increasing water demands of the region.

A newly adopted MCL for chrome 6 has had a negative impact on local groundwater supplies. Purveyors impacted by this will have to determine how to address this issue so that these supplies may be brought back online or replaced with other sources.

San Gorgonio Pass Water Agency
Totals by Basin
Non-Verified Production Data
(in acre feet)

Basin	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Banning	1,180	1,485	1,787	2,512	1,999	2,787	1,782	1,845	1,715	1,759	2,180	1,734	2,607
Banning Bench	1,319	2,332	2,987	2,199	1,299	1,415	1,561	1,395	1,719	1,776	1,076	723	312
Banning Canyon	3,329	3,649	3,464	2,662	3,237	2,771	3,941	3,820	4,091	3,216	2,636	2,491	2,450
Beaumont	17,478	13,390	17,140	19,032	17,264	14,643	13,158	13,600	14,302	16,236	17,970	12,954	13,529
Cabazon	1,604	1,379	1,314	1,466	1,412	1,258	1,054	900	654	1,226	1,076	983	967
Calimesa (2)	1,535	1,575	1,445	1,532	1,133	1,315	1,114	993	1,169	950	853	767	943
Edgar Canyon (1)	2,759	2,766	3,872	3,085	3,140	2,784	3,100	3,467	3,313	2,813	2,502	1,460	1,457
Millard Canyon (3)	823	595	707	842	757	750	750	750	750	850	850	750	750
San Timoteo	1,469	2,132	1,904	1,384	1,533	1,367	1,329	1,297	1,312	1,062	982	722	751
Singleton	483	636	645	666	471	382	405	412	448	312	443	217	353
South Beaumont	92	85	83	94	79	97	119	115	102	92	103	34	31
Totals	32,071	30,024	35,348	35,474	32,324	29,569	28,313	28,594	29,575	30,292	30,671	22,835	24,150

Notes:

Amounts shown are rounded to nearest acre-foot

Amounts as reported to the SWRCB Division of Water Rights, made available by a purveyor, reported by Beaumont Basin Watermaster or estimated by SGPWA

Data revised to agree with basin boundaries as defined in USGS 2004 report

(1) Includes wells located in Upper Edgar Canyon in San Bernardino County

(2) Includes wells located in Riverside and San Bernardino County

(3) Estimate only

79 / 107

Table 1: Groundwater Production in San Gorgonio Pass Water Agency by Basin (2004 through 2016 as reported)

**San Gorgonio Pass Water Agency
Totals by Owner
Non-Verified Production Data
(in acre feet)**

Owner	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Albor Properties III, LP	163	165	170	175	200	193	174	177	4	51	7	7	6
Banning Heights Mutual Water Co.	32	73	21	22	31	4	17	13	45	69	78	29	21
Banning, City of (1)	8934	9082	10162	10223	9583	8996	8415	8454	8576	8743	8468	6722	7036
Beaumont-Cherry Valley Water District (1)	8606	7070	11748	13031	12744	10849	10975	11698	12153	12829	13284	10613	11507
Beckman, Dave			116	83	13								
Brinton, Barbara	10	10		10	10	10	10	10	10	10	10	10	10
Cabazon Water District	1261	1069	966	923	875	905	710	509	269	854	628	515	497
Dowling, Frances M. Jr.	92	85	83	94	79	72	96	92	79	69	80	11	8
El Casco LLC c/o Riv. Land Conserv(4)	160	160	165	165	165	165	165	160	165	10	10	10	10
Hudson, Merton Lonnie	430	430	435	445	435	430	430	410	485	521	540	130	130
Illy, Katharina	267	267	267	265	265	265	270	270	270	270	270	270	260
Lane, Christie	7	1											
Merlin Properties, LLC	500	500	100	100	150	175	100	150	200	5	5	10	10
Mission Spring Water District	157	171	190	206	164	162	144	150	146	148	155	146	145
Morongo Band of Mission Indians (3) (6)	2191	1822	2530	2326	1890	1908	1541	1634	1736	1949	2076	1649	1709
Oak Valley Management	852	991	965	742	781	753	546	573	821	597	625	512	377
Oak Valley Partners	430	350	312	312	311	311	311	12	12		24	24	24
Perisits, Jack	40	40											
Production on the Lake (2)	32	40	47	46	47	49	43	46	48	50	50	40	45
Rancho Calimesa Mobile Home Ranch	202	60	61	61	40	40	42	42	24	24	16	16	26
Riverside County Parks Department								50	50	50	50	50	50
Robertson's Ready Mix	186	139	158	337	373	191	200	241	239	224	293	322	325
Roman Catholic Bishop	140	70	70	70									
Serranodale Mesa Owners Association	158	181	189	183	196	154	131	133	145	147	130	94	84
Smith's Hill LLC	121	160	146	150	61	172	200	229	193				
South Mesa Water Co.	2679	2551	2711	2839	2681	2514	2222	2224	2376	1889	1918	1424	1705
Summit Cemetery District	65	65	65	65	65	90	88	88	88	88	88	88	88
Sun Cal Companies	89	839	555										
Sunny-Cal Egg & Poultry, Inc.	1477	1153	50	50	50	50	25	28	28		1	22	
Wildlands Conservancy, The	462	283	301	9	21	40	16	8	7	20	17	0	
Yucaipa Valley Water District	2134	1854	2422	2072	659	685	949	665	901	1266	1344	121	77
Totals	31,877	29,681	35,005	35,004	31,889	29,183	27,820	28,066	29,070	29,883	30,167	22,835	24,150

Notes:

Amounts shown are rounded to nearest acre-foot

Amounts as reported to the SWRCB Division of Water Rights, made available by a purveyor, reported by Beaumont Watermaster or estimated by SGPWA

Data revised to agree with basin boundaries as defined in USGS 2004 report

(1) Amount adjusted for production in 2006, 2007, 2008 & 2009 by BCVWD for City of Banning from co-owned wells

(2) 2010 Data not reported - Preceding year (2009) data used

(3) Previous Well Owners - Arrowhead Mtn Spring Bottling Co. & East Valley Golf Club LLC

(4) El Casco Lake Ranch merged with Riverside Land Conservancy

(5) Desert Hills Premium Outlets merged with Cabazon Water District

(6) Estimate only

Table 2: Groundwater Production in San Gorgonio Pass Water Agency by Purveyor (2004 through 2016, as reported)

San Gorgonio Pass Water Agency
Totals by Owner by Basin
Non-Verified Production Data
(in acre feet)

Owner	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
BANNING BASIN													
Banning, City of	1,180	1,485	1,787	2,512	1,999	2,787	1,782	1,845	1,715	1,759	2,180	1,734	2,607
TOTALS FOR BANNING BASIN	1,180	1,485	1,787	2,512	1,999	2,787	1,782	1,845	1,715	1,759	2,180	1,734	2,607
BANNING BENCH BASIN													
Banning, City of	1,244	2,257	2,922	2,124	1,224	1,340	1,486	1,320	1,644	1,701	1,001	648	237
Brinton, Barbara	10	10	0	10	10	10	10	10	10	10	10	10	10
Summit Cemetery District	65	65	65	65	65	65	65	65	65	65	65	65	65
TOTALS FOR BANNING BENCH BASIN	1,319	2,332	2,987	2,199	1,299	1,415	1,561	1,395	1,719	1,776	1,076	723	312
BANNING CANYON BASIN													
Banning Heights Mutual Water Co.	32	73	21	22	31	4	17	13	45	69	78	29	21
Banning, City of	3,290	3,575	3,443	2,640	3,206	2,767	3,924	3,807	4,046	3,147	2,558	2,462	2,429
Lane, Christie	7	1	0	0	0	0	0	0	0	0	0	0	0
TOTALS FOR BANNING CANYON BASIN	3,329	3,649	3,464	2,662	3,237	2,771	3,941	3,820	4,091	3,216	2,636	2,491	2,450
BEAUMONT BASIN													
Albor Properties III, LP	163	165	170	175	200	193	174	177	4	51	7	7	6
Banning, City of (1)	3,220	1,765	2,010	2,947	3,154	1,623	1,223	1,482	1,171	2,136	2,729	1,878	1,763
Beaumont-Cherry Valley Water District (1)	7,103	5,607	9,200	11,096	10,617	9,643	9,100	9,539	10,163	11,096	11,959	9,333	10,230
Dave Beckman			116	83	13	0	0	0	0	0	0	0	0
Merlin Properties, LLC	500	500	100	100	150	175	100	150	200	5	5	10	10
Morongo Band of Mission Indians (2)	1,368	1,227	1,823	1,484	1,133	1,158	791	884	986	1,099	1,226	899	959
Oak Valley Management, LLC	852	991	965	742	781	753	546	573	821	597	625	512	377
Oak Valley Partners	430	350	312	312	311	311	311	12	12	0	24	24	24
Plantation on the Lake	32	40	47	46	47	49	43	46	48	50	50	40	45
Rancho Calimesa Mobile Home Ranch	202	60	61	61	40	40	42	42	24	24	16	16	26
Roman Catholic Bishop	140	70	70	70	0	0	0	0	0	0	0	0	0
Sharondale Mesa Owners Association	158	181	189	183	196	154	131	133	145	147	130	94	84
Sunny-Cal Egg & Poultry, Inc.	1,477	1,153	50	50	50	50	25	28	28	0	1	22	0
Yucaipa Valley Water District	1,833	1,281	2,027	1,683	572	494	672	534	700	1,031	1,198	119	5
TOTALS FOR BEAUMONT BASIN	17,478	13,390	17,140	19,032	17,264	14,643	13,158	13,600	14,302	16,236	17,970	12,954	13,529
CABAZON BASIN													
Cabazon Water District	1,261	1,069	966	923	875	905	710	509	269	854	628	515	497
Mission Springs Water District	157	171	190	206	164	162	144	150	146	148	155	146	145
Robertson's Ready Mix	186	139	158	337	373	191	200	241	239	224	293	322	325
TOTALS FOR CABAZON BASIN	1,604	1,379	1,314	1,466	1,412	1,258	1,054	900	654	1,226	1,076	983	967

81/107

Table 3: Groundwater Production in San Gorgonio Pass Water Agency by Purveyor by Basin (2004 through 2016 as reported)

**San Gorgonio Pass Water Agency
Totals by Owner by Basin
Non-Verified Production Data
(in acre feet)**

Owner	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
CALIMESA BASIN													
Illy, Katharina	267	267	267	265	265	265	270	270	270	270	270	270	260
Perisits, Jack	40	40	0	0	0	0	0	0	0	0	0	0	0
South Mesa Water Co.	976	782	882	954	842	930	653	675	781	525	503	495	611
Yucaipa Valley Water District	252	486	296	313	26	120	191	48	118	155	80	2	72
TOTALS FOR CALIMESA BASIN	1,535	1,575	1,445	1,532	1,133	1,315	1,114	993	1,169	950	853	767	943
EDGAR CANYON BASIN													
Beaumont-Cherry Valley Water District	1,503	1,463	2,548	1,935	2,127	1,685	1,875	2,159	1,990	1,733	1,325	1,280	1,277
Hudson, Merton Lonnie	430	430	435	445	435	430	430	410	485	521	540	130	130
Riverside County Parks Department								50	50	50	50	50	50
TOTALS FOR EDGAR CANYON BASIN	1,933	1,893	2,983	2,380	2,562	2,115	2,305	2,619	2,525	2,304	1,915	1,460	1,457
MILLARD CANYON BASIN													
Morongo Band of Mission Indians (3) (4)	823	595	707	842	757	750	750	750	750	850	850	750	750
TOTALS FOR MILLARD CANYON BASIN	823	595	707	842	757	750	750	750	750	850	850	750	750
SAN TIMOTEO BASIN													
El Casco LLC c/o Riv Land Conserv	160	160	165	165	165	165	165	160	165	10	10	10	10
Morongo Band of Mission Indians (2)	0	0	0	0	0	0	0	0	0	0	0	0	0
South Mesa Water Co.	1,220	1,133	1,184	1,219	1,368	1,202	1,164	1,137	1,147	1,052	972	712	741
SunCal Companies	89	839	555	0	0	0	0	0	0	0	0	0	0
TOTALS FOR SAN TIMOTEO BASIN	1,309	1,972	1,739	1,219	1,368	1,202	1,164	1,137	1,147	1,062	982	722	751
SINGLETON BASIN													
South Mesa Water Co.	483	636	645	666	471	382	405	412	448	312	443	217	353
TOTALS FOR SINGLETON BASIN	483	636	645	666	471	382	405	412	448	312	443	217	353
SOUTH BEAUMONT BASIN													
Dowling, Frances M. Jr.	92	85	83	94	79	72	96	92	79	69	80	11	8
Summit Cemetery District						25	23	23	23	23	23	23	23
TOTALS FOR SOUTH BEAUMONT BASIN	92	85	83	94	79	97	119	115	102	92	103	34	31
TOTALS FOR ALL BASINS	31,085	28,991	34,294	34,604	31,581	28,735	27,353	27,586	28,622	29,783	30,084	22,835	24,150

Notes:

Amounts shown are rounded to nearest acre-foot

Amounts as reported to the SWRCB Division of Water Rights, made available by a purveyor, reported by Beaumont Basin Watermaster or estimated by SGPWA

Data revised to agree with basin boundaries as defined in USGS 2004 report

(1) Amount adjusted for production in 2006, 2007, 2008 & 2009 by BCVWD for City of Banning from co-owned wells

(2) Previous Well Owner - East Valley Golf Club LLC

(3) Previous Well Owner - Arrowhead Mountain Spring Water Bottling Co.

(4) Estimate only

Table 3: Groundwater Production in San Gorgonio Pass Water Agency by Purveyor by Basin (2004 through 2016 as reported)

82/107

State Water Project Deliveries to
San Gorgonio Pass Water Agency Service Area

Calendar Year	Amount in Acre-Feet	Allocation
2003 (1)	116	90%
2004	814	65%
2005	687	90%
2006 (2)	4420	100%
2007 (2)	4815	60%
2008 (2)	4905	35%
2009 (2)	6609	40%
2010 (2)	8403	50%
2011 (2)	10,730	80%
2012 (2)	10,974	65%
2013 (2)	9,695	35%
2014 (2)	5,131	5%
2015 (2)	3,930	20%
2016 (2)	11,461	60%
TOTAL	82,690	

(1) Start Up / Partial Year

(2) Includes deliveries to Yucaipa Valley Water District

Deliveries to Beaumont Cherry Valley Water District began in September 2006

Source: San Bernardino Valley Municipal Water District Operations Manager

Table 4: State Water Project Deliveries to
San Gorgonio Pass Water Agency Service Area

WATER QUALITY ANALYSIS AT DEVIL CANYON AFTERBAY

DATE	Chloride mg/L	Nitrate+Nitrite mg/L as N	Sodium mg/L	Sulfate mg/L	TDS mg/L	Nephelometric Turbidity Units
Jan-13	86	0.54	60	32	278	<1
Feb-13	78	0.98	55	46	290	1
Mar-13	74	1.04	64	53	301	<1
Apr-13	70	0.88	59	55	297	<1
May-13	66	0.66	56	53	282	2
Jun-13	75	0.35	57	54	278	<1
Jul-13	73	0.05	58	48	289	3
Aug-13	64	0.15	54	38	253	1
Sep-13	76	0.05	57	31	262	4
Oct-13	96	0.08	66	32	299	2
Nov-13	101	0.30	68	38	302	5
Dec-13	96	0.52	70	42	322	<1
Jan-14	91	0.60	68	47	296	1
Feb-14	88	0.48	71	50	317	< R.L.
Mar-14	85	0.64	68	50	316	< R.L.
Apr-14	84	0.64	71	53	312	2
May-14	77	0.43	69	55	298	1
Jun-14	72	0.51	68	58	292	< R.L.
Jul-14	66	0.46	67	63	1184	3
Aug-14	77	0.24	67	67	323	2
Sep-14	84	0.32	68	67	331	1
Oct-14	86	0.32	71	68	336	2
Nov-14	87	0.41	83	72	344	2
Dec-14	85	0.45	77	71	329	1
Jan-15	81	0.58	76	73	347	< R.L.
Feb-15	80	0.39	79	71	379	< R.L.
Mar-15	67	0.85	66	71	310	1
Apr-15	69	0.58	71	75	311	1
May-15	72	0.58	64	72	310	< R.L.
Jun-15	74	0.55	72	71	322	< R.L.
Jul-15	76	0.44	68	70	317	1.45
Aug-15	83	0.08	74	66	329	4.73
Sep-15	89	0.18	76	69	356	1.43
Oct-15	87	0.14	74	70	342	1.71
Nov-15	88	0.07	77	75	348	3
Dec-15	95	0.56	82	82	363	1.73
Jan-16	97	0.56	84	80	362	< R.L.
Feb-16	94	0.57	78	76	360	1
Mar-16	84	0.8	80	81	349	1.36
Apr-16	64	0.56	59	60	280	1.33
May-16	71	0.47	63	61	294	1.33
Jun-16	97	0.22	71	63	344	2.27
Jul-16	79	0.22	59	46	289	1.62
Aug-16	68	0.11	50	36	246	1.23
Sep-16	n/a	n/a	n/a	n/a	n/a	n/a
Oct-16	89	0.19	63	25	266	1.11
Nov-16	105	0.26	70	29	310	1.07
Dec-16	104	0.36	68	32	312	1.33

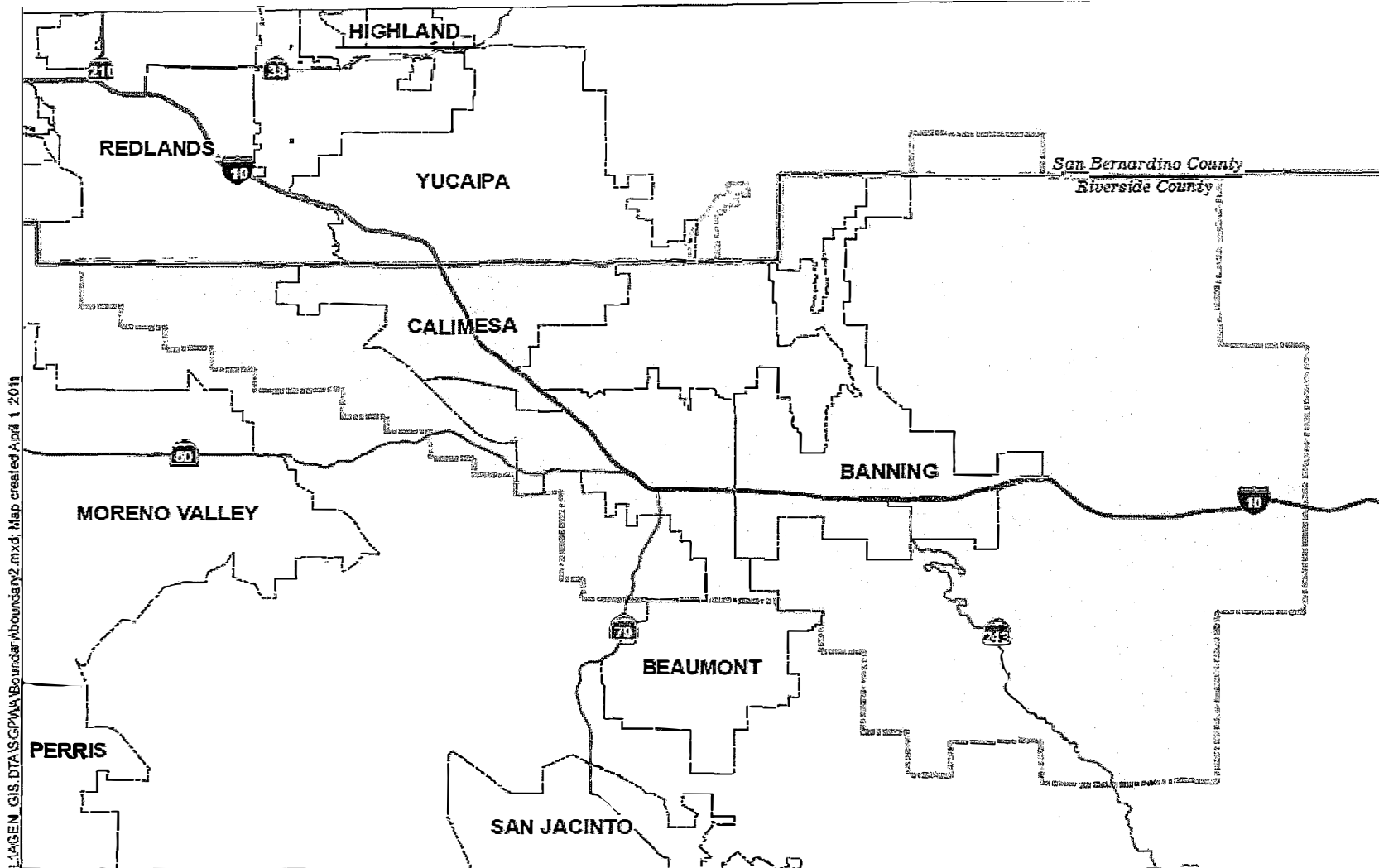
mg/L: milligrams per liter

Source: SWP/DWR Water Quality Data Reports

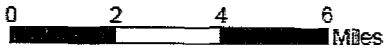
NR: Not Reported

Table 5: Water Quality Analysis at Devil Canyon Afterbay near San Bernardino
(Selected Constituents)

85 / 107



Sources: Riverside Co. LAFCO, Jan. 2010;
 Riverside County GIS, 2008.



**San Gorgonio Pass Water Agency
 Service Area Boundary**

Albert A. **WEBB** Associates

Figure 1: San Gorgonio Pass Water Agency

UPPER WHITEWATER RIVER WATERSHED

SCE TRANS BASIN DIVERSION

86/107

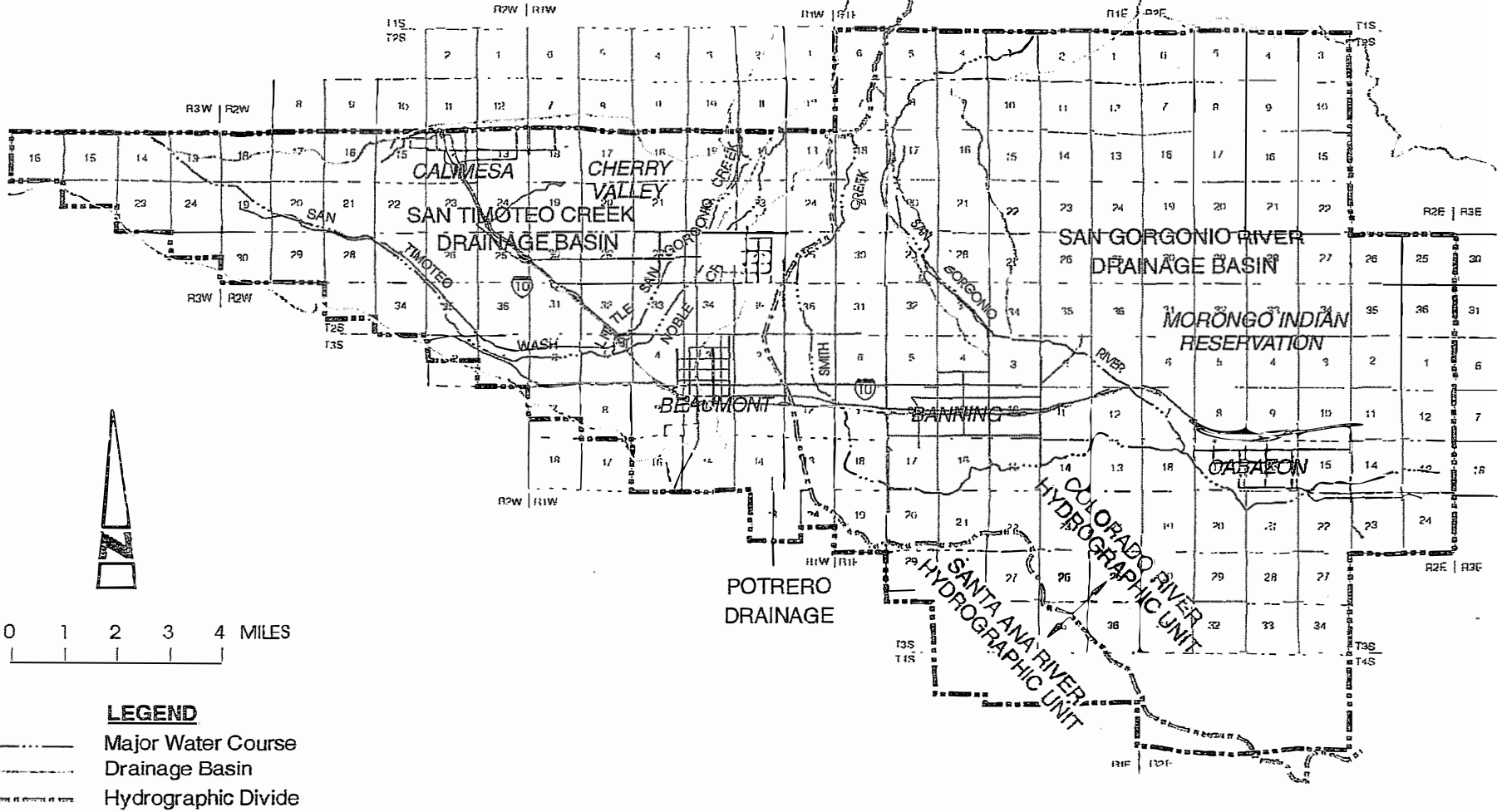


Figure 2: Drainage Basins and Principal Streams

**Long Term Mean Annual Precipitation
Beaumont Station 3S/1W-10P, Elevation 2613'
Mean Annual Precipitation = 17.5"**

88 / 107

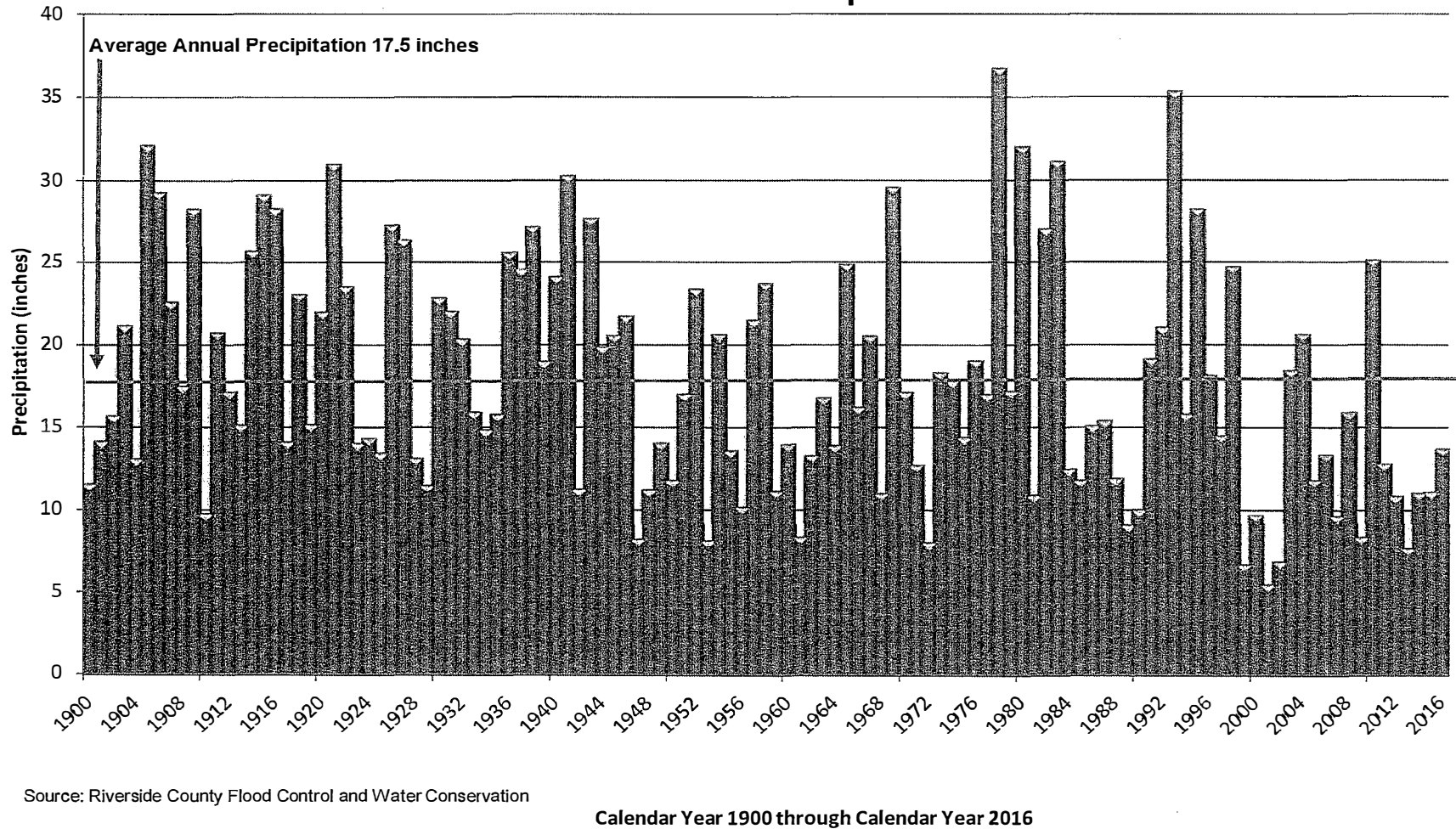


Figure 4: Long Term Mean Annual Precipitation at Beaumont

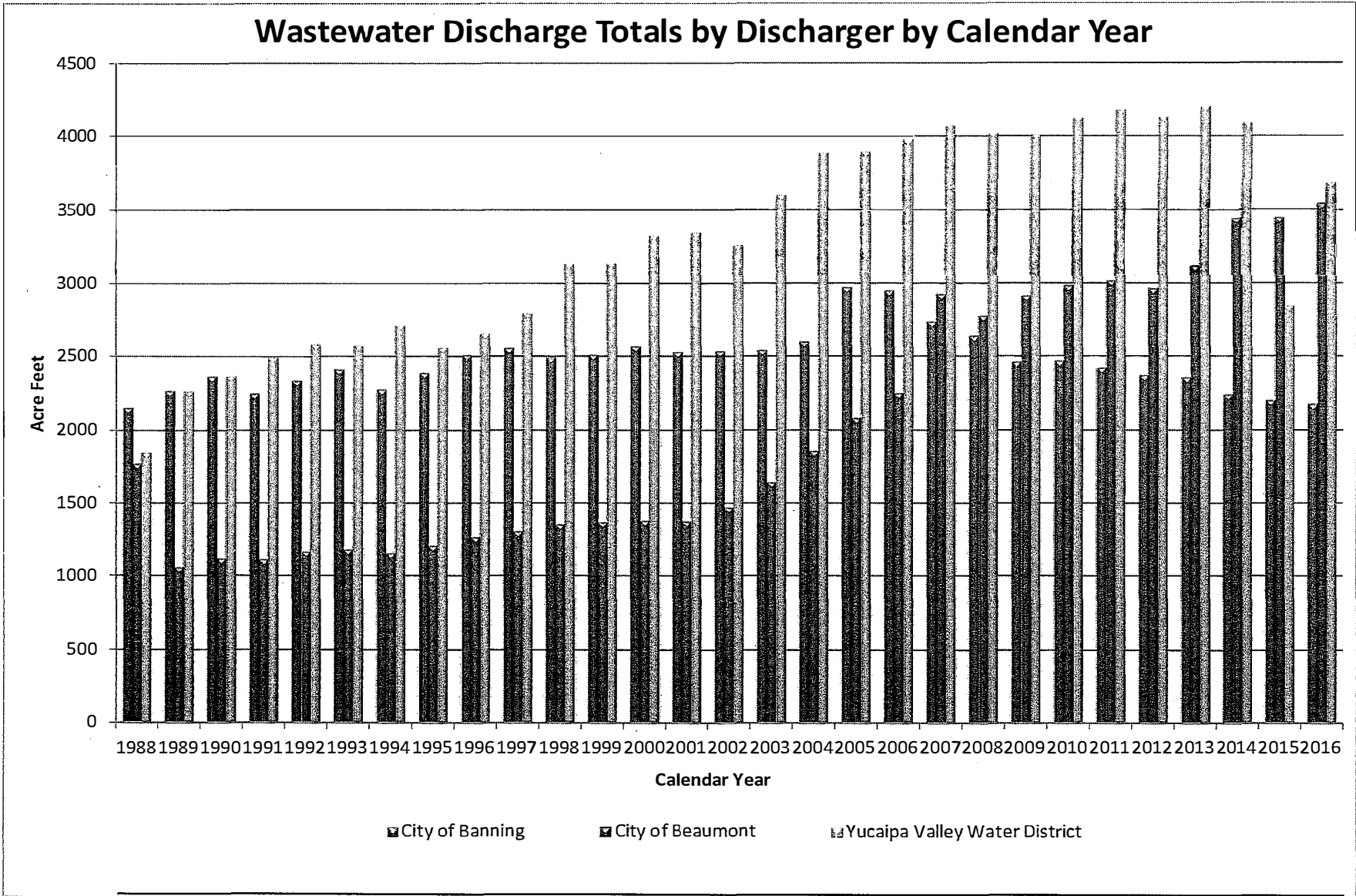


Figure 5: Wastewater Discharge Totals by Discharger by Calendar Year

San Geronio Pass Water Agency
Production All Basins
1947 through 2016

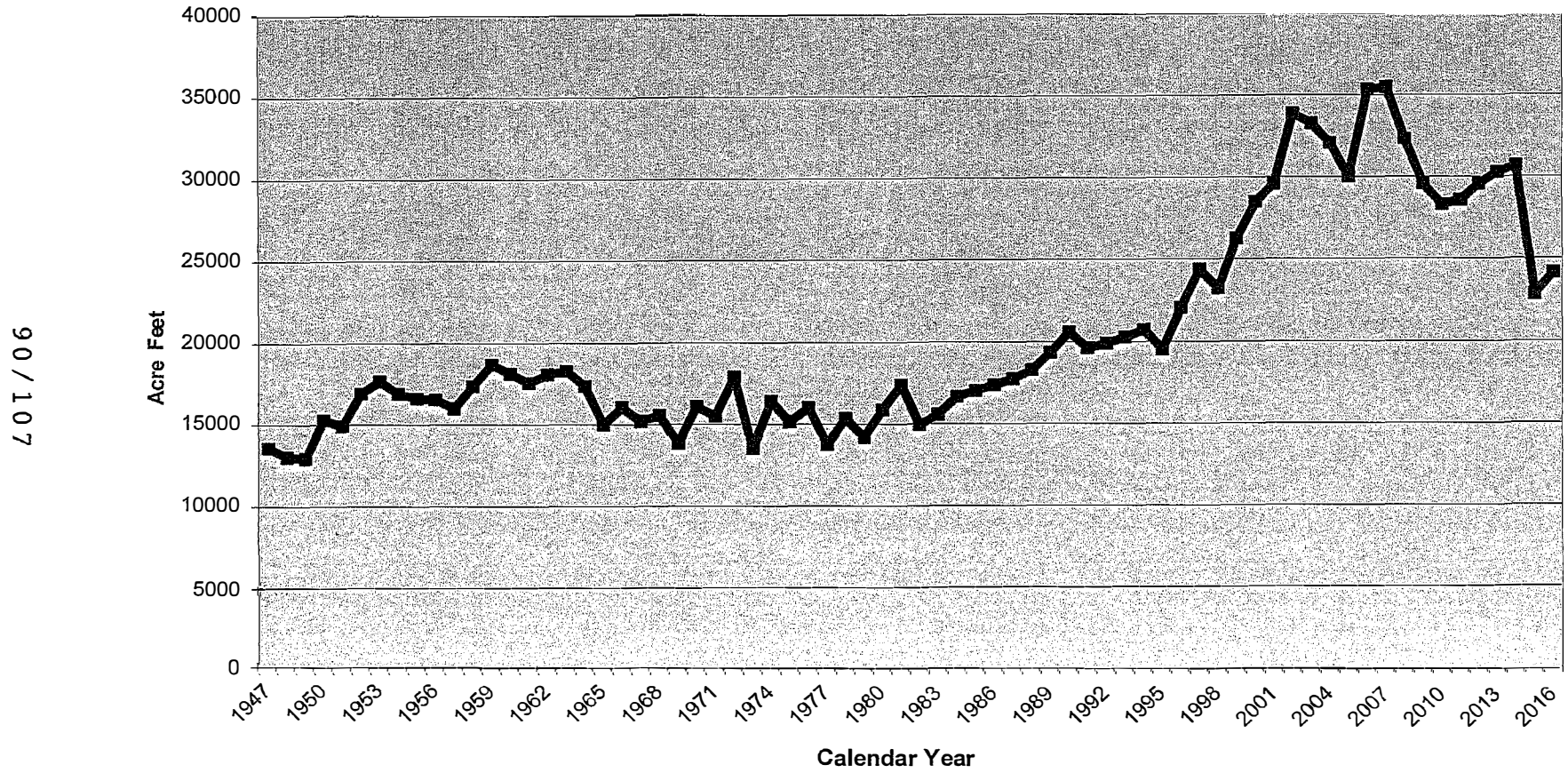


Figure 6: Historical Groundwater Production All Basins 1947 through 2016
(as reported)

San Geronio Pass Water Agency
Production All Basins
1997 through 2016

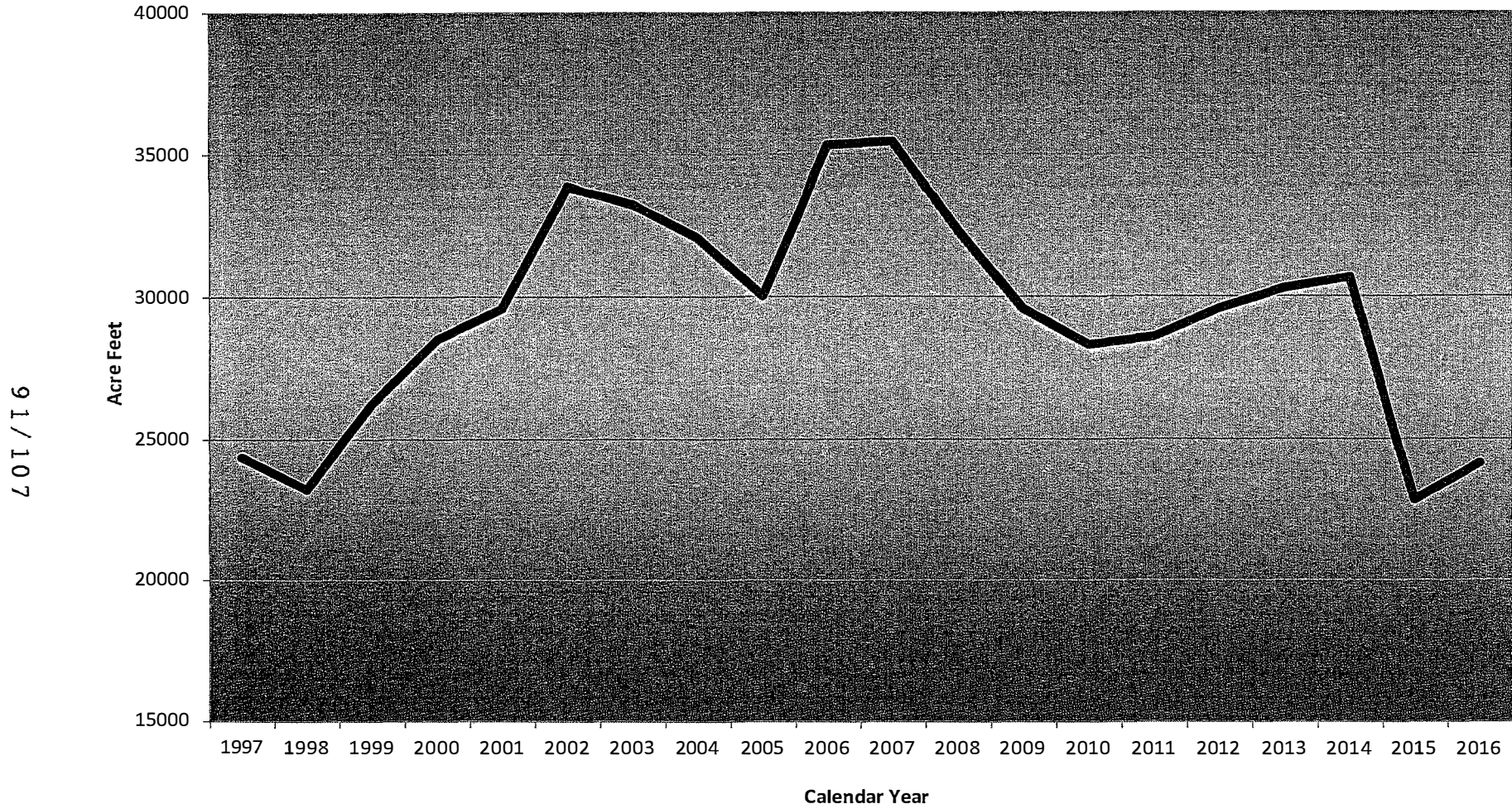


Figure 7: Historical Groundwater Production All Basins 1997 through 2016
(as reported)

Total Production By Storage Unit 2016

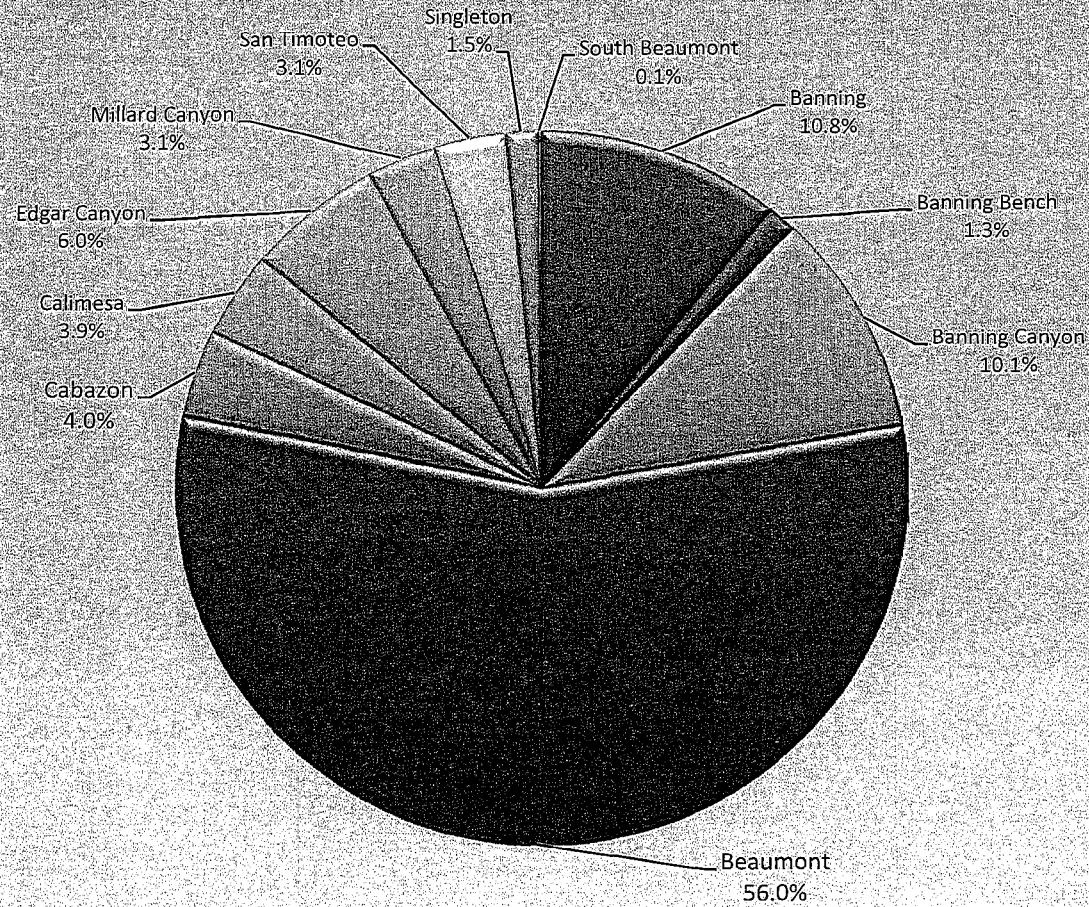
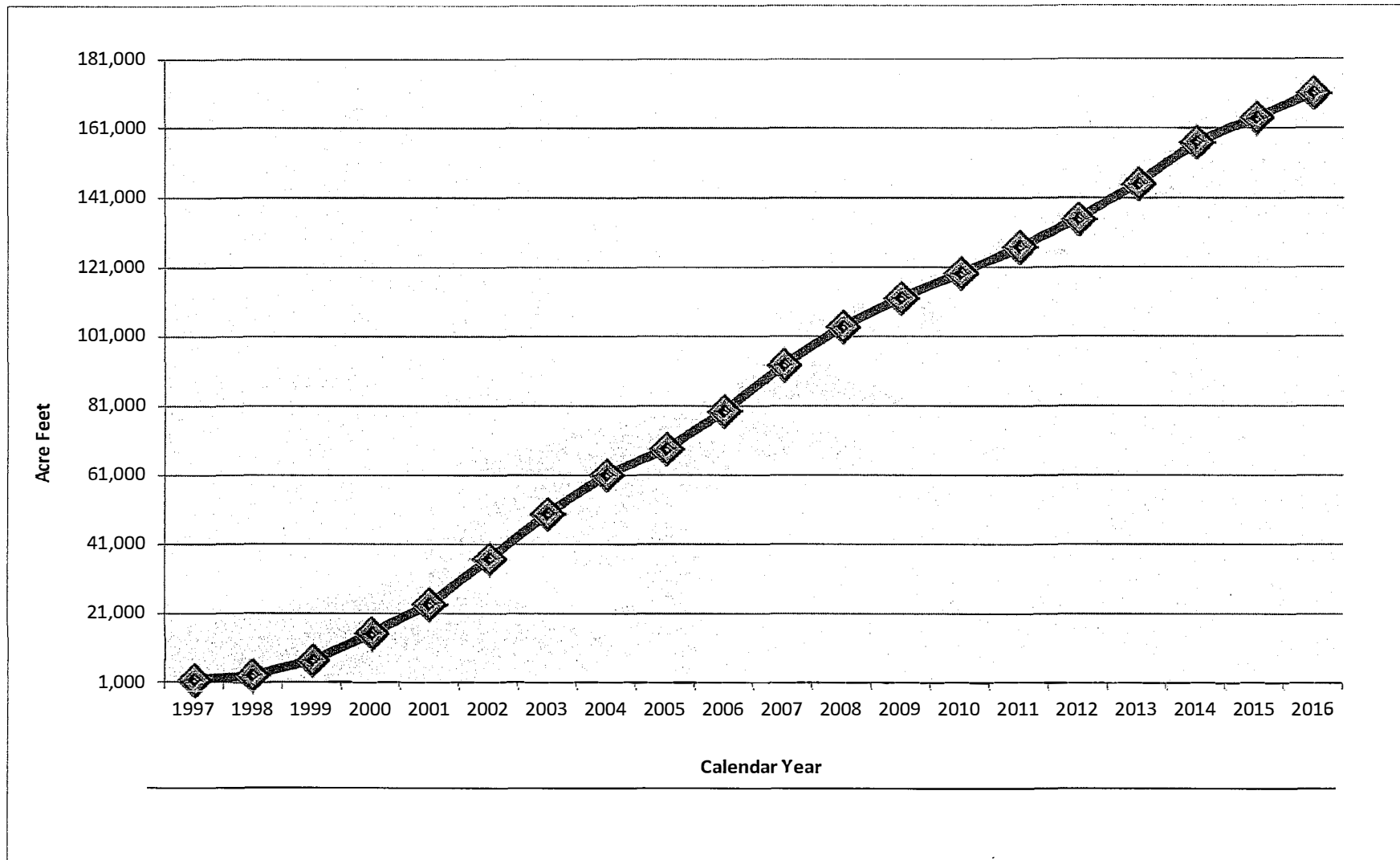


Figure 8: Total Production by Storage Unit in 2016 (as reported)

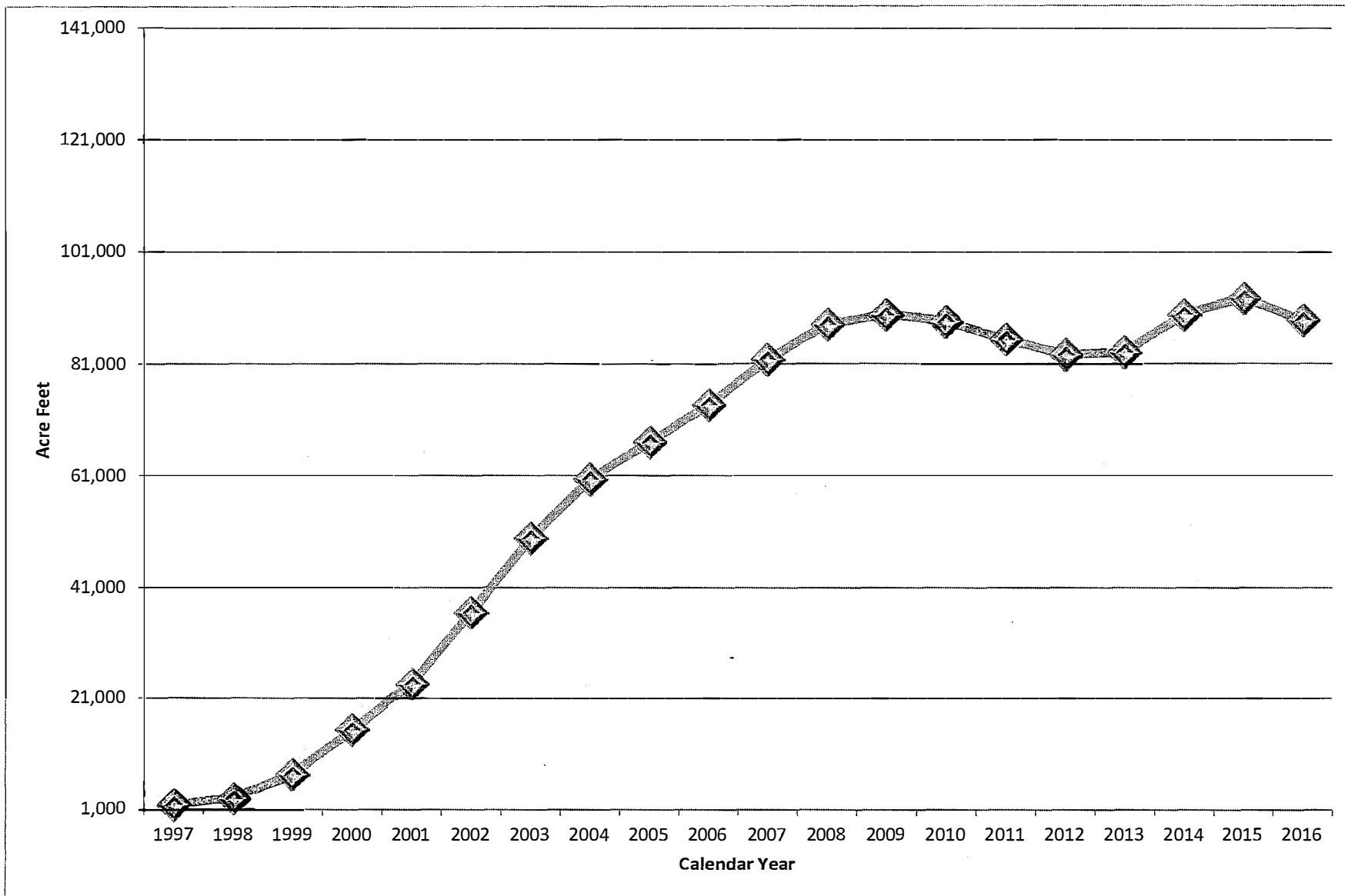
Accumulated Overdraft in the Beaumont Basin 1997 through 2016



93 / 107

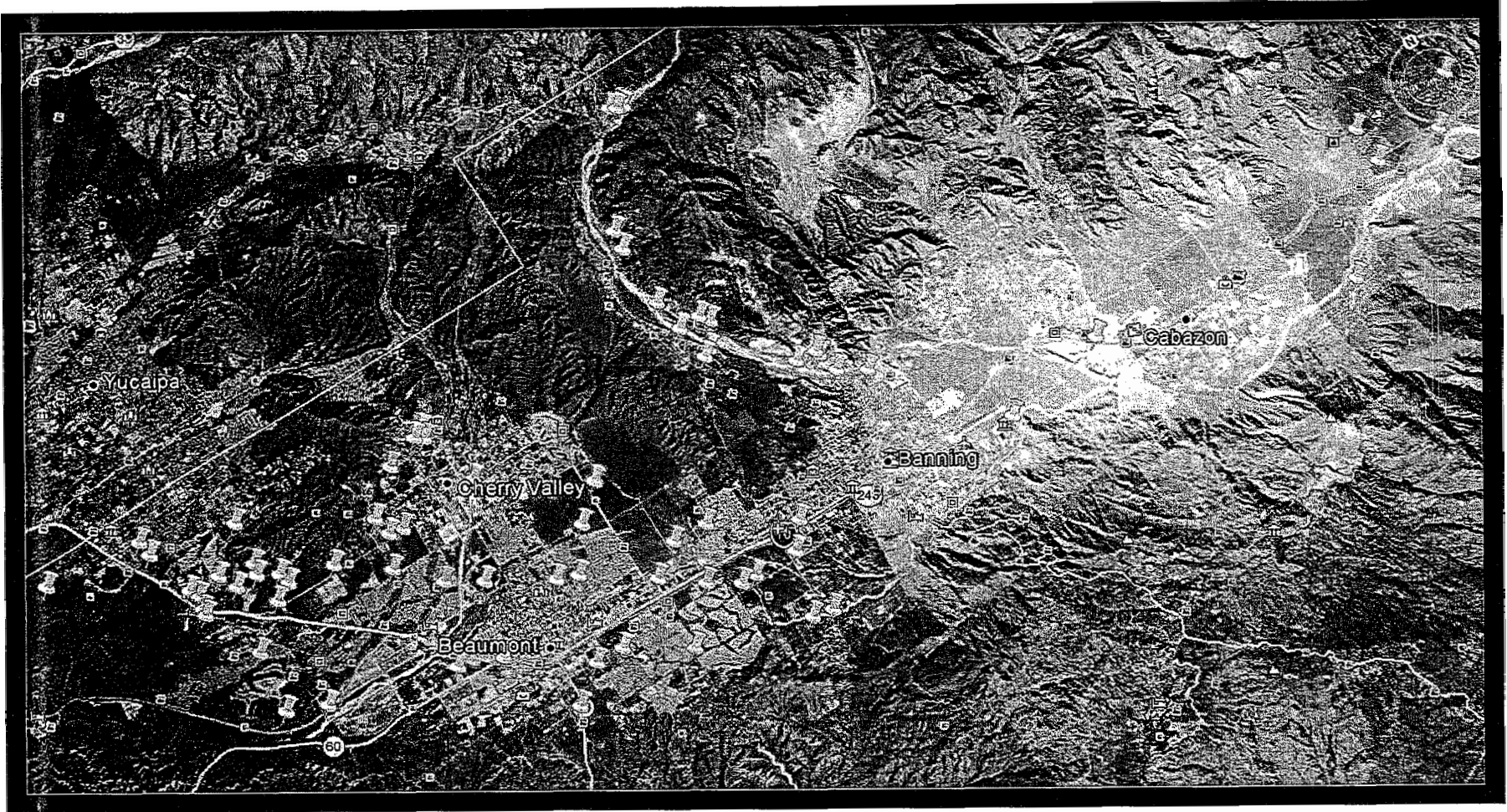
Figure 9a: Accumulated Overdraft in the Beaumont Basin 1997 through 2016

Accumulated Overdraft in the Beaumont Basin
1997 through 2016 with Replenishment



94 / 107

Figure 9b: Accumulated Overdraft in the Beaumont Basin 1997 through 2016 with Replenishment



SGPWA Monitoring Wells

Figure 10: San Geronio Pass Water Agency Monitoring Wells

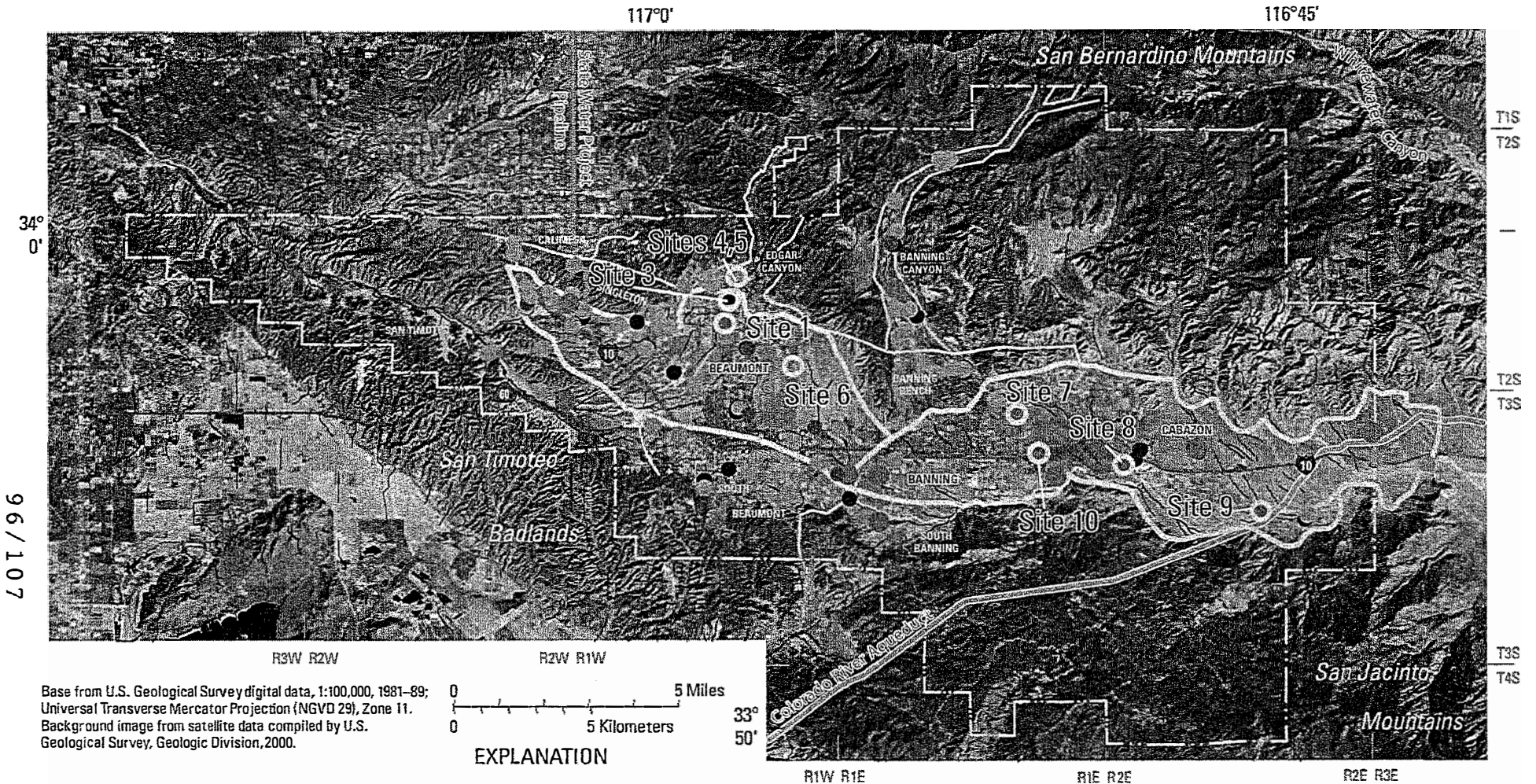


Figure 11. Map showing the water-level network and water-level change between fall 2015 and fall 2016 at selected wells.

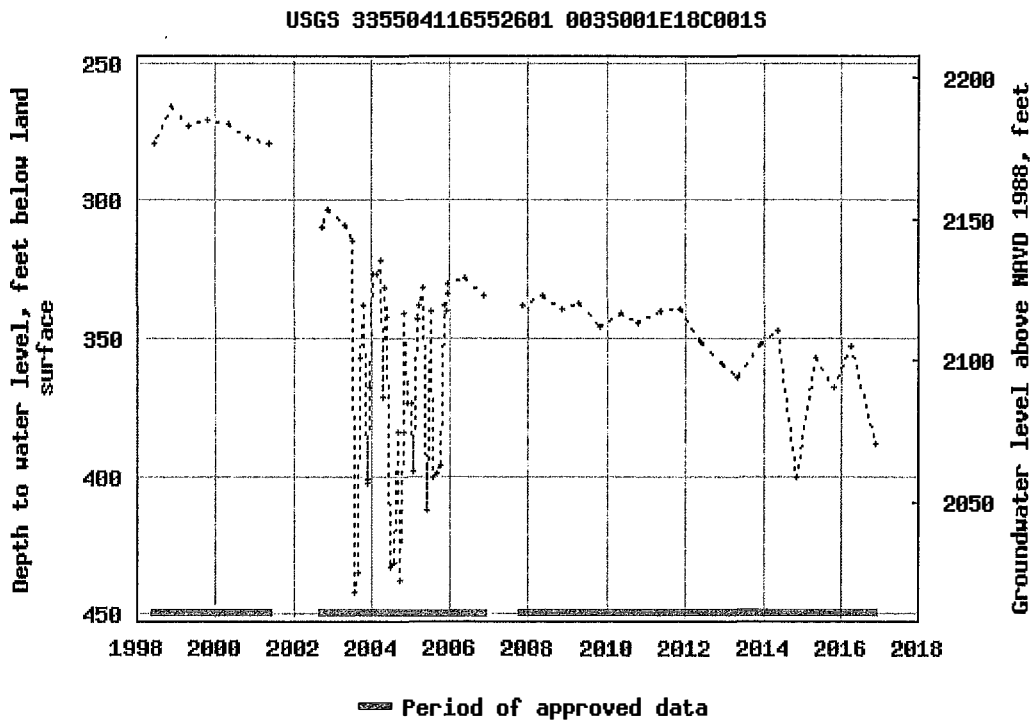
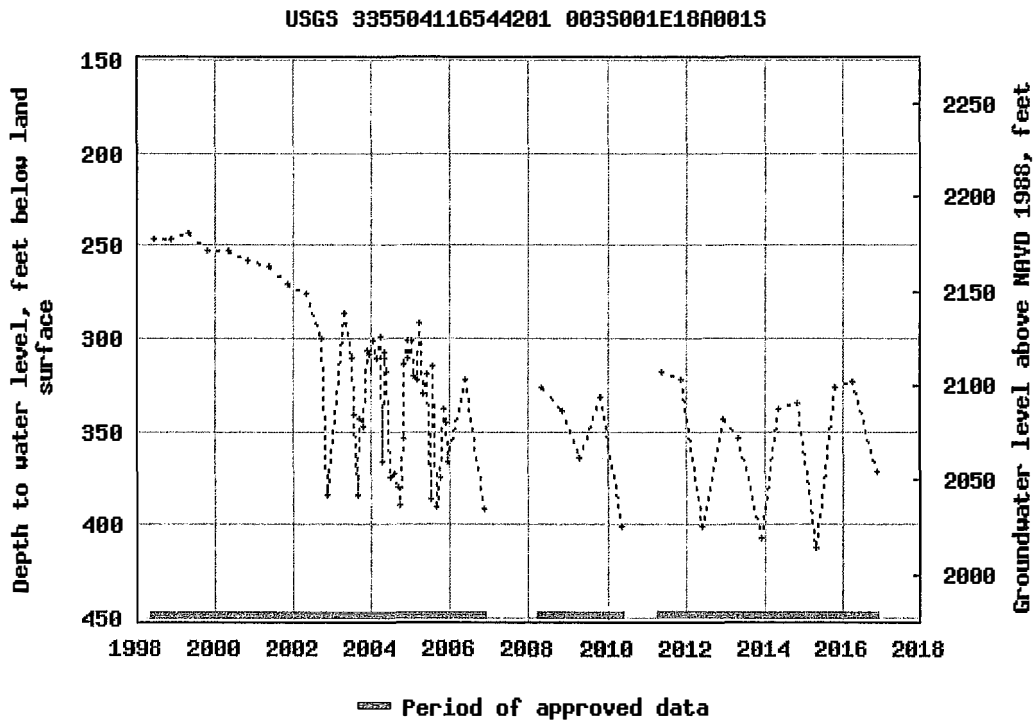


Figure 12: Groundwater Hydrographs – Banning Basin
3S/1E-18A01 and 3S/1E-18C01

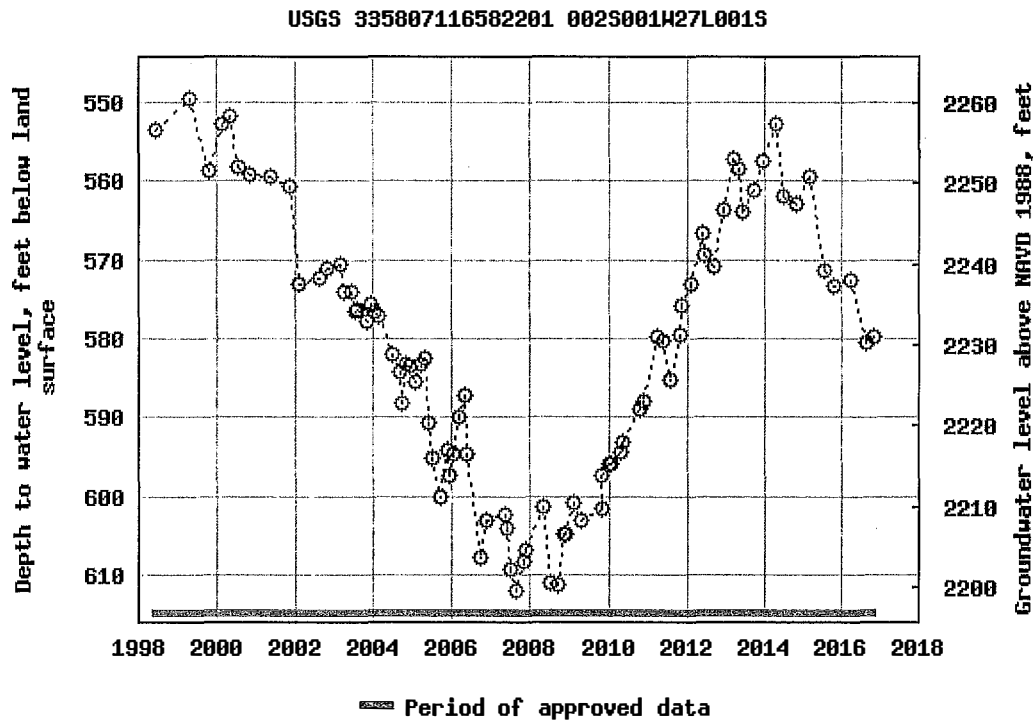
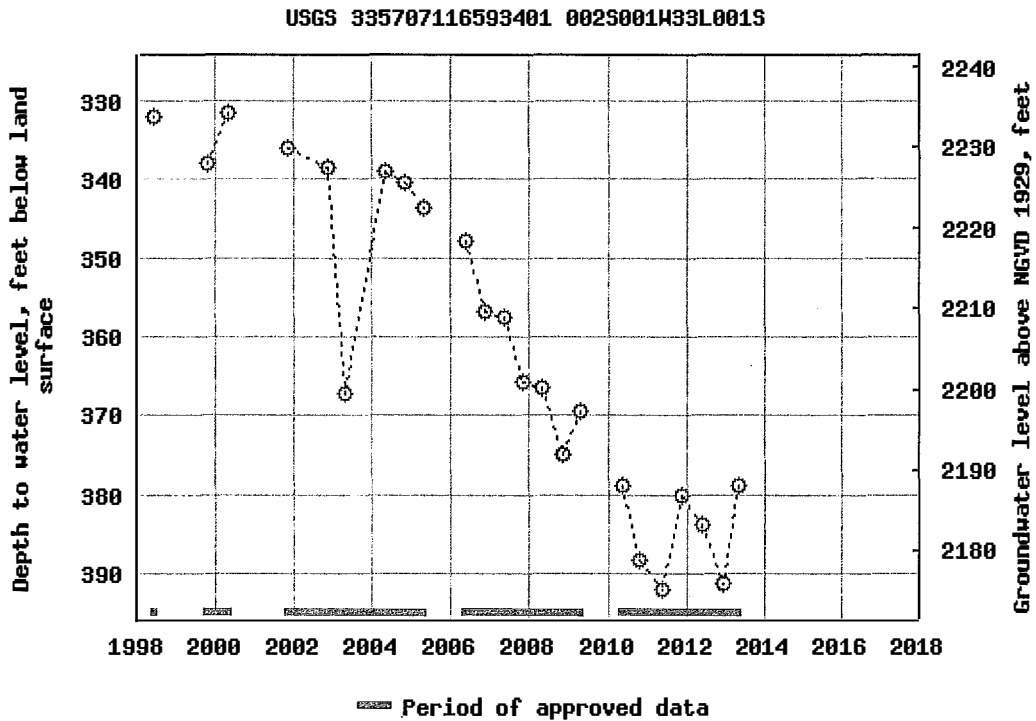


Figure 13: Groundwater Hydrographs – Beaumont Basin
2S/1W-33L01 and 2S/1W-27L01

USGS 335830117022201 0025002M25B001S

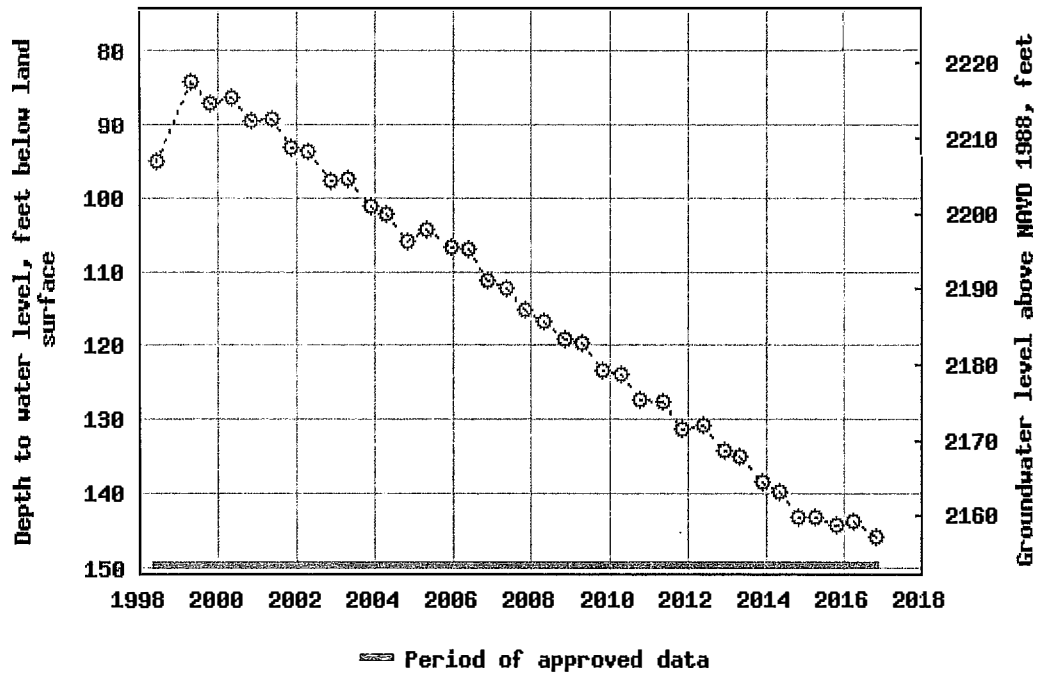
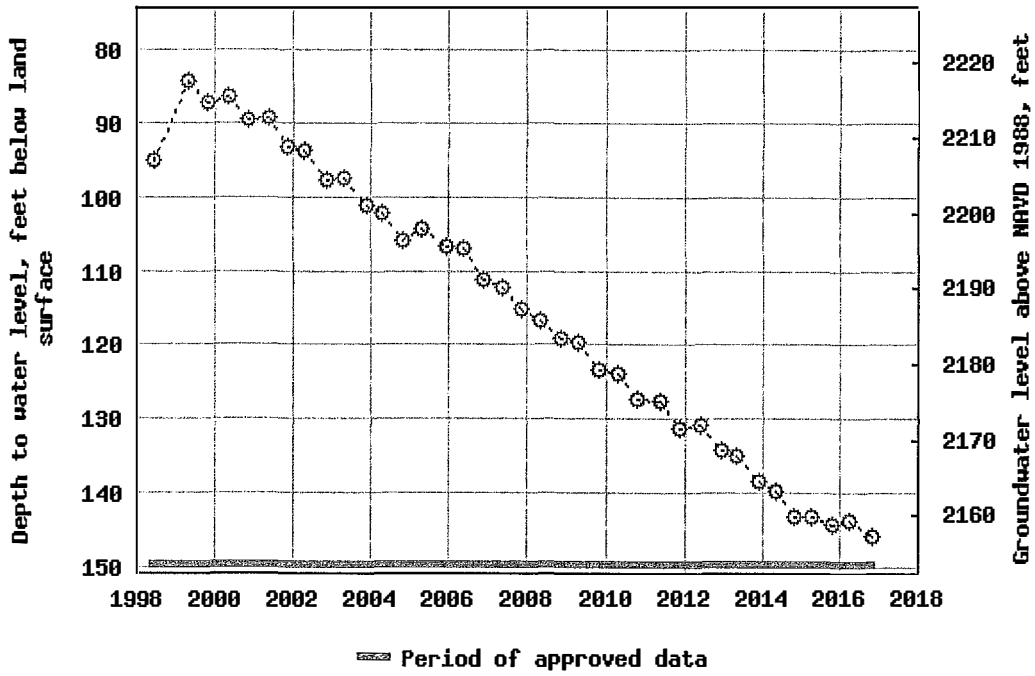


Figure 14: Groundwater Hydrographs – Beaumont Basin
2S/2' 99 / 107

USGS 335830117022201 0025002W25B001S



USGS 335807116582201 0025001W27L001S

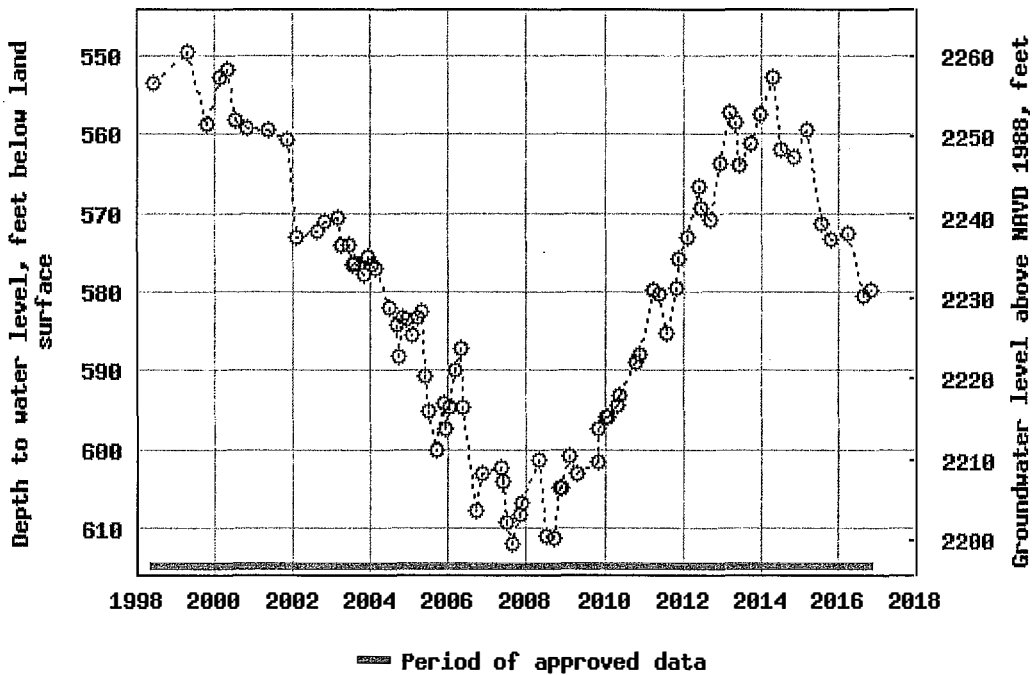
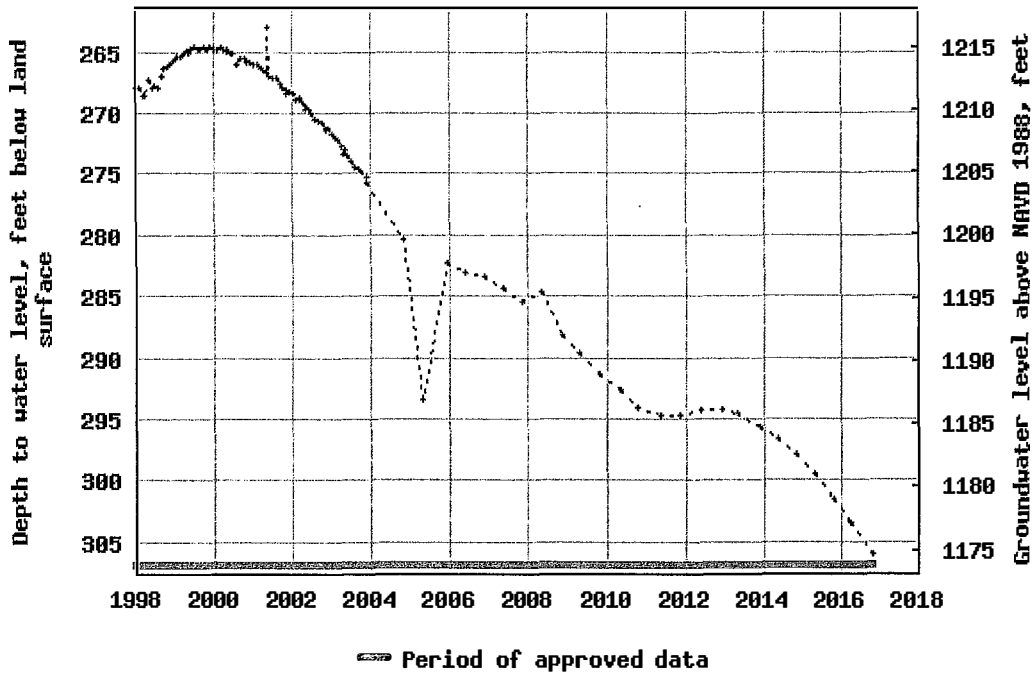


Figure 15: Groundwater Hydrographs – Beaumont Basin
2S/2W-25 100 / 107 N-27L01

USGS 335522116430701 0035003E07M001S



USGS 335523116484601 0035002E07K001S

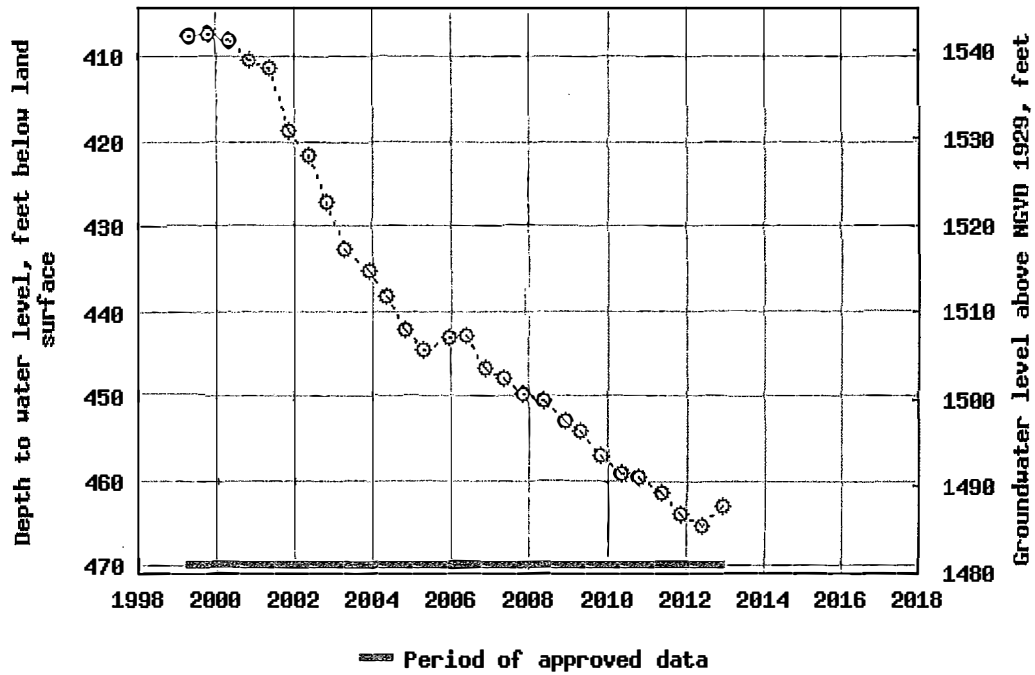
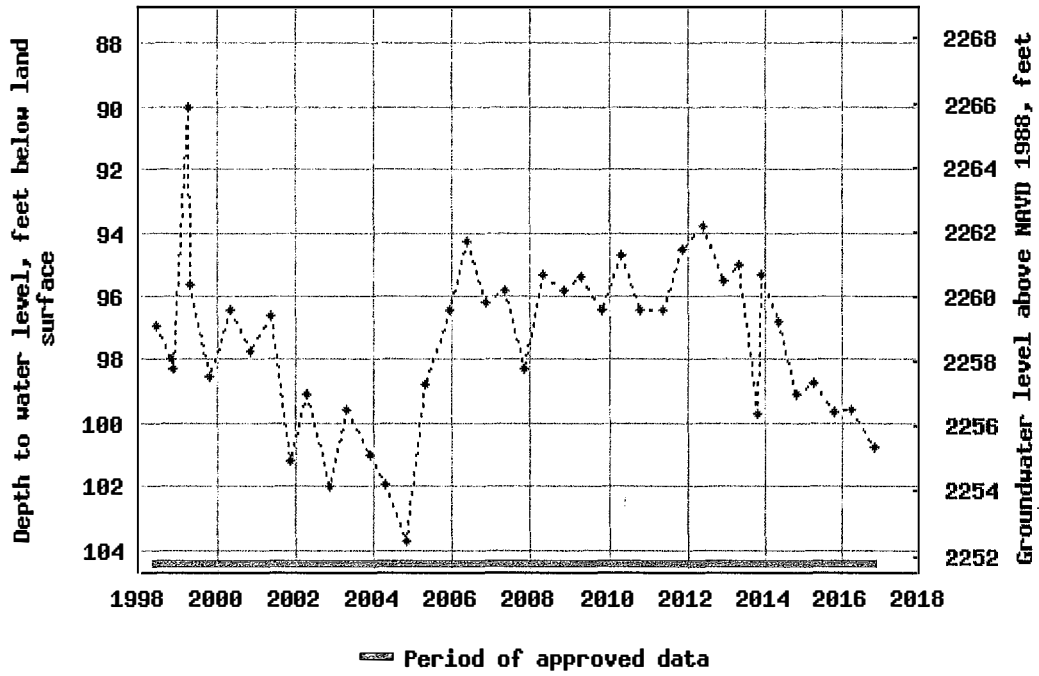


Figure 16: Groundwater Hydrographs – Cabazon Basin
3S/3E-07M01 and 3S/2E-07K01

USGS 335930117032101 0025002M14R001S



USGS 335753116541801 0025001E29P001S

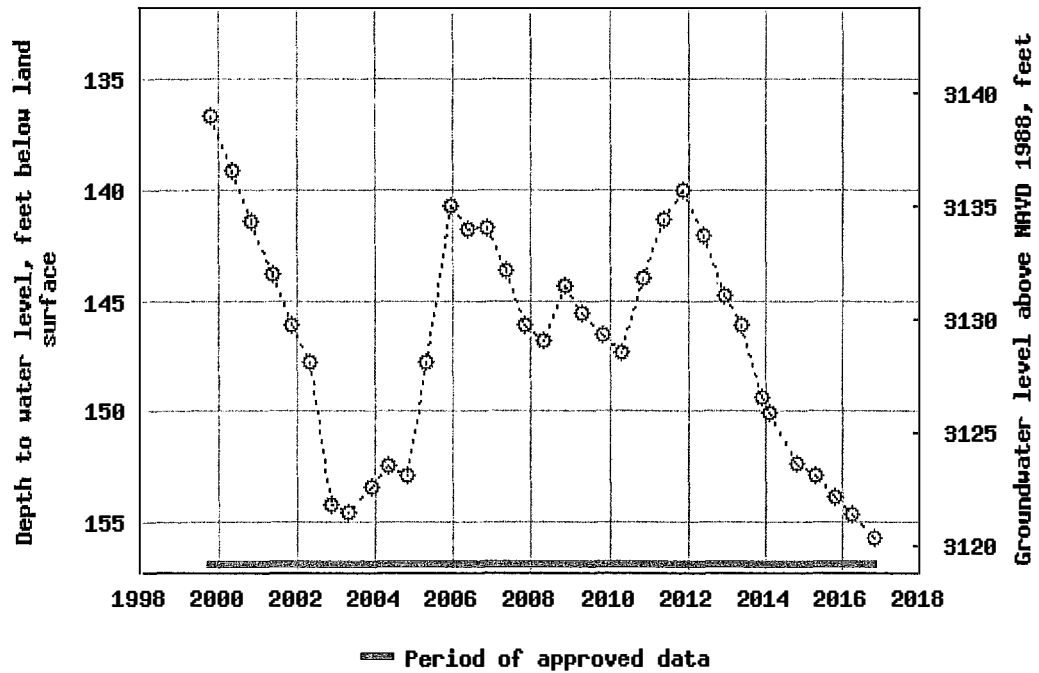
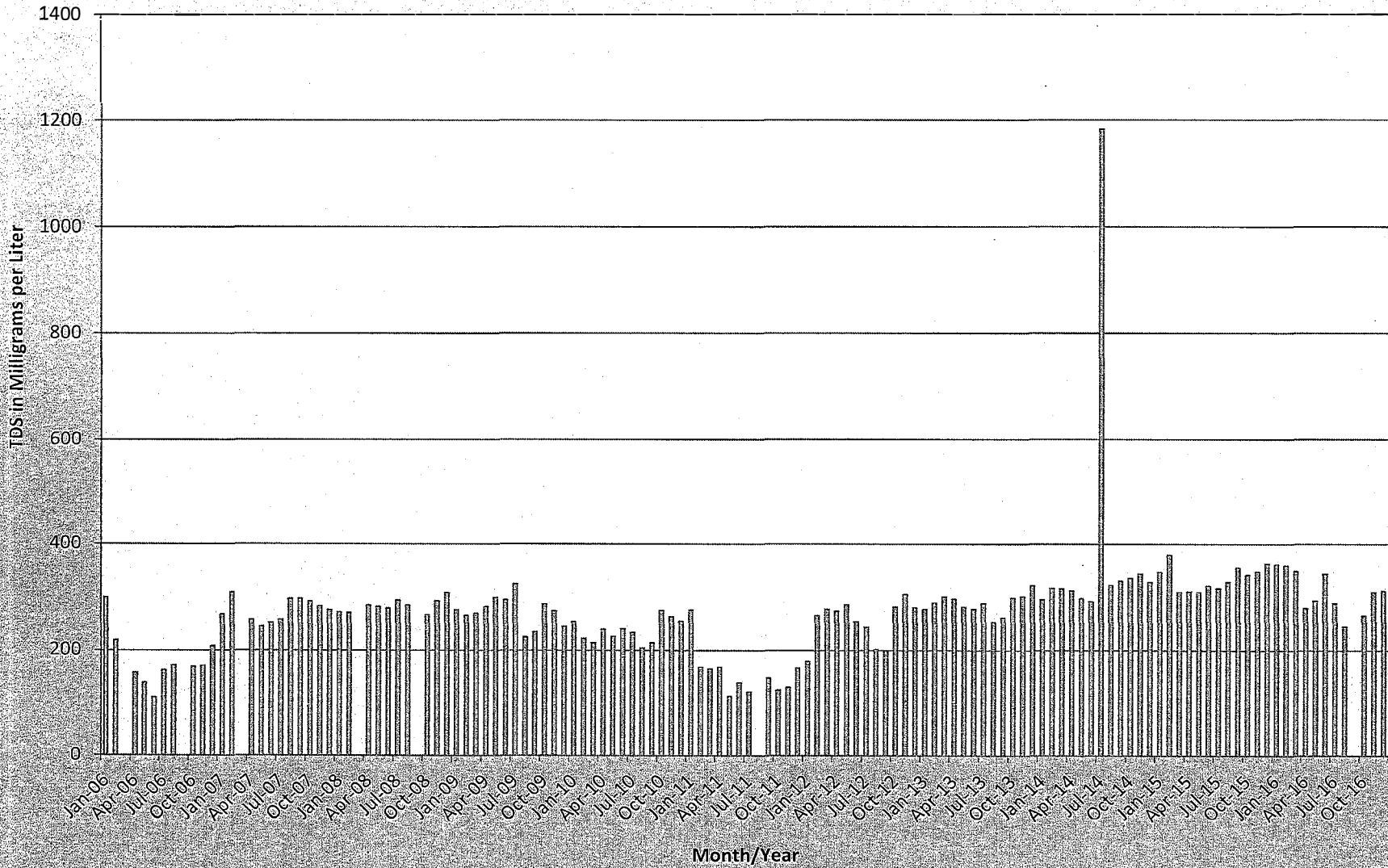


Figure 17: Groundwater Hydrographs – Calimesa and Banning Canyon Basins
2S/2W-14R01 and 2S/1E-29P01

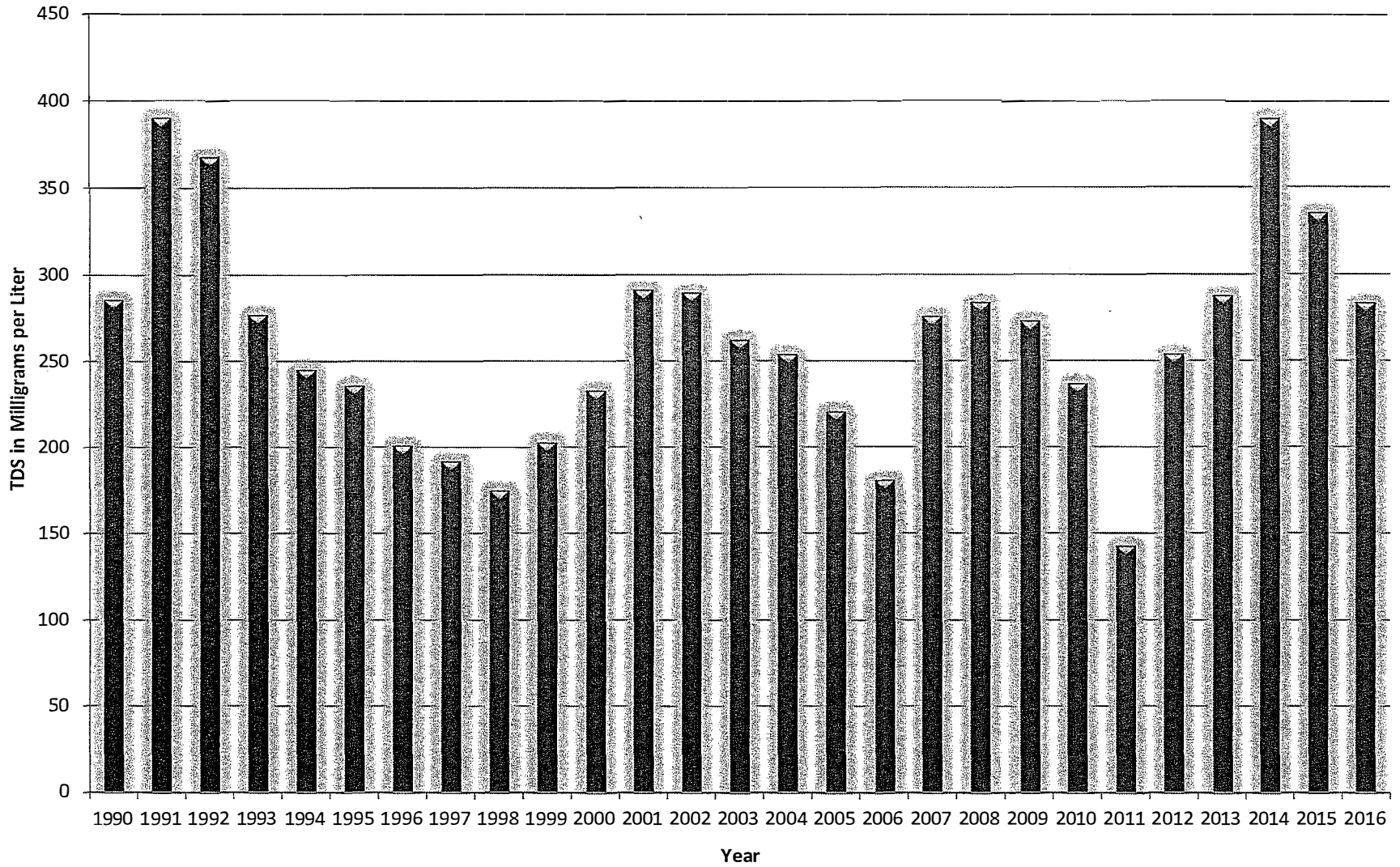
Monthly TDS at Devil Canyon Afterbay Near San Bernardino 2006 through 2016



Source: Table 32, DWR Monthly Operations Report

Figure 18: Monthly TDS at Devil Canyon Afterbay near San Bernardino 2006 through 2016

Average TDS at Devil Canyon Afterbay near San Bernardino 1990 - 2016



Source: Table 32, DWR Monthly Operations Report

Figure 19: Average TDS at Devil Danyon Afterbay near San Bernardino 1990 through 2016

104 / 107

MEMORANDUM

TO: Board of Directors

FROM: General Manager

RE: Approval of Budget Revision for \$5.856 Million

DATE: February 5, 2018

Summary:

The purpose of this proposed Board action is to approve a budget revision recommend by the Board at the January 22 Finance and Budget workshop to transfer \$5,855,985 from the Debt Service Fund to the General Fund.

Background:

Staff has detailed for the Board on several occasions, including the January 2 Board meeting, the sequence of actions that led to the expenditure of approximately \$5.856 million over a period of several years on construction of joint facilities that eventually became part of the East Branch Extension.

The funds were expended when the joint facilities, jointly owned with the San Bernardino Valley Municipal Water District, were constructed as an internal distribution pipeline. In the mid-1990's, when the Director of the Department of Water Resources officially declared that the facilities that existed at the time should be part of the State Water Project, these facilities became eligible to be funded using ad valorem tax dollars.

Starting in 2004, the Agency began paying back these funds, but stopped this action in 2008. The net of funds expended by the General Fund not reimbursed by the Debt Service Fund is \$5,855,985, according to the Agency's financial records.

Detailed Report:

After reviewing these facts, the Board, at the January 22 Finance and Budget workshop, voted to bring this budget revision to the Board for

final approval. Approval of the proposed budget revision will mean that \$5.856 million will be debited from the Debt Service Fund and credited to the General Fund. No physical transaction will take place. The next budget report, to be presented at the February Finance and Budget workshop, will indicate the change. The next reserves report, to be presented at the April Finance and Budget workshop, will also indicate the change.

Fiscal Impact:

The impact of approving this budget revision will be to move \$5.856 million from the Debt Service Fund to the General Fund. Thus, the Debt Service Fund will have \$5.89 million less, and the General Fund will have \$5.856 million more.

Staff has shown the Board projections for this year that show that, even with the budget revision, the Debt Service Fund should increase in value. This is based on revenues received to date and projections of those revenues through the rest of the year. Staff has also shown the Board at previous meetings that this transfer will have no significant impact on the Agency's ability to pay its State Water Project costs, including possible new costs associated with the Cal Water Fix and possible transfers, through 2035.

Recommendation:

Staff recommends that the Board approve the proposed budget transfer of \$5,855,985 from the Debt Service Fund to the General Fund, as recommended by the Board at the January 22 Finance and Budget workshop.

SAN GORGONIO PASS WATER AGENCY
FISCAL YEAR JULY 1, 2017 - JUNE 30, 2018
BUDGET REVISION FOR BOARD APPROVAL #1-A
DATE OF PROPOSAL: JANUARY 22, 2018

LINE ITEM	A	B	A+B	C	A+B+C
	AMOUNT IN	BOARD	REVISED	CURRENT	REVISED
	ORIGINAL	APPROVED	BUDGET	BUDGET	BUDGET AFTER
	ADOPTED	PRIOR BUDGET	BEFORE NEW	REVISIONS FOR	CURRENT
	BUDGET	REVISIONS	REVISIONS	APPROVAL	REVISIONS
GENERAL FUND					
Transfer from Debt Service Fund			0	5,855,985	5,855,985
This transfer will reduce the balance of the Debt Service Fund, and increase the balance of the General Fund.					
GENERAL FUND TOTALS	0	0	0	5,855,985	5,855,985

107 / 107