



## **SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT**

380 E. Vanderbilt Way, San Bernardino, CA 92408

### **JOINT MEETING OF THE SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT, THE SAN GORGONIO PASS WATER AGENCY AND THE YUCAIPA VALLEY WATER DISTRICT BOARD OF DIRECTORS**

#### **AGENDA**

**1:30 PM Wednesday, September 25, 2019**

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#### **CALL TO ORDER/PLEDGE OF ALLEGIANCE/ROLL CALL**

- 1. PUBLIC COMMENT** - *Any person may address the Board on matters within its jurisdiction.*
- 2. DISCUSSION AND POSSIBLE ACTION ITEMS**
  - 2.1. Consider Agreement Review of an Agreement to Facilitate Water Deliveries to the Calimesa Area by San Bernardino Valley Municipal Water District for the San Gorgonio Pass Water Agency (Page 3)  
*Staff Memo - Review of Agreement to Facilitate Water Deliveries*  
*Agreement to Facilitate Water Deliveries*  
*Joint Agreement SWPAO 16030*  
*Sample Calculation of Calimesa Deliveries for August 2019*
  - 2.2. Presentation and Discussion of Facilitated Joint Management Meetings (Page 26)  
*Staff Memo - Calimesa Water Supply*  
*Joint Board Meeting for Calimesa Water Supply Agreement*
- 3. BOARD MEMBER COMMENTS**
- 4. ADJOURNMENT**

#### **PLEASE NOTE:**

Materials related to an item on this Agenda submitted to the Board after distribution of the agenda packet are available for public inspection in the District's office located at 380 E. Vanderbilt Way, San Bernardino, during normal business hours. Also, such documents are available on the District's website at [www.sbvmd.com](http://www.sbvmd.com) subject to staff's ability to post the documents before the meeting. The District recognizes its obligation to provide equal access to those individuals with disabilities. Please contact Lillian Hernandez at (909) 387-9214 two working days prior to the meeting with any special requests for reasonable accommodation.

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**DATE:** September 25, 2019

**TO:** Joint Board of Directors Meeting

**FROM:** Jeff Davis, General Manager  
Douglas Headrick, General Manager  
Joe Zoba, General Manager

**SUBJECT:** Consider Agreement Review of an Agreement to Facilitate Water Deliveries to the Calimesa Area by San Bernardino Valley Municipal Water District for the San Gorgonio Pass Water Agency

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The Department of Water Resources (DWR), San Gorgonio Pass Water Agency (Pass Agency) and San Bernardino Valley Municipal Water District (Valley District) are parties in a joint agreement (SWPAO #16030) that establishes the procedures for the Pass Agency to order and deliver State Water Project (SWP) water to the Calimesa area, in the Pass Agency's service area, through a Valley District turnout that serves the Yucaipa Valley Water District (YVWD), a mutual customer of both the Pass Agency and Valley District.

Staff of YVWD, Pass Agency and Valley District are recommending approval of this companion agreement that documents the calculation methodology used by YVWD to quantify the amount of SWP water delivered through the Valley District turnout, on behalf of the Pass Agency, for delivery to the Calimesa area.

**Background:**

In 2003, the East Branch Extension of the State Water Project (SWP) was completed, enabling direct delivery of SWP water to YVWD and on to the Pass Agency. YVWD orders SWP water for direct delivery to their treatment plant and for recharge at the Wilson Spreading Basins, both of which are made through the same Valley District turnout and meter. Some of the water YVWD orders is for its service area within the Pass Agency so this delivery needs to come from the Pass Agency's SWP allocation and needs to be sold to YVWD at the Pass Agency's rate for SWP water. Each month, YVWD sends Valley District and the Pass Agency a calculation of the

amount of SWP that was used in the Valley District service area and the amount used in the Pass Agency service area. A sample of this calculation is attached. The amount of water Valley District delivers on behalf of the Pass Agency averages about 275 acre-feet per year. Before SWPAO #16030, Valley District invoiced the Pass Agency for the cost of the SWP water delivered, on its behalf. Although Valley District was reimbursed for the monetary cost of SWP water delivered for the Pass Agency, the water was not debited from the Pass Agency's SWP account. SWPAO #16030 incorporates this special delivery condition into the DWR accounting system for the Pass Agency's SWP deliveries to the Calimesa area which is in the YVWD retail service area. Procedurally, YVWD provides a monthly calculation of the water delivered to the Calimesa area to DWR who then bills the Pass Agency for their portion of the water delivered and ensures that the water is debited from their SWP account.

**Fiscal Impact:**

There is no fiscal impact associated with this agreement.

**Staff Recommendation:**

*Approve Agreement to Facilitate Water Deliveries to the Calimesa Area by San Bernardino Valley Municipal Water District for the San Gorgonio Pass Water Agency subject to any non-substantive changes or clarifications.*

**Attachments:**

1. Agreement to Facilitate Water Deliveries to the Calimesa Area by San Bernardino Valley Municipal Water District for the San Gorgonio Pass Water Agency
2. Agreement Among the Department of Water Resources of the State of California, San Bernardino Valley Municipal Water District and San Gorgonio Pass Water Agency for a Change in Point of Delivery of a Portion of San Gorgonio Pass Water Agency's State Water Project Table A Water, SWPAO #16030
3. Sample YVWD calculation of SWP water used in the Valley District and the Pass Agency Service Areas

**AGREEMENT TO FACILITATE WATER DELIVERIES TO THE CALIMESA AREA  
BY SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT FOR THE SAN  
GORGONIO PASS WATER AGENCY**

**THIS AGREEMENT TO FACILITATE WATER DELIVERIES** (“*Agreement*”) is entered into as of \_\_\_\_\_, 2019 (“*Effective Date*”), by and among SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT, a municipal water district organized and existing under the Municipal Water District Act of 1911 (Water Code § 71000 *et seq.*) (“*SBVMWD*”), SAN GORGONIO PASS WATER AGENCY, a wholesale water agency organized and existing under the San Gorgonio Pass Water Agency Law (Water Code App. § 101-1 *et seq.*) (“*SGPWA*”), and YUCAIPA VALLEY WATER DISTRICT, a county water district organized and existing under the County Water District Law (Water Code § 30000 *et seq.*) (“*YVWD*”). Valley, SGPWA, and YVWD are sometimes referred to herein individually as “*Party*” and collectively as “*Parties*”.

**RECITALS**

A. SBVMWD is a wholesale water agency and a State Water Contractor (“*SWC*”) that receives a yearly allocation of imported State Water Project (“*SWP*”) water supplies from the Department of Water Resources (“*DWR*”) pursuant to that certain water supply contract, dated December 30, 1960, as subsequently amended (“*SBVMWD’s Water Supply Contract*”).

B. SGPWA is a wholesale water agency and a SWC that receives a yearly allocation of imported SWP supplies from DWR pursuant to that certain water supply contract, dated November 16, 1962, as subsequently amended (“*SGPWA’s Water Supply Contract*”).

C. SBVMWD and SGPWA are not permitted to sell water to customers outside of their respective service areas.

D. YVWD is a water retailer providing retail water service within both SBVMWD and SGPWA service areas.

E. YVWD only receives imported SWP water deliveries through SBVMWD and then delivers that water to customers within both SBVMWD and SGPWA service areas. Currently, YVWD’s only physical connection to the SWP system is SBVMWD’s turnout at 3A of the California Aqueduct’s East Branch Extension (“*Reach EBX-3A*”).

F. Since 2005, YVWD has been calculating the amount of SWP water that was delivered into SGPWA’s service area through SBVMWD’s turnout at Reach EBX-3A. SGPWA has been paying SBVMWD for the cost of the water delivered through SBVMWD’s turnout at Reach EBX-3A on its behalf and then billing YVWD.

G. Although SBVMWD was compensated for the cost of the SWP water, the SWP water delivered on behalf of SGPWA was being deducted from SBVMWD’s SWP allocation instead of SGPWA’s SWP allocation.

H. In or about December 2018, SBVMWD, SGPWA, and DWR entered into that certain Agreement among the Department of Water Resources of the State of California, San

Bernardino Valley Municipal Water District and San Geronio Pass Water Agency for a Change in Point of Delivery of a Portion of San Geronio Pass Water Agency's State Water Project Table A Water ("**SWPAO Agreement 16030**"), which allows SGPWA to order up to 2,400 acre-feet annually of SGPWA's approved SWP Table A water ("**SWP Water**") for delivery at SBVMWD's turnout at Reach EBX-3A and provides that DWR shall deduct such SWP Water from SGPWA's SWP allocation and SGPWA shall pay to DWR the charges for such SWP Water. A true and correct copy of SWPAO Agreement 16030 is attached as **Exhibit "A"** hereto.

I. SWPAO Agreement 16030 relies on a monthly calculation made by YVWD to quantify the amount of imported SWP Water deliveries through SBVMWD's turnout at Reach EBX-3A that are delivered into the SGPWA service area.

J. The Parties desire to document the agreed accounting procedures to continue to be used by YVWD to quantify the amount of SWP Water deliveries through SBVMWD's turnout at Reach EBX-3A for customers within the SGPWA service area.

**NOW, THEREFORE**, in consideration of the mutual covenants and conditions stated herein and other valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree as follows.

#### **TERMS OF AGREEMENT**

1. Incorporation of Recitals. Each and every one of the Recitals set forth above is a material part of this Agreement and is hereby incorporated by reference into and made part of this Agreement by this reference.

2. Term. This Agreement shall be effective as of the Effective Date, and shall only terminate upon the expiration or other termination of SWPAO Agreement 16030 and any and all successor agreements.

3. Calculating SWP Water Deliveries. YVWD shall calculate the volume of SWP Water received from SBVMWD turnouts and delivered to customers in SBVMWD and SGPWA service areas, respectively, each calendar month using the methodology set forth in the Supplemental Water Calculations for SBVMWD & SGPWA attached as **Exhibit "B"** hereto and incorporated herein by reference ("**Water Calculations**").

4. Definitions. For purposes of making the Water Calculations, the following terms shall have the following meanings:

a. YVWD Water Plant Production Report. [provide a description of the report, where it is published, etc.]

b. *Quantity of Imported Water Delivered to YVWD (AF) [A]*. SBVMWD meter reading for deliveries to YVWD. Generated by SBVMWD's Operation Manager and regularly published in the agenda packet for regular meetings of the SBVMWD Board of Directors.

c. *Quantity of Filtered Water Delivered to Customers (AF) [B]*. YVWD water plant production report.

- d. *Potable Water Consumption by County (kgal) [C]*. YVWD summation of deliveries to customers within each county. Found on YVWD internal report on potable water.
- e. *Percentage of Domestic Use per County [D]*. Calculation.
- f. *Preliminary Allocation of Filtered Water (AF) [E]*. Calculation.
- g. *Well No. 35 Production (AF) [F]*. Found on YVWD water production report.
- h. *Well No. 40 Production (AF) [G]*. Found on YVWD water production report.
- i. *Well No. 48 Production (AF) [H]*. Found on YVWD water production report.
- j. *Well No. 61 Production (AF) [I]*. Found on YVWD water production report.
- k. *Calculation of Filtered Water Use in Riverside County (AF) [J]*. Calculation.
- l. *Revised Allocation of Filtered Water (AF) [K]*. Calculation that moves the equivalent volume of water produced by wells within Riverside County from the SGPWA imported supply to the SBVMWD imported supply.
- m. *Imported Water Allocated to YVWD (AF) [L]*. Calculation.
- n. *Imported Water Allocated to WHMWC (AF) [M]*. Found on YVWD production report.
- o. *Quantity of Recycled Water from Direct Imports (AF) [N]*. Calculation.
- p. *Amount of Recycled Water from B-8 at Wocholz RWRf (AF) [O]*. Found on YVWD production report.
- q. *Actual Recycled Use in Riv. Co. (AF) [P]*. Found on YVWD internal report on non-potable water.
- r. *Revised Allocation of Recycled Water Use from YVRWFF (AF) [Q]*. Calculation used when recycled production is less than demand.

5. Reporting Water Calculations. On or before the tenth (10th) business day of each calendar month, YVWD shall submit to both SBVMWD and SGPWA the completed Water Calculations for the preceding calendar month, with supporting documentation as reasonably requested by SBVMWD and/or SGPWA.

6. Records. YVWD shall keep and maintain complete and accurate records of all deliveries of SWP Water to its customers in both SBVMWD and SGPWA service areas and all

information used in making the Water Calculations. Such records shall be made available to SBVMWD and SGPWA, or their representatives, for inspection and copying upon written request. YVWD shall retain such records for a period of no less than three (3) years after the later of: (a) submission of all Water Calculations pursuant to Section 5 of this Agreement; or (b) the expiration or other termination of this Agreement.

7. Audits. Any Party may, at any time and at its sole cost, hire an auditor to examine the accounting for Water Calculations generated pursuant to this Agreement. The Parties may also agree to retain an independent auditor to review the accounting for Water Calculations generated pursuant to this Agreement, and the costs of such auditor will be shared equally among the Parties so agreeing.

8. Compliance with Laws. YVWD, at YVWD's sole cost and expense, shall comply with all federal, state, and local laws, ordinances, rules, and regulations and for securing any required consent, approvals, permits, or orders.

9. Liability.

a. Nothing in this Agreement shall be construed or interpreted to modify the terms or conditions of SWPAO Agreement 16030 or SGPWA's and SBVMWD's respective Water Supply Contracts with DWR. Unless expressly provided herein, the terms and conditions of SWPAO Agreement 16030 and SGPWA's and SBVMWD's respective Water Supply Contracts with DWR, and any future amendments to any of those agreements, apply to this Agreement.

b. Nothing in this Agreement shall be construed or interpreted to create any obligation, responsibility, or liability on the part of SBVMWD or SGPWA for the delivery, use, effects, or disposal of SWP Water. Any such responsibility shall be created and governed solely by separate agreement, if any, by and among the Parties.

c. Nothing in this Agreement shall be construed or interpreted to alter or affect any Party's ownership or operation of its facilities.

d. Pursuant to Government Code section 895.4, YVWD shall indemnify, defend, and hold harmless SBVMWD and SGPWA, and the directors, officers, employees, contractors, agents, and representatives of each of them, from and against any and all claims, demands, losses, fines, penalties, costs, expenses, obligations, liabilities, damages, recoveries, and deficiencies of whatever nature (including reasonable attorneys' fees) (collectively, "***Claims***") arising out of or related to the Water Calculations or the performance of YVWD's obligations under this Agreement, except to the extent that such Claims are caused by the sole negligence or willful misconduct of SBVMWD or SGPWA.

e. The provisions of this Section 9 shall survive the expiration or other termination of this Agreement.

10. Dispute Resolution. In the event of a dispute regarding interpretation or implementation of this Agreement, the authorized representatives of the Parties shall endeavor to resolve the dispute by meeting within thirty (30) days after the request of a Party. If the dispute remains unresolved, the Parties shall use the services of a mutually acceptable consultant in an



effort to resolve the dispute. Parties involved in the dispute shall share the fees and expenses of the consultant equally. If a consultant cannot be agreed upon within sixty (60) days after the request of a Party, or if the consultant's recommendations are not acceptable to the Parties, and unless the Parties otherwise agree, the matter may be resolved by litigation and any Party may, at its option, pursue any available legal remedy, including without limitation injunctive or other equitable relief.

11. General Provisions.

a. *Amendment.* This Agreement may be amended or modified only by a written instrument executed by all of the Parties to this Agreement.

b. *Jurisdiction and Venue.* This Agreement shall be governed by and construed in accordance with the laws of the State of California, excluding any choice of laws provision that would apply the laws of any other jurisdiction. Any suit, action, or proceeding brought in connection with this Agreement shall be brought and maintained exclusively in the Superior Court of San Bernardino County, California.

c. *Attorneys' Fees and Costs.* The prevailing Party in any litigation or other action to enforce or interpret this Agreement shall be entitled to reasonable attorneys' fees, expert witnesses' fees, costs of suit, and other and necessary disbursements in addition to any other relief deemed appropriate by a court of competent jurisdiction.

d. *Headings.* The paragraph headings used in this Agreement are intended for convenience only and shall not be used in interpreting this Agreement or in determining any of the rights or obligations of the Parties to this Agreement.

e. *Construction and Interpretation.* This Agreement has been arrived at through negotiations and each Party has had a full and fair opportunity to revise the terms of this Agreement. As a result, the normal rule of construction that any ambiguities are to be resolved against the drafting Party shall not apply in the construction or interpretation of this Agreement.

f. *Entire Agreement.* This Agreement constitutes the entire agreement of the Parties with respect to the subject matter of this Agreement and, except as expressly provided in this Agreement, supersedes any prior oral or written agreement, understanding, or representation relating to the subject matter of this Agreement.

g. *Partial Invalidity.* If, after the date of execution of this Agreement, any provision of this Agreement is held to be illegal, invalid, or unenforceable under present or future laws effective during the term of this Agreement, such provision shall be fully severable. However, in lieu thereof, there shall be added a provision as similar in terms to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid, and enforceable.

h. *Successors and Assigns.* Neither Party may assign its interests in or obligations under this Agreement without the written consent of the other Parties, which consent shall not be unreasonably withheld or delayed. This Agreement shall be binding on and inure to the benefit of the successors and permitted assigns of the respective Parties to this Agreement.

i. *No Third Party Beneficiaries.* This Agreement shall not create any right or interest in any non-Party or in any member of the public as a third party beneficiary.

j. *Waivers.* Waiver of any breach or default hereunder shall not constitute a continuing waiver or a waiver of any subsequent breach either of the same or of another provision of this Agreement and forbearance to enforce one or more of the rights or remedies provided in this Agreement shall not be deemed to be a waiver of that right or remedy.

k. *Necessary Actions.* Each Party agrees to execute and deliver additional documents and instruments and to take any additional actions as may be reasonably required to carry out the purposes of this Agreement.

l. *Notices.* All notices, requests, demands or other communications required or permitted under this Agreement shall be in writing unless provided otherwise in this Agreement and shall be deemed to have been duly given and received on: (i) the date of service if served personally or served by email on the Party to whom notice is to be given at the address(es) provided below, (ii) on the first day after mailing, if mailed by Federal Express, U.S. Express Mail, or other similar overnight courier service, postage prepaid, and addressed as provided below, or (iii) on the third day after mailing if mailed to the Party to whom notice is to be given by first class mail, registered or certified, postage prepaid, addressed as provided below. Except as provided otherwise in this Agreement, email addresses are provided for courtesy copies only, and notice may not be given by email. Either Party may change the place for the giving of notice to it by thirty (30) days prior written notice to the other Party as provided herein.

If to SBVMWD:	San Bernardino Valley Municipal Water District Attn: General Manager 380 East Vanderbilt Way San Bernardino, CA 92408 Phone: (909) 387-9200 Email: dough@sbvmwd.com
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With a copy to:	Varner & Brandt LLP Attn: Brendan W. Brandt, General Counsel 3750 University Avenue, Suite 610 Riverside, CA 92501 Phone: (951) 274-7777 Email: brendan.brandt@varnerbrandt.com
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If to SGPWA:	San Gorgonio Pass Water Agency Attn: General Manager 1210 Beaumont Avenue Beaumont, CA 92223 Phone: _____ Email: _____
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With a copy to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Email: \_\_\_\_\_

If to YVWD:

Yucaipa Valley Water District  
Attn: General Manager  
P.O. Box 730  
Yucaipa, CA 92399-0730  
Phone: \_\_\_\_\_  
Email: \_\_\_\_\_

With a copy to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Email: \_\_\_\_\_

m. *Authority.* Each signatory of this Agreement represents that s/he is authorized to execute this Agreement on behalf of the Party for which s/he signs. Each Party represents that it has legal authority to enter into this Agreement and to perform all obligations under this Agreement.

n. *Counterparts.* This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument. Signatures may be delivered electronically or by facsimile and shall be binding upon the Parties as if they were originals.

**[Signature Page Follows]**

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

**SAN BERNARDINO VALLEY MUNICIPAL  
WATER DISTRICT,**  
a California municipal water district

By: \_\_\_\_\_  
Douglas D. Headrick  
General Manager

**SAN GORGONIO PASS WATER AGENCY,**  
a California wholesale water agency

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

**YUCAIPA VALLEY WATER DISTRICT,**  
a California county water district

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

**EXHIBIT “A”**

**AGREEMENT AMONG THE DEPARTMENT OF WATER RESOURCES OF THE  
STATE OF CALIFORNIA, SAN BERNARDINO VALLEY MUNICIPAL WATER  
DISTRICT AND SAN GORGONIO PASS WATER AGENCY FOR A CHANGE IN  
POINT OF DELIVERY OF A PORTION OF SAN GORGONIO PASS WATER  
AGENCY’S STATE WATER PROJECT TABLE A WATER**

**(SWPAO AGREEMENT 16030)**

**EXHIBIT “B”**

**SUPPLEMENTAL WATER CALCULATIONS FOR SBVMWD AND SGPWA**

State of California  
The Resources Agency  
DEPARTMENT OF WATER RESOURCES

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AGREEMENT AMONG  
THE DEPARTMENT OF WATER RESOURCES OF THE STATE OF CALIFORNIA,  
SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT AND  
SAN GORGONIO PASS WATER AGENCY  
FOR  
A CHANGE IN POINT OF DELIVERY OF A PORTION OF  
SAN GORGONIO PASS WATER AGENCY'S  
STATE WATER PROJECT TABLE A WATER

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SWPAO #16030

THIS AGREEMENT is made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_,  
under the provisions of the California Water Resources Development Bond Act, and other  
applicable laws of the State of California, among the Department of Water Resources of  
the State of California (DWR), San Bernardino Valley Municipal Water District (SBVMWD),  
and San Gorgonio Pass Water Agency (SGPWA). DWR, SBVMWD and SGPWA may be  
referred to individually by name, as "Party" or collectively as "Parties."

#### DELIVERY OF SGPWA'S TABLE A WATER

5. Under Article 15(a) of SGPWA's Water Supply Contract, DWR hereby consents to the delivery of a portion of SGPWA's SWP Table A water through SBVMWD's turnout under the terms and conditions of this Agreement and finds that such delivery will not materially impair SGPWA's capacity to make payments to DWR.

#### PRIOR WATER DELIVERIES

6. From 2005-2017, SBVMWD's SWP supplies were delivered to YVWD at Reach EBX-3A. However, a portion of that water was used in SGPWA's service area. SBVMWD and SGPWA internally coordinated the billing and tracking of the amount of water delivered to SGPWA's service area. However, DWR's water files did not reflect the correct amount of SWP water received by SBVMWD and SGPWA. In order to correctly reflect the activities between the two agencies in these years, DWR will reclassify water deliveries made to SBVMWD and SGPWA as shown in Attachment A.

#### SGPWA'S WATER DELIVERY TO SBVMWD'S TURNOUT

7. DWR will deliver up to 2,400 acre-feet annually of SGPWA's SWP Table A water to SBVMWD's turnout at Reach EBX-3A of the California Aqueduct.
8. The delivery of a portion of SGPWA's SWP Table A water under this Agreement shall be in accordance with a schedule approved by DWR. DWR's approval is dependent upon the times and amounts of the delivery and the overall delivery capability of the SWP. DWR shall not be obligated to deliver the water at times when such delivery would adversely impact SWP operations or facilities, or other SWP contractors.
9. The sum of deliveries scheduled under this Agreement, plus scheduled SGPWA SWP deliveries, plus deliveries to SGPWA under any other agreements, shall not exceed the quantities on which the proportionate Use-of-Facilities factors are based under SGPWA's Water Supply Contract, unless DWR determines that the deliveries will not adversely impact SWP operations or facilities, or other SWP contractors' Table A deliveries.

#### SOURCE OF WATER

10. SGPWA attests that the delivery of a portion of SGPWA's SWP Table A water to SBVMWD's turnout under this Agreement does not constitute a sale of its Table A water. Rather, SGPWA's SWP Table A water is delivered to SBVMWD's turnout on behalf of YVWD's customers that are within SGPWA's service area.



## WATER DELIVERY SCHEDULES

11. All water delivery schedules and revisions under this Agreement shall be in accordance with Article 12 of SBVMWD's and SGPWA's respective Water Supply Contract.
12. SGPWA, in coordination with SBVMWD, shall submit monthly water delivery schedules for approval to the State Water Project Analysis Office (SWPAO), Water Deliveries Section, indicating timing and point of delivery requested under this Agreement with reference to SWPAO #16030. Delivery schedules shall be sent by electronic mail to SWPDeliveries@water.ca.gov or by FAX to (916) 653-9628, Attention: Chief, Water Deliveries Section.
13. SGPWA, in coordination with SBVMWD, shall submit weekly schedules for the delivery of water under this Agreement to the Southern Field Division, Water Operations Section, indicating timing and point of delivery requested with reference to SWPAO #16030. Schedules shall be sent by electronic mail to SFDwaterschedule@water.ca.gov or by FAX to (661) 294-3651, Attention: Chief, Water Operations Section.
14. All weekly water schedules described above shall be submitted by 10:00 a.m. Wednesday, for the following week, Monday through Sunday, to the Southern Field Division's Water Operations Section.
15. Weekly water schedules shall also be concurrently sent by electronic mail or faxed to the State Water Project Operations Control Office:
  - a. Water Management Branch  
Water\_deliv\_sched@water.ca.gov  
FAX to (916) 574-2785  
Attention: Chief, Water Management Branch
  - b. Power Management and Optimization Branch  
POCOptimization@water.ca.gov  
FAX to (916) 574-2785  
Attention: Chief, Power Management and Optimization Branch
  - c. Pre-Scheduling Section  
Presched@water.ca.gov  
FAX to (916) 574-2782  
Attention: Chief, Pre-Scheduling Section

## WATER DELIVERY RECORDS

16. DWR will maintain monthly records accounting for the delivery of water under this Agreement. SGPWA shall certify to SWPAO the quantity of water delivered to SBVMWD's turnout under this Agreement, by the 30<sup>th</sup> day after the delivery, with reference to SWPAO #16030.

## CHARGES

17. SGPWA shall pay to DWR the charges associated with the delivery of water under this Agreement from the Delta to Reach EBX-3A. SGPWA shall pay to DWR the Variable Operation, Maintenance, Power, and Replacement Component of the Transportation Charge and the Off-Aqueduct Power Facilities cost for each acre-foot of water delivered from the Delta to the Reach EBX-3A. Charges shall be determined for the month the water is delivered.
18. In addition to the charges identified above, SGPWA agrees to pay to DWR any additional identified demonstrable increase in costs that would otherwise be borne by DWR or by the SWP contractors not signatory to this Agreement as a result of DWR providing service under this Agreement.
19. Payment terms under this Agreement shall be in accordance with SGPWA's Water Supply Contract.

## NO IMPACT

20. This Agreement shall not be administered or interpreted in any way that would cause adverse impacts to SWP approved Table A water or to any other SWP approved water allocations, water deliveries, or SWP operations or facilities. SGPWA and SBVMWD shall be responsible, jointly and severally, as determined by DWR, for any adverse impacts that may result from water deliveries under this Agreement.

## LIABILITY

21. DWR is not responsible for the use, effects or disposal of water under this Agreement once the water is delivered to the designated turnout(s). Responsibility shall be governed by Article 13 of SBVMWD's and/or SGPWA's respective Water Supply Contract, as applicable, with responsibilities under the terms of that article shifting from DWR to SGPWA and/or SBVMWD when the water is delivered to the designated turnout(s).

22. SGPWA and SBVMWD agree to defend and hold DWR, its officers, employees and agents harmless from any direct or indirect loss, liability, lawsuit, cause of action, judgment or claim, and shall indemnify DWR, its officers, employees and agents from all lawsuits, costs, damages, judgments, attorneys' fees, and liabilities that DWR, its officers, employees and agents incur as a result of DWR providing services under this Agreement, except to the extent resulting from the sole negligence or willful misconduct of DWR, its officers, employees and agents.
23. If uncontrollable forces preclude DWR from delivery of water under this Agreement, either partially or completely, then DWR is relieved from the obligation to deliver the water to the extent that DWR is reasonably unable to complete the obligation due to the uncontrollable forces. Uncontrollable forces shall include, but are not limited to, earthquakes, fires, tornadoes, floods, and other natural or human caused disasters. SGPWA and SBVMWD shall not be entitled to recover any administrative costs or other costs associated with delivery of water under this Agreement if uncontrollable forces preclude DWR from delivering the water.

#### DISPUTE RESOLUTION

24. In the event of a dispute regarding interpretation or implementation of this Agreement, the Director of DWR and authorized representatives of SGPWA and SBVMWD shall endeavor to resolve the dispute by meeting within 30 days after the request of a Party. If the dispute remains unresolved, the Parties shall use the service of a mutually acceptable consultant in an effort to resolve the dispute. Parties involved in the dispute shall share the fees and expenses of the consultant equally. If a consultant cannot be agreed upon, or if the consultant's recommendations are not acceptable to the Parties, and unless the Parties otherwise agree, the matter may be resolved by litigation and any Party may, at its option, pursue any available legal remedy including, but not limited to, injunctive and other equitable relief.

#### NO ASSIGNMENT OF AGREEMENT

25. Without the prior written consent of DWR, SGPWA and SBVMWD, this Agreement is not assignable by SGPWA and SBVMWD in whole or in part.

#### PARAGRAPH HEADINGS

26. The paragraph headings of this Agreement are for the convenience of the Parties and shall not be considered to limit, expand, or define the contents of the respective paragraphs.

#### OPINIONS AND DETERMINATION

27. Where the terms of this Agreement provide for actions to be based upon the opinion, judgment, approval, review, or determination of any Party, such terms are to be construed as providing that such opinion, judgment, approval, review, or determination be reasonable.

#### NO MODIFICATION OF AGREEMENT

28. No modification of the terms and conditions of this Agreement shall be valid unless made in writing and signed by the Parties to this Agreement.

#### NO MODIFICATION OF WATER SUPPLY CONTRACT

29. This Agreement shall not be interpreted to modify the terms or conditions of SGPWA's and SBVMWD's respective Water Supply Contract. Unless expressly provided herein, the terms and conditions of SGPWA's and SBVMWD's respective Water Supply Contract and any future amendments apply to this Agreement.

#### SIGNATURE CLAUSE

30. The signatories represent that they have been appropriately authorized to enter into this Agreement on behalf of the Party for whom they sign. A copy of any resolution or other documentation authorizing SGPWA and SBVMWD to enter into this Agreement, if such resolution or authorization is required, shall be provided to DWR before the execution of this Agreement.

#### EXECUTION IN COUNTERPART

31. This Agreement may be executed in counterpart. The Parties agree to accept facsimile or electronically scanned signatures as original signatures. This Agreement shall take effect as soon as all Parties have signed. Immediately after execution, SGPWA and SBVMWD shall transmit a copy of the executed Agreement by facsimile or electronic file to Pedro Villalobos, SWPAO Chief, at (916) 653-9628 or swpao-chief@water.ca.gov and to each other at:

- a. San Geronio Pass Water Agency  
Mr. Jeff Davis, General Manager  
Fax: (951) 845-0281  
Email: jdavis@sgpwa.com
- b. San Bernardino Valley Municipal Water District  
Mr. Douglas Headrick, General Manager  
Fax: (909) 387-9247  
Email: dough@sbvmwd.com

Change in Point of Delivery Agreement  
DWR, SBVMWD, & SGPWA  
SWPAO #16030

IN WITNESS WHEREOF, the Parties hereto have entered into this Agreement.

Approved as to Legal Form  
and Sufficiency

State of California  
Department of Water Resources

\_\_\_\_\_  
Chief Counsel  
Department of Water Resources

\_\_\_\_\_  
Pedro Villalobos, Chief  
State Water Project Analysis Office

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

San Geronio Pass Water Agency

San Bernardino Valley Municipal Water District

\_\_\_\_\_  
Name

*Douglas D. Headrick*  
Name Douglas D. Headrick

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title General Manager

\_\_\_\_\_  
Date

12/18/18  
Date

Change in Point of Delivery Agreement  
DWR, SBVMWD, & SGPWA  
SWPAO #16030

IN WITNESS WHEREOF, the Parties hereto have entered into this Agreement.

Approved as to Legal Form  
and Sufficiency

State of California  
Department of Water Resources

\_\_\_\_\_  
Chief Counsel  
Department of Water Resources

\_\_\_\_\_  
Pedro Villalobos, Chief  
State Water Project Analysis Office

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

San Geronio Pass Water Agency

San Bernardino Valley Municipal Water District

Jeffrey W. Davis  
Name

\_\_\_\_\_  
Name

General Manager  
Title

\_\_\_\_\_  
Title

3-8-19  
Date

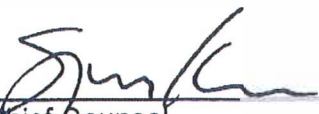
\_\_\_\_\_  
Date

Change in Point of Delivery Agreement  
DWR, SBVMWD, & SGPWA  
SWPAO #16030

IN WITNESS WHEREOF, the Parties hereto have entered into this Agreement.

Approved as to Legal Form  
and Sufficiency

State of California  
Department of Water Resources

  
v. Chief Counsel  
Department of Water Resources

  
Pedro Villalobos, Chief  
State Water Project Analysis Office

3/21/19  
Date

March 21, 2019  
Date

San Geronio Pass Water Agency

San Bernardino Valley Municipal Water District

\_\_\_\_\_  
Name

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

Change in Point of Delivery Agreement  
DWR, SBVMWD, & SGPWA  
SWPAO #16030

**Attachment A**

YEAR	Amount to Reclassify (AF)
2005	57
2006	159
2007	119
2008	287
2009	274
2010	123
2011	109
2012	164
2013	180
2014	102
2015	454
2016	647
2017	898

The above table shows the amount of water to be reclassified. SGPWA's and SBVMWD's deliveries for these years will be modified by increasing and decreasing amounts respectively. The charges will be adjusted accordingly. SGPWA will be billed and SBVMWD will be credited by an equal amount.



## Supplemental Water Calculations for SBVMWD & SGPWA

Tuesday, September 17, 2019

**\$399.00**  
**Effective 5/1/19**

### Potable Water Calculation:

	Calculations	August 2019		
		SBVMWD	SGPWA	Total
Quantity of Imported Water Delivered to YVWD (AF)	[A]	--	--	898.10
Quantity of Filtered Water Delivered to Customers (AF)	[B]	--	--	628.92
Potable Water Consumption By County (kgal)	[C]	346,490	38,847	385,337
Percentage of Domestic Use per County	[D] = % of [C]	89.9%	10.1%	100.0%
Preliminary Allocation of Filtered Water (AF)	[E]=[B]*[D]	565.52	63.40	628.92
Well No. 35 Production (AF)	[F]	--	0.00	--
Well No. 40 Production (AF)	[G]	--	0.00	--
Well No. 48 Production (AF)	[H]	--	148.01	--
Well No. 61 Production (AF)	[I]	--	8.23	--
Calculation of Filtered Water Use in Riv. Co. (AF)	[J]=[E]-[F]-[G]-[H]-[I]	--	(92.84)	--
<b>Revised Allocation of Filtered Water (AF)</b>	<b>[K]</b>	<b>628.92</b>	<b>0.00</b>	<b>628.92</b>
Imported Water Allocated to YVWD (AF)	[L]	601.12	--	601.12
Imported Water Allocated to WHMWC (AF)	[M]	27.80	--	27.80

### Recycled Water Calculation:

		August 2019		
		SBVMWD	SGPWA	Total
Quantity of Recycled Water from Direct Imports (AF)	[N]=[A]-[B]	--	--	269.18
Amount of Recycled Water from B-8 at Wochholz RWRF (AF)	[O]	--	--	124.63
Actual Recycled Use in Riv. Co. (AF)	[P]	--	18.81	--
<b>Revised Allocation of Recycled Water Use from YVRWFF (AF)</b>	<b>[Q]</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

### Summary of Monthly Water Purchase from SGPWA

August 2019		
SBVMWD	SGPWA	Total
628.92	0.00	628.92

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

### 08/31/2019 CHECK REQUEST

02-5-01-51316	Potable (0 AF)	\$0.00
02-5-01-51316	Recycled (0.00 AF)	\$0.00
<b>SGPWA CHECK TOTAL</b>		<b>\$0.00</b>

July 2011 Forward charge all SGPWA water to GL #02-01-51316  
per discussion between JZ and VE



**DATE:** September 25, 2019

**TO:** Joint Board Meeting:  
San Geronio Pass Water Agency (Pass Agency)  
Yucaipa Valley Water District (YVWD)  
San Bernardino Valley Municipal Water District (Valley District)

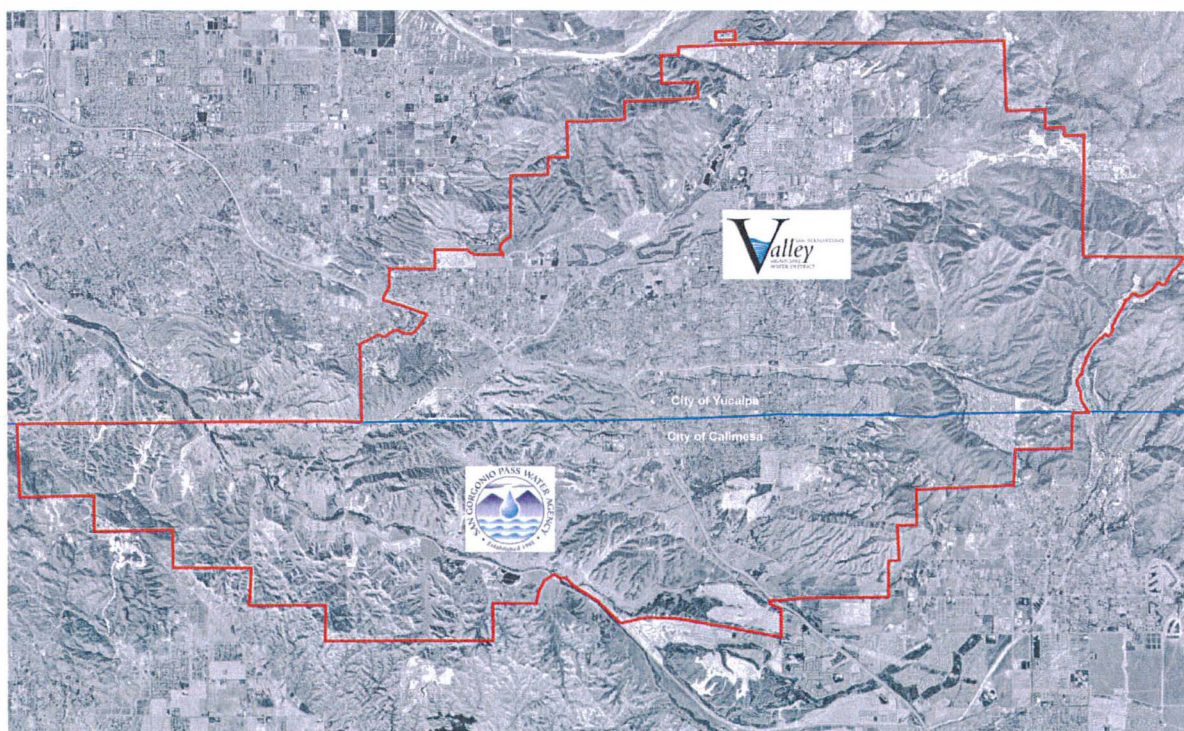
**FROM:** Staff

**SUBJECT:** Joint Water Supply Agreement for Calimesa Area

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## Background

Yucaipa Valley Water District (YVWD) is served imported water by both the Pass Agency (Riverside County) and Valley District (San Bernardino County). Because of this institutional divide, YVWD is required to plan and implement programs that address the different water supply portfolios, reliability, and rate structures of two different wholesale agencies.



In February 2019, a member of the YVWD Board of Directors approached Valley District about the policy issues, availability of imported water supplies, and future planning goals for the growing City of Calimesa and surrounding area in Riverside County. In response to this, the three agency Boards authorized their General Managers to participate in a facilitated process to evaluate alternatives and develop potential solutions to resolve the stated concerns.

Tim Moore of Risk Sciences agreed to provide the facilitation services for this process. Mr. Moore has been involved in resolving complex water issues within the Santa Ana River Watershed for over 25 years. He currently serves as facilitator for several regional programs administered by the Santa Ana Watershed Project Authority. Mr. Moore has also provided facilitation services to Valley District in the past on Watermaster and other water supply issues. The overall goal of the collaborative process was to, first, fully understand the water supply issues in the Calimesa area and then determine how to best meet their needs. Based on the difficulties associated with jurisdictional boundary changes, facility based and contractual alternatives to resolve the identified issues are preferred.

The facilitated sessions started in March and quickly identified three categories of shared water supply related goals.

1. Reliability
2. Reasonable and equitable rates/fees
3. Regional Collaboration

Throughout the facilitated process, it has been clear that YVWD needs certain assurances to support the growth in the Calimesa area, especially during extended droughts. Both the Pass Agency and Valley District have assets, locally and Northern California based, that can be utilized to meet the demands of YVWD today and into the future. The key for us at this time is to determine a way to utilize those regional assets, along with those of YVWD, in a fashion that is equitable to all customers of the three agencies.

We have developed the attached presentation slides to further describe the needs and resources of each agency and to provide a proposed path forward toward resolution. We are asking for authorization from each of the Boards to continue to develop the principles of agreement, including necessary conceptual projects, that will lead to contract terms that resolve the issues in a collaborative joint venture.

**Recommendation**

Authorize staff to continue to develop a Principles of Agreement document and present to each Board for consideration by the end of 2019.

**Attachment**

Presentation Slides



# Negotiating a Joint Water Supply Agreement for the Calimesa Area

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SAN GORGONIO PASS  
WATER AGENCY

• Established 1961 •

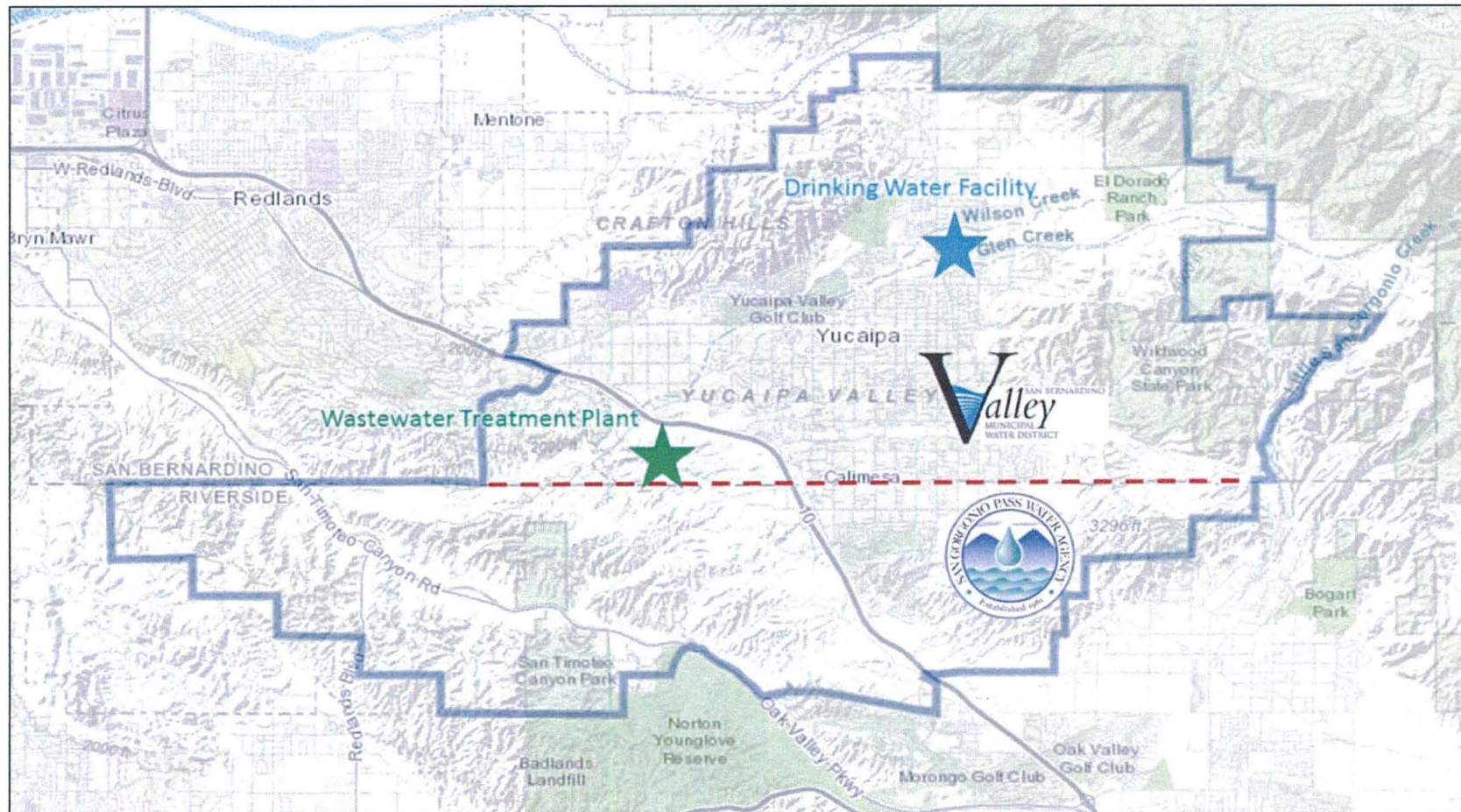


Yucaipa Valley Water District

Joint Board Meeting: Sept. 25, 2019



# A Unique Situation



# Joint Meetings of the GM's

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- ❖ Modeled on Past Successes
- ❖ Guided by an Objective Facilitator
- ❖ With a Few Simple Ground Rules

# Our Shared Goals

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- ❖ Reliable Water Supplies
- ❖ Reasonable Rates & Fees
- ❖ Regional Collaboration



# Key Concerns: YVWD

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- ❖ Meeting Future Growth Demands
- ❖ Drought Resilience
- ❖ Complex Rate Structure

# Key Concerns: SGPWA

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- ❖ Expanding Water Supply Portfolio
- ❖ Meeting Financial Obligations
- ❖ Maintaining Stable Service Areas

# Key Concerns: SBVMWD

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- ❖ Regional Strategies & Solutions
- ❖ Innovative Resource Management
- ❖ Long-term Perspectives

# Opportunities for Collaboration

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AGENCY	MAJOR ASSETS	CRITICAL NEEDS
YVWD	<ul style="list-style-type: none"><li>1) Drinking Water Treatment Plant</li><li>2) High Quality Recycled Water</li></ul>	<ul style="list-style-type: none"><li>1) More Groundwater Storage</li><li>2) Long-term Supply Assurance</li></ul>
SGPWA	<ul style="list-style-type: none"><li>1) New Water Supply: AVEK Contract</li><li>2) Groundwater Storage at Elevation</li></ul>	<ul style="list-style-type: none"><li>1) Limited Near-term Demand</li><li>2) Other Funding Constraints</li></ul>
SBVMWD	<ul style="list-style-type: none"><li>1) Groundwater Storage Capacity</li><li>2) Regional Incentive Program</li></ul>	<ul style="list-style-type: none"><li>1) Greater Water Portfolio Diversity</li><li>2) Stabilizing Groundwater Elevation</li></ul>

# Working on an MOA

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- ❖ To expand water supply portfolio
- ❖ To increase groundwater storage
- ❖ To share costs & benefits equitably
- ❖ To secure our collective future

# Next Steps:

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- ❖ Draft Principles of Agreement
- ❖ Develop Conceptual Project
- ❖ Establish Contract Terms