

**SAN GORGONIO PASS WATER AGENCY**  
**1210 Beaumont Avenue, Beaumont, CA**  
**Board of Directors Meeting**  
**Agenda**  
**August 20, 2018 at 1:30 p.m.**

**Teleconference Location: London Bridge Resort**  
**Business Center**  
**1477 Queens Bay**  
**Lake Havasu City, AZ**

- 1. Call to Order, Flag Salute, Invocation and Roll Call**
- 2. Statement Regarding Teleconferencing**  
-This meeting is also being held at a Teleconference Location which has been identified on the agenda.
- 3. Adoption and Adjustment of Agenda**
- 4. 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. Speakers are requested to keep their comments to no more than five minutes. Under the Brown Act, no action or discussion shall take place on any item not appearing on the agenda, except that the Board or staff may briefly respond to statements made or questions posed for the purpose of directing statements or questions to staff for follow up.
- 5. 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, August 6, 2018\* (p. 3)
  - B. Approval of the Minutes of the Engineering Workshop, August 13, 2018\* (p. 8)
- 6. Reports:**
  - A. General Manager's Report
    1. Operations Report
    2. Construction Update
    3. General Agency Updates
  - B. Directors' Reports
  - C. Committee Reports\* (p. 10)
- 7. New Business:**
  - A. Consideration and Possible Action to Approve Agreement in Principle for Cal Waterfix and Water Management Contract Amendment\* (p. 11)
  - B. Consideration and Possible Action on Water Resources Institute Donation and Contracting for a Student Intern\* (p. 24)
  - C. Consideration and Possible Action to Approve Revised Proposal from IERCD \* (p. 28)
  - D. Consideration and Possible Action on Resolution 2018-06, an Endorsement of Proposition 3\* (p. 36)
- 8. Topics for Future Agendas**

**9. Announcements:**

- A. San Geronio Pass Regional Water Alliance, August 22, 2018 at 5:00 p.m. – Banning City Hall
- B. Finance & Budget Workshop, August 27, 2018 at 1:30 p.m.
- C. Office closed in observance of Labor Day, September 3, 2018
- D. Regular Board Meeting, **Tuesday** – September 4, 2018 at 1:30 p.m.

**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](http://www.sgpwa.com) (3) Any person with a disability who requires accommodation in order to participate in this meeting should telephone the Agency (951 845-2577) at least 48 hours prior to the meeting in order to make a request for a disability-related modification or accommodation.

**SAN GORGONIO PASS WATER AGENCY**  
**1210 Beaumont Avenue, Beaumont, California 92223**  
**Minutes of the**  
**Board of Directors Meeting**  
**August 6, 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  
Thomas Todd, Finance Manager  
Cheryle Rasmussen, 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 David Fenn at 1:30 p.m., August 6, 2018 in the Agency Boardroom at 1210 Beaumont Avenue, Beaumont, California. President Fenn led the Pledge of Allegiance to the flag. Director Thompson 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 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.* General Counsel Jeff Ferre read from a public comment submitted by Tracy Fry that was submitted to the Agency's website. Ms. Fry's comment was as follows: Listening to the news today the state is saying there is still a water shortage. Why is there more track homes being built? There were no other members of the public that wished to comment at this time.
4. **Consent Calendar:**
  - A. Approval of the Minutes of the Finance and Budget Workshop, June 25, 2018
  - B. Approval of the Finance and Budget Workshop Report, June 25, 2018
  - C. Approval of the Minutes of the Regular Board Meeting, July 2, 2018
  - D. Approval of the Minutes of the Engineering Workshop, July 9, 2018
  - E. Approval of the Minutes of the Finance and Budget Workshop, July 23, 2018
  - F. Approval of the Finance and Budget Workshop Report, July 23, 2018

Director Duncan made a motion, and seconded by Director Stephenson 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:** a) The Agency delivered 1142 acre-feet of Table A water to the Noble Creek Connection for the month of July. b) DWR has scheduled delivery of the additional supplemental water supply from Ventura and Nickel. c) Chemical additives to SWP water appear to have brought the algae issue under control.

**(2) Construction Update:** General Manager Davis stated that there has been no additional construction progress at the Fiesta Recharge Facility since the last board meeting. Webb & Associates will be making design changes, which will reduce the construction cost.

**(3) General Agency Updates: (a) Noble Expansion:** General Manager Davis informed the Board that he submitted all of the requested documentation for the Noble expansion to the Department of Water Resources. The Agency is waiting to hear from the Department of Water Resources as to whether it needs any additional information. **(b) Contract Extension:** The process for the SWP contract extension is in the later stages. There was legislation passed a couple of years ago that stated that if the SWP contract is extended, the state legislature must hold an informational hearing of the joint assembly senate budget committee. The hearing is scheduled for this month. Board consideration of the contract amendment will take place after the hearing. **(c) State Water Resources Control Board:** In July, the SWRCB released its final draft plan to increase water flows through the Lower San Joaquin River and its tributaries. SWRCB is proposing a 40 percent of unimpaired flow requirement. The proposed flow objectives are intended to increase the required flows left in rivers for the protection of fish and wildlife, but would significantly reduce water available to water users in the Lower San Joaquin River Watershed. **(d) Water Education Foundation Water Summit:** This event will take place on September 20<sup>th</sup> in Sacramento at the Westin Hotel. All board members are encouraged to attend. **(e) Groundwater Models Update:** The models are due to ship out the end of this week or at the latest next week.

**B. General Counsel Report:** General Counsel Ferre provided a written report on amended AB 2649.

**C. Directors' Report: Director Stephenson** reported that he attended two YVWD meetings. He also attended and reported on the Beaumont State of the City. **Director Thompson** reported on the SGPRWA meeting and also the Beaumont State of the City. **Director Ball** reported on the Beaumont State of the City and BCVWD Engineering meeting. **Director Duncan** reported on the Southern California Water Coalition, and the Cabazon Water District Board meeting. **Director Castaldo** reported on the Beaumont State of the City. **President Fenn** reported on the Beaumont State of the City, Southern California Water Coalition, and Beaumont Basin Watermaster meeting.

**C. Committee Reports:** A written report was provided by the Conservation and Education Committee: Director Thompson stated that he will have a more in-depth

report for the Board at the next board meeting. Director Duncan stated that the Capacity Fee committee met and will hold its next meeting in the later part of August or early September.

**6. New Business:**

**A. Consideration of Resolution No. 2018-04 Setting the Appropriation Limit for Fiscal Year 2018-2019:** A staff report, a copy of Resolution No. 2018-04, and a copy of the Appropriation Limit calculation sheet were included in the agenda packet. Finance Manager Thomas Todd stated that the Appropriations Limit of \$61,181,693 is what the Agency could spend, but will not spend. The calculation is set by the state. Director Ball made a motion, seconded by Director Thompson to adopt Resolution 2018-04 in accordance with the California constitution. Motion passed 7- 0.

**B. Consideration of Resolution No. 2018-05 Setting Tax Rate for FY 2018-2019:** A staff report and a copy of Resolution No. 2018-05 were included in the agenda packet. President Fenn stated that this item was discussed by the Board at the July Finance and Budget workshop. In light of a series of balloon bond payments due in 2026-2029 and the desire to not raise the tax rate at that time, the Board at that workshop voted to recommend that the Agency's tax rate remain at \$0.1825 per \$100 of assessed valuation for fiscal year 2018-2019. Director Duncan made a motion, seconded by Director Stephenson to maintain the tax rate at \$0.1825 for this fiscal year. Motion passed 7-0.

**C. Consideration of Adoption of Debt Service Budget for 2018-2019:** A staff report and a copy of the Debt Service Expense Requirements were included in the agenda packet. President Fenn stated that staff recommendation is that the Board adopts the debt service budget, with a tax rate for 2018-2019 of \$0.1825. Director Duncan made a motion, seconded by Director Castaldo to adopt the debt service budget, with a tax rate for 2018-2019 of \$0.1825. Motion passed 7-0.

**D. Consideration and Possible Action of Contracting with Ernst and Young:** A staff report and a copy of Ernst & Young Statement of Work were included in the agenda packet. General Manager Davis stated that the State Water Contractors hire an auditing firm to perform audits of DWR on an annual basis. The purpose of the audit is to ensure that DWR is making efficient use of the Contractors' funds and that Contractors are billed the proper amount. Director Ball made a motion, seconded by Director Thompson to approve contracting with EY to provide the audit. Motion passed 7-0.

**E. Consideration and Possible Action of Contract with Engineering Resources of Southern California for Beaumont Avenue Recharge Facility Post-design:** A staff report and a copy of the Beaumont Avenue Recharge Facility Post-design contract with Engineering Resources of Southern California were included in the agenda packet. General Manager Davis reported that the engineer responsible for the Fiesta project post design work and the Noble connection enlargement has switched firms. The purpose of this proposed Board action is to enable him to continue his work at approximately the same cost, but for another firm. The Agency previously had two agreements with Armstrong and Brooks engineers for Erik Howard's services – one for Fiesta and one for Noble enlargement. The purpose of the two proposed Board action items is to sign two new agreements with ERSC to continue Mr. Howard's services. During discussion General Manager Dan Jagggers (BCVWD) requested an accounting

to ensure BCVWD is not being over charged. Director Duncan made a motion, seconded by Director Ball to approve the contract with Engineering Resources of Southern California for Beaumont Avenue Recharge Facility Post-design. Motion passed 7-0.

**F. Consideration and Possible Action of Contract with Engineering Resources of Southern California for Noble Creek Enlargement:** A staff report and a copy of the Noble Creek Enlargement contract with Engineering Resources of Southern California were included in the agenda packet. Director Ball made a motion, seconded by Director Thompson to approve the Contract with Engineering Resources of Southern California for Noble Creek Enlargement. Motion passed 7-0.

**7. Topics for Future Agendas:** Director Thompson stated that he would like to review the accounting of the Noble Creek enlargement charges.

**8. Announcements:**

- A. Water Conservation and Education Committee Meeting, August 9, 2018 at 1:30 p.m.
- B. Engineering Workshop, August 13, 2018 at 1:30 p.m.
- C. Regular Board Meeting, August 20, 2018 at 1:30 p.m.

**9. Closed Session (3 Items): President Fenn recessed the meeting to closed session at – Time: 2:18 p.m.**

- 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
  
- B. CONFERENCE WITH REAL PROPERTY NEGOTIATORS  
Pursuant to Government Code Section 54956.8  
Property: Potential water rights/supplies offers from Kern County  
Water Agency  
Agency negotiator: Jeff Davis, General Manager  
Negotiating parties: Kern County Water Agency, Curtis Creel, General  
Manager  
Under negotiation: price and terms of payment
  
- C. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION  
Significant exposure to litigation pursuant to paragraph (2) and initiation of  
litigation pursuant to paragraph (4) of subdivision (d) of Government Code  
Section 54956.9 - One potential case

***President Fenn reconvened the meeting at – Time: 4:13 pm***

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

**10. Adjournment**

*President Fenn adjourned the meeting at: 4:13 pm*

*Draft - Subject to Board approval*

Jeffrey W. Davis, Secretary of the Board

**SAN GORGONIO PASS WATER AGENCY**  
**1210 Beaumont Avenue, Beaumont, CA 92223**  
**Minutes of the**  
**Board of Directors Engineering Workshop**  
**August 13, 2018**

**Directors Present:** David Fenn, President  
Blair Ball, Director (arrived 1:45 pm)  
David Castaldo, Director  
Ron Duncan, Vice President  
Steve Lehtonen, Director  
Leonard Stephenson, Director  
Michael Thompson, Director

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

**1. Call to Order, Flag Salute and Roll Call.** The Engineering workshop of the San Gorgonio Pass Water Agency Board of Directors was called to order by Vice President Duncan at 1:30 p.m., August 13, 2018 in the Agency Board room at 1210 Beaumont Avenue, Beaumont, California. Vice President Duncan led the Pledge of Allegiance to the flag. A quorum was present.

**2. Public Comment.** Tom Shaloub of Yucaipa Valley Water District indicated his support of the Sites Reservoir project, and urged the Board to continue its participation and investment in the project. Director Castaldo stated that although he had pulled papers to run for the Beaumont City Council, he did not file them, as he felt that he had made a commitment to the Agency and, once informed that the two offices were incompatible, made the decision to continue in his position as Director to fulfill his four year commitment.

**3. Review of Cal WaterFix Contract Amendment Agreement in Principle.** A copy of the Agreement in Principle was included in the agenda package. General Manager Davis noted that the AIP was derived from a series of negotiation sessions between the Public Water Agencies (Contractors) and the Department of Water Resources between February and June. The AIP will become the basis for actual contract amendment language, that will be drafted later. The amendment has two objectives—to supplement and clarify terms of the SWP water supply contract that will provide greater water management regarding transfers and exchanges, and a fair and equitable approach to cost allocation for the California WaterFix. General Manager Davis reviewed the document with the Board, indicating that it represents a major victory for the Contractors who wish to engage in more water exchanges and transfers for water management purposes. He also indicated to the Board that CEQA must be implemented for the amendment, and that this process has already begun. He related to the Board that the Department wishes for all Contractors to approve the AIP, even though approval would not result in any commitment on the part of the Agency, so that it can be assured that the AIP has wide support among the Contractors. It was the consensus of the Board that the General Manager bring the AIP to the Board for approval at the next Board meeting.



**4. Update on Sites Reservoir.** General Manager Davis reviewed a PowerPoint presentation with the Board, the location of Sites Reservoir, its planned yield, the governance structure of the Sites Reservoir JPA, the current status of the project, and a summary of the Phase 2 and Phase 3 funding strategy. He noted that he will bring a Phase 2 participation agreement to the Board for discussion in the near future, and that approval will be required by October or November if the Board wishes to continue investing, in order for the project to continue in a timely fashion.

**5. Discussion of Proposition 3, November Water Bond.** Several documents summarizing the bond and what types of projects it would fund were included in the agenda package. General Manager Davis mentioned that the Prop 3 committee spoke to the San Gorgonio Pass Water Alliance in July and asked for the support of the Alliance's members. General Counsel Ferre noted for the Board that, outside of a resolution of support for the Proposition, the Agency can not really take any action supporting it. No tax dollars could be used to lobby for it or influence the public to vote for or against it. After discussion, it was the consensus of the Board that a resolution of support for the water bond be brought to the next Board meeting for discussion, consideration, and a possible vote.

**6. Discussion of Fencing for Fiesta Recharge Project.** General Manager Davis told that Board that he and Finance Manager Tom Todd are gathering information from fencing contractors related to costs of fencing the project with different types of fencing, but that he didn't have enough information to present today. He suggesting putting this on the agenda for the September Engineering workshop. Director Castaldo mentioned that he has had constituents tell him to make sure that, whatever fencing is used, that it not be ugly.

#### **7. Announcements**

- A. Regular Board Meeting, August 20, 2018 at 1:30 p.m.
- B. San Gorgonio Pass Regional Water Alliance, August 22, 2018 at 5:00 pm—Banning City Hall
- C. Finance and Budget Workshop, August 27, 2018 at 1:30 pm.
- D. Vice President Duncan announced that Jon Israel, husband of Cabazon Water District Board member Maxine Israel, was killed in an accident on the 10 Freeway last week. He noted that a funeral will be held Saturday, August 18 at noon at the Cabazon Community Center.

#### **8. Adjournment**

Vice President Duncan adjourned the meeting at 3:10 pm

Draft—subject to Board approval  
Jeff Davis, Secretary to the Board

## **Water Conservation and Education Committee Report**

**August 20, 2018**

The Water Conservation and Education Committee is bringing two items to the Board for consideration at today's Board meeting.

The first is a \$10,000 donation to the Water Resources Institute at Cal State, San Bernardino. In addition to helping develop the WRI archives, which include a large amount of data from the Agency's service area, the donation would enable the Agency to get a student intern for 325 hours of work over the next school year. The Committee wants to use this intern to develop a social media footprint for the Agency that will enable it to be more visible in the communities we serve.

The second is a revision to this year's IERCD proposal to increase the amount of the contract from \$10,000 to \$12,700 and increasing the number of water conservation programs to students from 18 to 36. The Committee feels that, even with the groundwater model program for the high schools, we don't want to cut back substantially on the other programs that we have delivered for the past several years.

The Committee looks forward to discussing these items with the Board at today's meeting.

Mike Thompson, Chair, Water Conservation and Education Committee

## MEMORANDUM

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**TO:** Board of Directors

**FROM:** General Manager

**RE:** Agreement in Principle for Contract Amendment for Cal Waterfix and Water Management Tools

**DATE:** August 20, 2018

**Summary:**

The purpose of this proposed Board action is to determine if the Board wishes to approve the Agreement in Principle for the Cal WaterFix and Water Management Tools contract amendment reviewed at the August Engineering workshop. In this case, “Approve” does not commit the Agency to anything but rather notifies the Department of Water Resources that the Agency supports the principles negotiated for the contract amendment.

**Background:**

When the State Water Contractors negotiated a contract extension amendment with the Department of Water Resources three years ago, the Contractors wanted to include additional water management tools (more flexible water exchanges and transfers) in the amendment language. Because of the urgency to complete that amendment in a timely manner, the Department recommended that the water management tools be included in the next contract amendment, which would relate to the Cal WaterFix. The Contractors agreed, and when negotiations began to discuss the Cal WaterFix amendment, the water management tools were included.

Contractors have long felt that the Department has been too conservative in interpreting the Water Supply Contract in regard to transfers and exchanges of Table A water. The existing contract says very little about such transactions, either authorizing or precluding them. The Contractors wish to have more flexibility to transfer and/or exchange water among Contractors when both parties can benefit. That was a major objective of the negotiations for this amendment.

**Detailed Report:**

Staff reviewed the key elements of the Agreement in Principle with the Board at the August 13 Engineering workshop. Some of the key provisions that are beneficial to the Agency and to other Contractors include:

- The ability to implement multi-year transfers and to set the terms of these transfers.
- The ability to transfer or exchange carryover water in San Luis Reservoir.
- The ability to use San Luis Reservoir as a delivery point for transfers and exchanges.
- The termination of the Turnback Pool as a transfer mechanism.
- The ability to be both a buyer and a seller of water in the same year.
- The allocation of Cal WaterFix costs so as to exempt North of Delta Contractors who do not benefit from the project.

**Fiscal Impact:**

There is no immediate fiscal impact to approving the AIP language. This approval does not commit the Agency to any future costs. Upon bringing the actual amendment language to the Board, probably early next year, staff will have a detailed discussion of the potential fiscal impact of the amendment.

**Recommendation:**

Staff recommends that the Board approve the Agreement in Principle language included in the agenda package, thereby notifying the Department of Water Resources that the Board is supportive of the language negotiated and is ready to proceed with the CEQA process.

# DRAFT WORKING DOCUMENT FOR PUBLIC DISCUSSION

Draft 3 – June 27, 2018

Doc # 00115

## Draft Agreement in Principle for the SWP Water Supply Contract Amendment for Water Management and California WaterFix

This straw proposal for a draft Agreement in Principle (AIP) is from the Consolidated Talking Points as of May 30, 2018 from the contract amendment negotiations. Many provisions are under discussion and the workgroup will update the Draft AIP after future public negotiations. [Format used in this document is preliminary and is subject to revision.]

### DRAFT Proposed Project Objectives

The California Department of Water Resources and the PWAs have agreed to the following proposed project objectives for amending the SWP water supply contract:

- 1) Supplement and clarify terms of the SWP water supply contract that will provide greater water management regarding transfers and exchanges of SWP water within the SWP service area;
- 2) Provide a fair and equitable approach for cost allocation of California WaterFix facilities to maintain the SWP financial integrity.

### I. PRINCIPLES TO ACHIEVE DRAFT PROPOSED OBJECTIVE FOR WATER MANAGEMENT TOOLS AND ACTIONS

#### 1. Water Transfers.

- 1.1. **Terms of a Transfer Agreement:** The PWAs shall determine duration and compensation for all transfers; this includes allowing single, Transfer Packages and multi-year transfers to be as long as the remainder of the term of the contract.
- 1.2. **Transfer Package Definition:** A Transfer Package is comprised of two or more transfer agreements between the same PWAs. If a transfer package is presented to DWR for approval, DWR shall consider each proposed transfer within the package at the same time and shall apply the transfer criteria listed below in the review of each transfer. DWR shall not reclassify a Transfer Package or Transfer as an exchange.

## DRAFT WORKING DOCUMENT FOR PUBLIC DISCUSSION

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- 1.3. All contract language in Article 56(d) and language related to the Turnback Pool shall be removed.

### **2. Water Exchanges.**

- 2.1 Article 56(f) will be revised to include language permitting consideration of hydrology under a bona fide exchange and will include the following criteria for return ratios:

For SWP allocations  $\geq 50\%$ , return ratio is up to 2: 1

For SWP allocations  $> 25$  and  $< 50\%$ , return ratio is up to 3: 1

For SWP allocations  $>15\%$  and  $\leq 25\%$ , return ratio is up to 4: 1

For SWP allocations  $\leq 15\%$ , return ratio is up to 5:1

- 2.2. The PWAs shall use the applicable return ratio using the SWP allocation at the time the exchange transaction is executed between the PWAs.
- 2.3. Notice to Contractors 17-11 Attachment A, Section A, Bona Fide Exchanges, Item 4 Cost compensation reads as follows: Maximum cost compensation for a bona fide exchange may not exceed the exchanging PWAs combined conservation facilities, transportation facilities, and CWF facilities' fixed charges (capital and minimum charges including capital surcharges). The allocation percentage in the denominator of the compensation calculation will be set by the SWP allocation which has incorporated the May 1 monthly Bulletin 120 runoff forecasts. If exchanges are requested prior to the allocation identified above, DWR will provide timely approval with the obligation of the PWAs to meet the requirement of the maximum compensation – if the compensation exceeds the maximum, the PWAs will re-visit the agreement and adjust the compensation. If a cost adjustment is made, the PWA must notify DWR.

### **3. Transfers and Exchanges, including Transfers and Exchanges using Carryover Water in San Luis Reservoir (SLR).**

- 3.1. **Buyers and Sellers in Same Year.** PWAs may be both buyers and sellers in the same year and enter into multiple transfers and/or exchanges in the same year.
- 3.2. Basic Criteria Required for Proposed Transfers and Exchanges.
  - 3.2.1 Transfers and exchanges must be transparent.
  - 3.2.2 Transfers and exchanges must not harm non-participating PWAs.

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- 3.2.3 Transfers and exchanges must not create significant adverse impacts in a PWA service area.
- 3.2.4 Transfers and exchanges shall comply with all applicable laws and regulations.
- 3.2.5 Transfers and exchanges shall be scheduled only if they do not impact normal SWP operations.
- 3.2.6 Transfers and exchanges shall not impact the financial integrity of the SWP.
- 3.2.7 A PWA may petition the Director for an exception in the following cases. In each case, the PWA must provide explanatory information to the Director.
  - A transfer or exchange does not meet the basic criteria, but the PWA feels that there is compelling need to proceed with the transfer or exchange.
  - A PWA that has received water in a transfer or exchange cannot deliver all of the water from the transaction in the same calendar year, and wishes to carry over the water in its name.

The Director shall have discretion to approve exceptions.

### 3.3. **Dispute Resolution Process, Prior to Executing an Agreement.** PWAs and DWR shall comply with the following process to resolve disputes if a PWA that is not participating in the transfer or exchange claims that the proposed transfer and/or exchange has a significant adverse impact.

- 3.3.1 Any claim to a significant adverse impact may only be made after the submittal of a term sheet to DWR and before DWR approves a transfer/exchange agreement.
- 3.3.2 In the event that any dispute can't be resolved among the PWAs, DWR will convene a group including DWR (the Chiefs of SWPAO, Legal, and Operations or their designees) and the PWA parties involved (PWA representatives to be chosen by each PWA party). Any PWA claiming an adverse impact must submit written documentation to support this claim and identify a proposed solution. This documentation must be provided 2 weeks in

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advance of a meeting of the group that includes SWPAO, Legal, Operations and the involved PWA representatives.

- 3.3.3 If this group can't resolve the dispute, the issue will be taken to the Director of DWR.
- 3.3.4 The Director's decision will be the final.
- 3.4. **Water Delivery Priorities:** Exchange and transfer water shall be scheduled in accordance with Article 12 (f) priorities retaining the associated priority level. The transfer water will not have the protection of Article 14(b) and the delivery cannot impact any other PWAs.
- 3.5 Although DWR will not be a party to any transfer or exchange agreement between the PWA's, DWR and the PWAs shall enter into an agreement to address DWR's role in effectuating the transfer or exchange. Such agreement shall include certain standardized provisions designed to protect SWP operations, finances and liability, along with other provisions tailored to the particular transaction or as otherwise agreed among DWR and the PWAs.
- 3.6 **Timely Processing.** DWR will timely process requests to be incorporated into the schedule to deliver water that given year.
- 3.7 **Shortages:** In regards to shortages, DWR retains authority as set forth in Article 18(a).
- 3.8 **Article 21.**
  - 3.8.1 Tulare Lake Basin Water Storage District, Empire Westside Irrigation District, Oak Flat Water District, and Kings County may transfer a portion of their Article 21 water to another PWA.
  - 3.8.2 The Director, in his or her discretion, may approve the transfer of a portion of other PWA's allocation of Article 21 water to another PWA where there is a special need for the transfer. The Department will prepare criteria to be applied for the review of a PWA request to transfer Article 21 water. This will not impact the Department's process for allocating Article 21 water.
- 4. **PWA Due Diligence.**
  - 4.1 Each PWA participating in an exchange or transfer shall confirm the following in a resolution or other appropriate document approving the transfer or



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exchange, including the use of stored water/carryover water, if applicable, provided to DWR as follows:

- 4.1.1 That the PWA has complied with all applicable laws for this transfer/exchange and shall specify the notices that were provided to the public agencies and the public regarding the proposed transfer or exchange.
  - 4.1.2. That the relevant terms of the transfer/exchange have been provided to all State Water Project PWAs and the SWC Water Transfer Committee;
  - 4.1.3. That the PWA is informed and believes that this transfer/exchange will not harm other SWP PWAs, or impact SWP operations.
  - 4.1.4. That the PWA is informed and believes that the transfer/exchange will not affect its ability to make all payments, including payments for its share of the financing costs of DWR's Central Valley Project Revenue Bonds, when due, under its water supply contract.
  - 4.1.5. That the PWA has considered the potential impacts of the transfer/exchange within the PWA's service area.
- 4.2. Add language to the contract that requires PWAs parties to an exchange or transfer to publicly post and provide information to non-party PWAs. The PWAs and DWR agree that DWR will send a Notice to Contractors to outline the following process related to transparency for transfers and exchanges:
- At the time the PWA parties submit the Contract Information Form to DWR, they will provide the Contract Information Form to the non-party PWAs. During the time period beginning with the PWA parties submitting the Contract Information Form to DWR and the time before there is a final agreement with DWR for storage or conveyance, the PWA parties will publicly post information regarding the transfer or exchange. If applicable, the PWA parties will request the State Water Contractor Board to support the water transfer. If the State Water Contractor board votes to support the transfer or exchange, the General Manager will send a letter of support to DWR and to the non-party PWAs. Once a storage or conveyance agreement is completed it will be provided to the non-party PWAs.
- 4.3. If requested by the DWR Director with respect to any confirmation of Basic Criteria for Transfers, Exchanges and Carryover Water, the PWA shall

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cooperate with DWR in providing DWR with information supporting the basis for the confirmation or basic criteria.

### 5. **Stored Water/Carryover Water.**

5.1. **Store and Transfer SWP Water in the Same Year.** Modify Article 56(c)(4) and any other applicable sections to allow PWAs to store and transfer Table A water in the same year and modify Article 56(c) and any other applicable sections to allow a PWA to transfer Table A water to another PWA's service area. DWR will continue to coordinate through the PWAs under the existing SWP contracts.

5.2 **Carryover Water Program:** Carryover Water Program shall require transfers and/or exchanges of carryover water in years of need, as confirmed by the receiving PWA, to meet the following criteria:

5.2.1 Carryover water available for transfer or exchange in this amendment is defined only as stored water described in Article 56(c)(1) and 56(c)(2) and not 12(e).

5.2.2 Carryover water may only be exchanged or used in single-year transfers.

5.2.3 The PWA purchasing the carryover water must take delivery, in its service areas, unless an exemption is granted under 5.2.8.

5.2.4 A PWA may transfer or exchange up to 50% of its carryover water.

5.2.5 A PWA may transfer/exchange greater than 50% of its carryover water, if the PWA demonstrate that the transfer or exchange of carryover water will not prevent it from meeting critical water needs in the current year or the following year and obtain approval by DWR Director.

5.2.6 All transfer and exchange of carryover water are subject to section 4.2.

5.2.7 The PWA receiving the water must confirm that the PWA has a need for that water for use within its service area during the current year unless an exception is granted under 5.2.8.

5.2.8 A PWA may request an exception for the following, but not limited to, from the DWR Director:

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- 5.2.8.1 For any exceptions to the criteria listed above;
- 5.2.8.2 Requests for the transfer and exchange of stored (or carryover) water prior to this water being displaced; and
- 5.2.8.3 Using San Luis Reservoir as the transfer/exchange point.

## II. PRINCIPLES TO ACHIEVE OBJECTIVE FOR CWF COST ALLOCATION

1. These costs would be billed to and collected from SWP PWAs participating in the SWP portion of CWF (Participating PWAs), except those SWP PWAs situated north of the Delta (Non-Participating PWAs), through their annual Statement of Charges (SOC).
2. **CWF Facilities Definition:** CWF Facilities shall mean those facilities that are constructed to convey water from the north Delta to the south Delta through facilities as described in the California Water Fix Final EIR/EIS SCH #2008032062. In general, CWF Facilities will divert water from the Sacramento River through three intakes on the east bank of the Sacramento River, through pipelines and tunnels to the south Delta, to new forebay located northwest of the existing Clifton Court Forebay, and finally to connections with the California Aqueduct north of the Jones and Banks pumping plants.
3. **CWF Facilities Charge Components:** The purpose of the CWF Facilities is water conservation and/or transportation. Accordingly, all capital and minimum operations, maintenance, power and replacement (OMP&R) costs associated with the CWF Facilities are 100% reimbursable and shall be recovered by the DWR from Participating PWAs through their annual SOCs. These costs shall be allocated to and billed under two new charges as follows:
  - (1) CWF Facilities Capital Charge Component
  - (2) CWF Facilities Minimum OMP&R Component
4. **CWF Facilities Capital Charge Component Method of Computation**
  - 4.1 This computation will recover actual annual debt service created by financing activities (Financing Method) for CWF Facilities.
  - 4.2 Each Financing Method shall provide an annual repayment schedule, which includes all Financing Costs.
  - 4.3 Financing Costs shall mean the following:
    - 4.3.1 Principal of and interest on Revenue Bonds,

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- 4.3.2 Debt service coverage required by the applicable bond resolution or indenture in relation to such principal and interest,
  - 4.3.3 Deposits to reserves required by the bond resolution or indenture in relation to such Revenue Bonds, and
  - 4.3.4 Premiums for insurance or other security obtained in relation to such Revenue Bonds.
- 4.4 Financing Method shall be divided into four categories:
- 4.4.1 CWF Facilities Capital Costs paid with the proceeds of Water System Facility Revenue Bonds,
  - 4.4.2 CWF Facilities Capital Costs paid with amounts in the State Water Resources Development System Reinvestment Account,
  - 4.4.3 CWF Facilities Capital Costs paid annually for assets that will have a short Economic Useful Life or the costs of which are not substantial, and
  - 4.4.4 CWF Facilities Capital Costs prepaid by the Participating PWAs.
- 4.5 CWF Facilities Capital Charge Component should be allocated to the Participating PWAs in proportion to the CWF Facilities Allocation Factors for each calendar year.
- 5. CWF Facilities Minimum OMP&R Charge Component Method of Computation**
- 5.1 Recovery will be estimated and/or actual annual OMP&R costs determined for the CWF Facilities each year.
  - 5.2 CWF Facilities Minimum OMP&R Charge Component shall be allocated to the Participating PWAs in proportion to the CWF Facilities Allocation Factors for each calendar year.
- 6. CWF Facilities Energy Charges** – The CWF energy costs are 100% reimbursable by the PWAs and the methodology will be determined by the interim SWRDS Finance Committee.
- 7. CWF Facilities Allocation Factors** – The following table is a preliminary allocation of CWF Facilities participation percentages for the Non-Participating

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PWAs and the Participating PWAs. Only Participating PWAs would be billed for CWF Facilities Charge Components through their annual SOC, using the CWF Facility Allocation Factors described in the table. Non-Participating PWAs would not be billed for repayment of costs for construction, operation and maintenance of facilities associated with CWF, except to the extent there is a permanent transfer of Table A from a Participating PWA to a Non-Participating PWA as set forth in principle 11.

<b>Non-Participating PWA</b>	<b>CWF Facilities Allocation Factors</b>
City of Yuba City	exempt
County of Butte	exempt
Plumas County FC&WCD	exempt
Napa County FC&WCD	exempt
Solano County Water Agency	exempt
<b>Participating PWA</b>	<b>CWF Facilities Allocation Factors</b>
Alameda County FC&WCD, Zone 7	1.9875%
Alameda County Water District	1.0355%
Santa Clara Valley Water District	2.4654%
Dudley Ridge Water District	1.0194%
Empire-West Side Irrigation District	0.0740%
Kern County Water Agency-Total	24.2278%
County of Kings	0.2294%
Oak Flat Water District	0.1405%
Tulare Lake Basin Water Storage District	2.1565%
San Luis Obispo County FC&WCD	0.6163%
Santa Barbara County FC&WCD	1.1214%
Antelope Valley-East Kern Water Agency	3.5709%
Santa Clarita Valley Water Agency	2.3470%
Coachella Valley Water District	3.4108%
Crestline-Lake Arrowhead Water Agency	0.1430%
Desert Water Agency	1.3744%
Littlerock Creek Irrigation District	0.0567%
Mojave Water Agency	2.2139%
Palmdale Water District	0.5251%
San Bernardino Valley Municipal Water District	2.5295%
San Gabriel Valley Municipal Water District	0.7100%
San Geronio Pass Water Agency	0.4265%
The Metropolitan Water District of Southern California	47.1253%
Ventura County Watershed Protection District	0.4931%
<b>Total</b>	<b>100.000%</b>

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8. **Repayment Schedule Table** – The amount to be paid by the Participating PWAs for each year under the CWF Facilities Capital and Minimum OMP&R charge Components shall be set forth in a Repayment Schedule Table.
9. **Charge Redetermination** – The CWF Facilities Capital and Minimum OMP&R Charge Components shall be subject to Charge Redetermination.
10. **Annual Statement of Charges** – The CWF Facilities Capital and Minimum OMP&R Charge Components shall be included in a separate invoice that is included in the annual SOC and shall be subject to the time and method of payment for Capital and Minimum OMP&R Components.
11. **Permanent Transfer of Contract Rights** – Any permanent transfer of Table A contract rights of a Participating PWA shall be accompanied by a pro-rata transfer of that PWAs rights and responsibilities with respect to CWF.
12. **CWF Facilities Use Of Facilities Charge** – If a Non-Participating PWA transfers allocated Table A to a Participating PWA, then no fee will be charged to the PWAs involved in the transaction. Other transactions may result in a fee sufficient to cover all (1) capital, (2) minimum operations, maintenance, power and replacement (OMP&R) costs, and (3) variable OMP&R costs, associated with this usage.
13. **Water Delivery Principles** – Participating PWAs moving water in excess of their CWF Facilities Allocation Factor shall schedule deliveries in a manner that does not harm other participating PWAs and shall be subject to the delivery priorities set forth in Article 12(f) of the Contract.
14. **Power Cost Incurred During Construction:** Per the DWR capitalization policy, any power costs (for example, power supply, grid connections, transmission) incurred to construct the CWF facilities shall be capitalized during Construction Work in Progress, as used in DWR's financial statements, and costs are 100% reimbursable recovered through the CWF Facilities Capital Charge Component.

### III. ENVIRONMENTAL REVIEW PROCESS

1. DWR and the PWAs agree that this AIP is intended to be used during the environmental review process for the California Environmental Quality Act (CEQA), to define the proposed project description for the purposes of CEQA, and to permit the next steps of the SWP water supply contract amendment process, including scoping and the preparation of the EIR. The AIP principles are not final contract language and do not represent a contractual commitment by either DWR or the PWAs to approve any proposed project or to sign contract

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amendments. By concurring with the AIP, DWR and the PWAs express their intent to move forward with the CEQA process with DWR as lead agency and the PWAs as responsible agencies, and ultimately develop a proposed project consisting of contractual amendments consistent with the AIP principles and prepare the EIR for consideration by DWR and the PWAs.

2. At the end of the CEQA process and in compliance with CEQA, DWR and the PWAs will each individually evaluate the EIR and contract amendments, exercise their independent judgment, and determine whether or not to certify the EIR, approve the proposed project and sign the contract amendments or to approve an alternative project. Consequently, even though DWR and the PWAs have agreed to the AIP for the purposes described in the preceding paragraphs, DWR and each PWA retain their full discretion under CEQA to consider and adopt mitigation measures and alternatives, including the alternative of not going forward with the proposed project.

## MEMORANDUM

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**TO:** Board of Directors

**FROM:** General Manager and Water Conservation and Education Committee Chair Thompson

**RE:** Contribution to Water Resources Institute and Contracting for Student Intern

**DATE:** August 20, 2018

**Summary:**

The purpose of this proposed Board action is to determine if the Board wishes to make a \$10,000 contribution to the Water Resources Institute at Cal State, San Bernardino, and in exchange receive 325 hours of a student intern. This agenda item is from the Water Conservation and Education Committee, which approved bringing this item to the Board at its July meeting.

**Background:**

The Board discussed a possible contribution to the Water Resources Institute at Cal State, San Bernardino at its July 2 meeting. At that meeting, the Board referred the item to the Water Conservation and Education Committee, which met with the WRI Director, Suzie Earp, at its July meeting.

At that meeting, Director Earp related how many water agencies have made a \$10,000 contribution to the WRI and received a student intern for up to 325 hours of work. The value of the intern is between \$6000 and \$7000, according to Director Earp. The Committee then directed the General Manager to develop a task list for a student intern that focuses on developing a social media footprint for the Agency.

At its August meeting, the Committee approved the task list included in the agenda package, recognizing that the cost for the intern and contribution would come from the Agency's water conservation and education budget. The Committee believes that the ability to bring in



a student intern well versed in social media and with good computer skills is worth the contribution to the WRI.

**Detailed Report:**

The WRI, as noted at the July 3 Board meeting, has an outstanding water resources archive that includes a lot of information from the Agency's service area. In fact, the founding archival gift to the WRI was from Joseph P. Rowe, who along with his father, Penn Rowe, were the District engineers for the Beaumont Cherry Valley Water District for over 40 years.

One of the WRI's programs is to provide student interns for water agencies in exchange for contributions. Student interns have been from multiple disciplines, including chemistry, geography, management, education, and communication. In many cases, student interns have eventually found full-time jobs with their employer upon graduation.

The Water Conservation and Education Committee believes that the Agency could develop an excellent social media footprint using a student intern, and could use that footprint in a number of ways, including educating the public on the Agency's mission, water rate, capacity fee, and providing good public relations that could increase attendance at a planned State of the Water Supply event being planned for Spring 2019.

The Committee, working with the General Manager, has developed a list of tasks that could be accomplished by such an intern. The list is included in the agenda package. Were the Board to approve the contribution, staff would work with the WRI to get a Communications major on board as an intern early in the school year, which begins in late September.

**Fiscal Impact:**

There is a sufficient budget for water conservation and education to fund the proposed contribution. The Committee feels that the value that the Agency would obtain from the intern's work is worth the proposed contribution of \$10,000.

**Recommendation:**

It is the recommendation of the Water Conservation and Education Committee that the Board authorize a \$10,000 contribution to the Water Resources Institute at Cal State, San Bernardino, and that the Agency contract with the WRI for a student intern for up to 325 hours of work that would focus on developing a social media footprint for the Agency.

## Potential Task List for Student Intern

Preference: Communications major with strong computer skills

- Review Agency web site on regular basis, make recommendations for improvements, updates
- Review Alliance web site on regular basis, make recommendations for improvements, updates
- Draft press releases and other web content as directed
- Develop a Facebook page for the Agency under the direction of the General Manager
- Link the Facebook page to other social media outlets
- Develop a Twitter account for the Agency
- Develop an Instagram account for the Agency
- Generate content for the Twitter account under the direction of the General Manager
- Develop a Facebook ad for the Agency under the direction of the General Manager
- Monitor use and value of Agency's Facebook page and other social media outlets and report results to General Manager
- Recommend strategies for expanding social media footprint of the Agency; make recommendations to General Manager
- Help prepare content for State of the Water Supply event, under the direction of the General Manager
- Develop social media campaign to publicize Agency's State of the Water Supply event
- Help educate Agency staff in use of social media

## MEMORANDUM

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**TO:** Board of Directors

**FROM:** General Manager and Water Conservation and Education Committee Chair Thompson

**RE:** Consideration of Revised Proposal from Inland Empire Resource Conservation District

**DATE:** August 20, 2018

### **Summary:**

The purpose of this proposed Board action, recommended by the Water Conservation and Education Committee, is to determine if the Board wishes to increase its expenditures for school education programs from \$10,000 to \$12,700 for this fiscal year.

### **Background:**

On July 2, the Board approved a proposal from the Inland Empire Resource Conservation District (IERCD) for \$10,000 to present water education programs in local schools and to work with high schools to get groundwater models into the curriculum for science students. The \$10,000 amount was the same amount the Agency has contracted with the IERCD for for the past several years.

Upon further review of the proposal, the Water Conservation and Education Committee felt that they did not want to reduce the number of water education programs so drastically in order to accommodate the groundwater model program. The Committee directed staff to ask the IERCD for a revised proposal that is included in this agenda package. The revised proposal includes 36 water education programs instead of 18, in addition to the work with the groundwater models. The additional cost is \$2700.

### **Detailed Report:**

The Agency has worked with the IERCD for a number of years to produce water education programs for students at all levels of school, from Kindergarten through high school. This year, the Agency

decided to spend more on high schools by purchasing tabletop groundwater models and providing them to the high schools for their use with science classes. The cost of this work necessarily decreased the number of water education programs, assuming the Agency did not want to increase their costs.

The Water Conservation and Education Committee, upon further review of this, felt that it did not want to decrease the number of conservation programs and asked for a revised proposal from IERCD. The result is the proposal in the agenda package.

If the Board were to approve the revised proposal, it would increase the amount spent on school education programs from \$14,000 to \$16,700. The Committee feels that this is worthwhile, and that there is enough money in the budget for other conservation programs that the Agency can still stay on budget for overall water conservation programs, even with the revised proposal.

**Fiscal Impact:**

The \$2700 in additional costs does not represent a major expenditure for the Agency. In fact, the Water Conservation and Education Committee believes that even with the revised proposal, the Agency can stay within its overall water conservation and education budget for the year.

**Recommendation:**

The Water Conservation and Education Committee recommends that the Board approve the included revised proposal from IERCD for \$2700 more, to be used to produce 18 additional water conservation programs for school children this year.

# CONTRACT FOR PERFORMANCE OF WATER CONSERVATION PUBLIC OUTREACH PROGRAMS

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**2018-19 Academic Year**

**Proposal To:**

*San Geronio Pass Water Agency (SGPWA)  
Contact: Jeff Davis, General Manager  
1210 Beaumont Ave  
Beaumont, Ca 92223*

**Proposal From:**

*Inland Empire Resource Conservation District  
Contact: Mandy Parkes, District Manager  
25864-K Business Center Drive  
Redlands, CA 92374*



INLAND EMPIRE  
RESOURCE  
CONSERVATION DISTRICT

# INLAND EMPIRE RESOURCE CONSERVATION DISTRICT BACKGROUND:

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This proposal is being presented to the San Gorgonio Pass Water Agency (SGPWA), from the Inland Empire Resource Conservation District (IERCD/the "District"). The IERCD is a public agency, headquartered in the City of Redlands and serving the residents of both cities and unincorporated areas of San Bernardino and Riverside Counties. The District operates under the principle that the quality of the environment determines the corresponding quality of life; accordingly, IERCD board and staff work to perform the restoration, conservation, and education and outreach work designed to benefit local residents, wildlands, and dependent environs. Tasks associated with this work include preservation of open space, removal of invasive vegetation and replacement with appropriate native species, and dissemination of conservation information to area students and community groups.

The performance of environmental education programs to a variety of audiences within the District's service area is a key function of the Inland Empire Resource Conservation District. Three full-time educators and one part-time educator, overseen by one full-time education coordinator are tasked with presentation of eight core programs directly correlated to the Next Generation Science Standards for California Public Schools as well as the nationwide Common Core standards as part of the District's service to its residents. IERCD education programming has steadily increased since inception, with a total of 970 programs presented to 29,100 students in the 2015-16 school year, up from a total of 48 programs presented to 1,440 students in the 2003-04 school year. This significant increase in number of annual presentations has been accompanied by multi-disciplinary educator training, development of detailed lesson plans and pre/post-program activities to build content comprehension, and an improved distribution of programs among IERCD's service area. These improvements to IERCD presentations have resulted in a program package that is both highly attractive to requesting educators and effective for participating students as evidenced by administration of post-program content quizzes.

The 2018-19 proposal for water conservation programming on behalf of the San Gorgonio Pass Water Agency is being presented for consideration and possible adoption in the 2018-19 fiscal year.

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## BUDGET DESCRIPTION

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### CLASSROOM PROGRAMS

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**Total Classroom Programs:** 18, to be performed in a range of K-12 classrooms and including all of the following services:

- *Outreach to educators and community groups:*
  - Creation and distribution of SGPWA hard copy and electronic flyers

- Presentations directly to district-wide administrator meetings and/or grade level and full staff school meetings.
- Incentives for booking programs advertised to schools and community leaders
- Email outreach to SGPWA-service area partners advertising WUE programs
- *Each individual program will be performed to the following standards:*
  - Consistency with newly and in-progress education standards including:
    - Common Core Standards
    - Next Generation Science Standards
  - Program preparation and post-performance reinforcement of content: each requesting educator will receive grade-appropriate preparation vocabulary/abbreviated activity ideas to prepare students for program concepts, in addition to questions and activities designed to maximize content retention following program performance.
  - Minimization of waste through use of the following educational tools
    - Electronic presentation using Prezi rather than hard copy materials
    - Using portable hand-held white boards to minimize use of paper and maximize student engagement throughout all segments of programming
  - Hands-on activities consisting of one of the following:
    - Water Conservation Enviroscope® model or aquifer model
    - Native plant activity involving student planting of drought-tolerant wildflower/shrub seeds in individual peat pots to take home
  - Check for comprehension: at the end of every program, the educator will administer a short quiz entitled "Do you remember" focusing on major concepts of the Water Use Efficiency presentation
  - Other activities, time permitting:
    - Question wheel with small conservation-themed prizes for correct answers
    - Additional activities and short games designed to increase content retention for participating students.

*FEE BREAKDOWN FOR CLASSROOM PROGRAMS:*

<b>Task</b>	<b>Description</b>	<b>Approximate Cost</b>
Program Preparation/ Clean-up	Assembling materials, Travel, Set-up, Clean-Up	\$30.00
Presentation	Classroom Content Portion	\$60.00
Materials/Mileage/Outreach/ Misc Program Development	Enviroscope® or Aquifer Model Materials, Handouts, Mileage	\$60.00
<b>Per-Program Total</b>		<b>\$150.00</b>
<b>Total Programs Proposed</b>		<b>36</b>
<b>Set-Up Fee</b>		<b>\$550.00</b>
<b>Total Potential Cost for FY 2018-19 Classroom Programs</b>		<b>\$5,950</b>

**GROUNDWATER DYNAMICS USING 3-DIMENSIONAL MODEL**



**Summary:** The San Gorgonio Pass Water Agency (SGPWA) board of directors consistently works to determine most effective methods of water conservation education and outreach to residents within their service area. To date, the majority of these methods have focused on IERCD-led instruction in the classroom and at SGPWA headquarters; however, in the current fiscal year, the Agency and IERCD are exploring the potential to stretch the impact of these monies even further. The model suggested by SGPWA is to train educators within Agency boundaries on the fundamentals of water conservation presentation and model demonstration; once trained, these teachers would then be able to pass this training along to both colleagues and directly to their K-12 students. Using this model, the reach of dollars invested in annual resource management in SGPWA service area is projected to grow significantly, increasing total number of residents aware of the role of groundwater management in ensuring ongoing regional supply.

The approach for layering training on top of program requests is projected to include the following core elements:

1. SGPWA will purchase and provide four groundwater models for the three local high schools (Yucaipa, Beaumont, Banning) and one for IERCD use.
2. IERCD will develop protocol and train the pre-selected teachers on how to best prepare, facilitate presentations and model use, then provide content reinforcement opportunities to most effectively communicate importance of groundwater to participating students.
3. After initial training it would be up to the schools to decide how they would use them, how frequently, and for what classes, although IERCD will provide a suggested framework to lead teachers in an attempt to maximize model sharing and use among faculty members.
4. The IERCD will retain responsibility for models on behalf of SGPWA, through dropping them with the lead teacher at the beginning of each school year and picking them up at the end of each school year. This regular contact will help IERCD assist teachers with maintenance of models for maximum lifetime and function, and will also provide regular opportunities to update classroom and pre/post classroom content.

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#### SGPWA AQUIFER MODEL TRAINING PROGRAM

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**Training approach:** in the current contract, SGPWA has requested that IERCD facilitate two teacher workshops on campuses within its service area. This requirement has the potential to focus on objectives stated in the contract covering 2018-19, but also has the potential to include a specific focus on aquifer model and instruction strategy

- Participants: SGPWA will identify one “lead” teacher from each high school; IERCD will also directly outreach to departments in each high school for additional participation
- Agenda for trainings: Aquifer model excerpt
  - Review of SGPWA role in groundwater management/long-term regional water supply development and sustainability; partnership between IERCD-SGPWA
  - Review of standards corresponding to aquifer demonstration: Next Generation Science Standards (NGSS); specifically, *HS-ESS2-5. Plan and conduct an investigation of the properties of water and its effects on Earth materials.*
    - *Emphasis is on mechanical and chemical investigations with water and a variety of solid materials to provide the evidence for connections between the hydrologic cycle and system interactions commonly known as the rock cycle.*
  - Review of topics directly/indirectly connected to aquifer use:
    - Geological materials; sand, soil, gravel, rock

- Infiltration
- Recharge
- Soil moisture
- Water table
- Storage
- Contaminants/Treatment
- Structure of classroom use of aquifer model:
  - Pre-program content
    1. Vocabulary
    2. Age/class-appropriate activities to conduct in days leading up to aquifer program
  - Prezi– online presentation capable of integrating audio/video with graphics that are easily updated; IERCD groundwater model Prezi will be provided in hardcopy, with training attendees walked through each frame, and Q/A on content. Focus on ability of each teacher to begin with existing Prezi template, and modify for individual class needs
  - Model facilitation
  - Post-program materials:
    1. Content comprehension quizzes
    2. Post-program activities
    3. Link to resources to allow instructors to tailor presentation and pre/post program content to class needs
- Small group work to experiment with models, ask additional questions
- All participants leave with flash drive of suite of documents covering aquifer model preparation, facilitation, post-program reinforcement, plus proper care and maintenance to lengthen life of model

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## PROGRAM OPERATIONS

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**Approach:** the IERCD is also planning to develop a companion set of guidelines for individual campus use of models, to include the following elements:

- Design of individual campus trainings for participating teachers focusing on aquifer model storage and use guidelines
- Template calendar for teachers to allow transition of model among classrooms, to include a recommended timeframe for participating teachers
  - Role of Science team lead at each school site to keep model moving between users
- Development of training materials for use and care of models
- Additional availability of IERCD support for participating teachers, ranging from model care/maintenance to classroom support to pre/post-program help
- IERCD staff will collect models at end of school year, clean and store over the summer months, and then return to school sites at the beginning of the new school year.

PROPOSED COST

Task	Description	Estimated Staff Hours	Line Item Cost
Preparation	Materials/Content Development	80	\$2,800
Training	Teacher Training Day	40	\$1,400
Post-Training Educational Support	Emails, Calls, Classroom Visits with participating teachers	20	\$700
Annual Model Collection	Models cleaned, stored, returned at beginning of school year	10	\$350
<b>Training Day Facility and Food</b>			<b>\$1,500.00</b>
<b>Total Cost</b>			<b>\$6,750.00</b>

FINAL SGPWA BUDGET PROPOSAL FOR 2018-19

Task	Description	Approximate Cost
Water Conservation Classroom Programs	Performance of 36 programs plus set-up fee	\$5,950
Aquifer Model Training Program	Aquifer model support for each high school location plus training workshop	\$6,750
<b>Total Potential Cost for all FY 2018-19 Water Conservation Proposed Programming</b>		<b>\$12,700</b>

SIGNATURES

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

Inland Empire Resource Conservation District  
 25864-K Business Center Drive  
 Redlands, CA 92374

\_\_\_\_\_  
 Jeff Davis, General Manager

\_\_\_\_\_  
 Mandy Parkes, District Manager

\_\_\_\_\_  
 Date

\_\_\_\_\_  
 Date

## MEMORANDUM

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**TO:** Board of Directors

**FROM:** General Manager

**RE:** Potential Endorsement of Proposition 3, November Water Bond

**DATE:** August 20, 2018

### **Summary:**

The Board discussed Proposition 3, the November Water Bond, at the August 13 Engineering workshop. The purpose of this proposed Board action is to determine if the Board wishes to formally adopt Resolution 2018-06, endorsing the water bond.

### **Background:**

Staff has previously reviewed this proposed water bond with the Board. A number of descriptive documents are included in the agenda package summarizing some of the key elements of the bond issue. ACWA has endorsed it, as have many water agencies throughout the state. It was written by Dr. Gerry Meral, a former Deputy Director of the Department of Water Resources and someone who has successfully managed a number of water bond campaigns previously.

### **Detailed Report:**

There are a number of items in the bond issue that benefit State Water Contractors directly, and also some that could potentially help this region, since it has a number of disadvantaged communities (DAC) in it.

The bond issue includes \$200 million for the repair of the Oroville spillway, which would directly benefit the Agency. It also includes allowances for the State Water Project under AB 32, the Greenhouse Gas bill, that would benefit the State Water Project by tens of millions of dollars per year.

In addition, the bond includes funds for wastewater reclamation and for groundwater quality projects, each of which could benefit this region. There are other programs that would support better fish habitat in the Delta and upstream of the Delta, and these would indirectly benefit the State Water Project and therefore the Agency by improving fish populations in the Sacramento and San Joaquin watersheds.

The bond is approximately \$8.9 billion total, on top of a \$1.6 billion park and water bond passed in June. The state currently uses less than 5% of its general fund budget to pay off bond issues approved by the voters.

**Fiscal Impact:**

There is no fiscal impact to endorsement of the bond issue. Should the bond issue pass, it would have a significant positive fiscal impact on the Agency and possibly on the region.

**Recommendation:**

Staff has no recommendation.

**RESOLUTION NO. 2018-06**

**A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE SAN GORGONIO PASS WATER AGENCY  
SUPPORTING PROPOSITION 3,  
THE “WATER SUPPLY AND WATER  
QUALITY ACT OF 2018”**

**WHEREAS**, the Water Supply and Water Quality Act of 2018 has qualified for the November California Statewide ballot; and

**WHEREAS**, San Gorgonio Pass Water Agency, like many other districts across the state seeks to improve the reliability and sustainability of its water supply; and

**WHEREAS**, in many instances the water challenges faced by San Gorgonio Pass Water Agency are of regional and statewide interest; and

**WHEREAS**, the Proposition 3 includes \$500 million for Safe Drinking Water, \$640 million for SGMA compliance, \$650 million for wastewater recycling, \$550 for stormwater management and treatment, \$350 million for water conservation, \$400 million for inland water desalting and such other grant funds of interest to San Gorgonio Pass Water Agency; and

**WHEREAS**, the Proposition 3 includes funding for agricultural water conservation, fish habitat, and delta restoration, and AB32 savings to promote water conservation, all of which will increase flows into the State Water Contract and local supplies and increase the reliability of those allocations; and

**WHEREAS**, these grant funds would result in significant cost savings for both water agencies and their ratepayers, allowing us to pursue new projects to diversify and improve our water treatment and delivery; and

**NOW, THEREFORE, BE IT RESOLVED**, that the Board of Directors of the San Gorgonio Pass Water Agency endorses Proposition 3, the Water Supply and Water Quality Act of 2018 Initiative, and urges its residents to vote for the measure in November.

**Resolution No. 2018-06 was adopted this 20th day of August 2018**, by the following vote:  
Ayes:

Noes:

Abstain:

Absent:

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President, Board of Directors  
San Gorgonio Pass Water Agency

ATTEST:

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Secretary, Board of Directors  
San Gorgonio Pass Water Agency

## **Short Summary of major programs in Water Supply and Water Quality Bond Act of 2018**

**Safe drinking water and wastewater treatment for disadvantaged communities.** \$750 million. Provides safe drinking water and wastewater treatment for disadvantaged communities

**Wastewater recycling.** \$400 million. Recycles wastewater mainly for landscaping and industrial uses

**Groundwater desalination.** \$400 million. Converts salty groundwater to usable water supply.

**Urban water conservation.** \$300 million. Leak detection, toilet replacement, landscape conversion.

**Agricultural water conservation.** \$50 million. Improves inefficient irrigation systems, increasing river flows to Delta

**Central valley flood management,** including flood plain restoration. \$100 million. Makes farms and communities more flood safe, and makes flood plains for habitat friendly. Additional \$50 million for retrofit of a reservoir (probably Bullard's Bar) for better flood management.

**San Francisco Bay Wetlands and flood improvements.** \$200 million. Improves wetlands in San Francisco Bay to provide flood protection and mitigate sea level rise.

**Data management.** \$60 million. Better data collection and management: streamflow, etc.

**Stormwater management** \$600 million for a variety of state agencies. Capture and treatment of stormwater flows improved river and ocean water quality and increasing water supplies

**Watershed Improvement** \$2.355 billion to a wide variety of state agencies. Pays for better management of watersheds throughout the state to improve water quality and water supply.

**Land Management for Water Yield.** \$100 million. Removal of invasive weeds which use excessive

amounts of surface and groundwater such as tamarisk, yellow starthistle, and Arundo. Estimates of water savings are in excess of one million acre feet per year.

**Central Valley Fisheries restoration.** \$400 million. Restoring fish habitat. Supplements necessary streamflows.

**Groundwater.** \$675 million. Implements the Sustainable Groundwater Management Act., stabilizing groundwater levels in overdraft groundwater basins.

**Water and specific habitat improvements for fisheries.** \$350 million. Purchase of water for fish and waterfowl.

**Salmon/steelhead restoration.** \$300 million

**Waterfowl habitat.** \$280 million. Helps acquire and restore waterfowl habitat.

**Bay Area Regional Reliability.** \$250 million. Improves interconnections between Bay Area water agencies, making it easier to survive droughts.

**Improvement to Friant Kern Canal and other Friant water interconnections.** \$750 million. Restores lost capacity to Friant Kern Canal, pays for groundwater recharge programs, water conservation and possibly new water conveyance in the Friant area.

**Oroville Dam Spillway Repair.** \$200 million. Makes Oroville Dam more flood safe.

The initiative also allows state and federal water contractors to recover the funds they pay in climate change charges due to implementation of AB 32, and use those funds in their own systems for water and energy conservation to reduce greenhouse gas emissions.



## **Potential Major Benefits of the Water Supply and Water Quality Bond Act Initiative for State Water Contractors**

The Bond act will appear on the November, 2018 California statewide ballot. It is not in conflict with the legislative park and environmental bond, which will appear on the June California statewide ballot. The two measures are complementary.

The following provisions are of particular interest to the agencies who are State Water Project contractors.

### **Oroville Dam Spillway Repairs**

The initiative includes \$200,000,000 for this purpose. These funds are justified, because the flood control facilities at Oroville were paid for by the federal government. If the State Water Project contractors have to pay this amount, it will probably be in proportion to the Table A amounts for each contractor.

### **AB 32: Greenhouse Gas Reduction**

The State Water Project must make payments due to emission of greenhouse gases as a result of energy used to pump water throughout the state. At present the payments are allocated by the Legislature for a variety of programs and projects. A provision of the initiative requires use of these payments for water and energy conservation in SWP system, and by the contractors. At present these payments are about \$20,000,000 per year. They could go as high as \$50,000,000 per year in future years.

### **Water Supply Categories**

The initiative includes a variety of traditional water supply categories, which will be available to many SWP contractors. These include the following:

- Wastewater recycling: \$400,000,000
- Desalting inland supplies: \$400,000,000
- Urban Water Conservation: \$300,000,000

### **Increased Delta inflow from agricultural water conservation**

Agricultural water conservation which leaves water in streams tributary to the Delta will improve Delta water quality, help restore fisheries, and will allow for increased exports. The

initiative includes \$50,000,000 for agricultural water conservation in watersheds tributary to the Delta, if the conserved water is allowed to remain instream.

## **Fish Habitat**

Reduced diversion of water from the Delta to the California Aqueduct is caused in part by regulations protecting endangered fish species.

Recent science demonstrates that improved fish habitat can result in more and healthier fish production. If successful, this should lead to increased fish numbers, and reduced pressure on exports. The initiative makes a major investment in fish restoration, focused mainly on listed species

**Delta Conservancy: \$100,000,000**

**Fish Screens, Delta Tributaries: \$100,000,000**

**Fish habitat restoration: \$383,000,000**

## **Watershed Restoration**

Increasing scientific evidence from the Sierra Nevada demonstrates that healthier forests mean improved water quantity and water quality downstream. This is vital to the State Water Project, which derives export water from the entire watershed, not just the Feather River. The initiative funds restoration of forest watersheds, including post fire recovery.

**Sierra Nevada Conservancy Watershed Restoration: \$250,000,000**

## Groundwater elements of November Water Bond

The November Water Bond includes many elements which will benefit groundwater management in California.

SGMA implementation. The Sustainable Groundwater Management Act requires that groundwater pumping and recharge be brought into balance. The November Bond Act provides \$675 million as grants to local agencies from the Department of Water Resources.

Grants will be made to local agencies to implement their sustainability plans. Grants are limited to \$20 million. Planning grants may be made up to \$1 million. Up to 20% of the grant may be used to establish a trust fund, the proceeds of which can be used to implement groundwater management plan. A 50% cost share is required, which may be waived for disadvantaged communities.

Priorities for grants include the following

- critically overdrafted basins
- Surface and groundwater interconnected supplies
- disadvantaged communities
- water quality problems
- subsidence
- state owned resources
- recharge projects
- Multibenefit projects
- Modification of existing facilities
- cost effectiveness
- 50% cost share, not for DACs

The Office of Sustainable Water Solutions receives \$10 million.

The following sub-allocations are made from the \$675 million

Borrego Groundwater basin: \$35 million. This is unique groundwater basin with no imported water supply. Overdraft is impacting our largest state park: Anza Borrego.

Research: \$5 million.

Decision support tools: \$10 million

Interagency communication: \$5 million

Flood water utilization: \$10 million

Other groundwater elements in the bond:

Groundwater improvement and storage are mentioned 90 times in initiative, in almost every program.

Groundwater desalting: \$400 million. These funds may be used to remediate underground or surface saline water supplies inland from the coast.

Friant Kern Canal Repair: \$750 million. These funds will remediate damage caused by groundwater overdraft, and may also be used to recharge groundwater with flood water, and undertake other groundwater programs.

Weed management for improved groundwater recharge: \$100 million. Excessive water use by invasive weeds results in a loss of a million acre feet or more of groundwater throughout California each year. Some of the worst plants are yellow starthistle, Arundo, and tamarisk. These funds can be used in matching programs to control these invasive plants.