

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, CA
Board of Directors Meeting
Agenda
October 7, 2019 at 1:30 p.m.

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

2. Adoption and Adjustment of Agenda

3. Public Comment: Members of the public may address the Board at this time concerning items relating to any matter within the Agency's jurisdiction. To comment on specific agenda items, please complete a speaker's request form and hand it to the board secretary. 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.

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

- A. Approval of the Minutes of the Regular Board Meeting, September 3, 2019* (p. 3)
- B. Approval of the Minutes of the Engineering Workshop, September 9, 2019* (p. 5)
- C. Approval of the Minutes of the Finance and Budget Workshop, September 23, 2019* (p. 7)
- D. Approval of the Finance and Budget Workshop Report, September 23, 2019* (p. 9)

5. Reports:

- A. General Manager's Report* (p. 21)
- B. General Counsel Report* (p. 25)
- C. Directors Reports
- D. Committee Reports

6. New Business:

- A. Consideration of Adoption of Resolution No. 2019-08, Publicly Available Pay Schedules for Applicable Fiscal Years as Part of CalPERS Requirements* (p. 26)
- B. Consideration and Possible Action 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* (p. 39)
- C. Consideration of and Possible Action on Authorizing Hire of Part Time Employee* (p. 64)
- D. Appointment of Ad Hoc Committee on Facilitation of Water Deliveries to Calimesa

7. Topics for Future Agendas

8. Announcements:

- A. Water Conservation and Education Committee Meeting, October 10, 2019 at 1:30 p.m.
- B. Engineering Workshop, October 14, 2019 at 1:30 p.m.
- C. Regular Board Meeting, October 21, 2019 at 1:30 p.m.

9. Closed Session (2 Items)

- A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code Section 54956.9
Receipt of claim: Claimant – Beaumont-Cherry Valley Water District

- B. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Government Code Section 54956.9
One potential case

10. Adjournment

***Information included in Agenda Packet**

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

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223

Minutes of the
Board of Directors Meeting
September 3, 2019

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

Directors Absent: Blair Ball, Director

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

1. **Call to Order, Flag Salute, Invocation, and Roll Call:** The meeting of the San Gorgonio Pass Water Agency Board of Directors was called to order by Board President Duncan at 1:30 p.m., September 3, 2019 in the Agency Boardroom at 1210 Beaumont Avenue, Beaumont, California. President Duncan led the Pledge of Allegiance to the flag. Director Thompson gave the invocation. A quorum was present.
2. **Adoption and Adjustment of Agenda:** *President Duncan asked if there were any adjustments to the agenda. There being none the agenda was adopted as published.*
3. **Public Comment:** *President Duncan asked if there were any members of the public that wished to make a public comment on items that are within the jurisdiction of the Agency that are not on today's agenda. There were no members of the public that wished to comment at this time.*
4. **Consent Calendar:**
 - A. Approval of the Minutes of the Regular Board Meeting, August 19, 2019
 - B. Approval of the Minutes of the Finance and Budget Workshop, August 26, 2019
 - C. Approval of the Finance and Budget Workshop Report, August 26, 2019

President Duncan asked for a motion on the Consent Calendar. Director Stephenson made a motion, seconded by Director Fenn, to adopt the consent calendar. Motion passed 6-0, with Director Ball absent.

5. **Reports:**
 - A. **General Manager's Report:**
 - (1) **Operations Report:** General Manager Davis provided a written report on the Agency's Operations and General Updates. He noted Senate Bill 1 is heading to the floor in the next couple of weeks, and that several amendments were not accepted in committee.

B. General Counsel Report: None.

C. Directors Reports: None.

D. Committee Reports: None.

6. New Business:

A. Consideration of and Possible Action on Proposed Change Order for Up to \$357,236 for Fiesta Recharge Project. A staff report and related materials were included in the agenda package. General Manager Davis explained that the purpose of this proposed Board action is to consider a change order for a maximum of \$357,236 that would enable the Agency to complete construction of the Fiesta Recharge Facility, repair eroded embankments, and make improvements to minimize the potential for future erosion and associated maintenance costs. General Manager Davis provided an overview on what has occurred at the Fiesta Recharge Facility construction site that warrants the change order. He explained in detail the costs that are associated in the change order. After discussion, Director Stephenson made a motion, seconded by Director Castaldo, authorizing the General Manager to approve the change order from Pro-Craft in an amount not to exceed \$357,236, and to move forward in the completion of the project. Motion passed 6-0, with Director Ball absent.

7. Topics for Future Agendas: None.

8. Announcements:

- A. Engineering Workshop, September 9, 2019 at 1:30 p.m.
- B. Cancelled - Water Conservation and Education Committee Meeting, September 12, 2019 at 1:30 p.m.
- C. Regular Board Meeting, September 16, 2019 at 1:30 p.m.

9. Adjournment

Time: 1:46 pm

Draft - Subject to Board Approval

Jeffrey W. Davis, Secretary of the Board

cmr

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, CA 92223
Minutes of the
Board of Directors Engineering Workshop
September 9, 2019

Directors Present: Ron Duncan, President
Leonard Stephenson, Vice President
Blair Ball, Director
David Castaldo, Director
David Fenn, Director
Steve Lehtonen, Director
Mike Thompson, Director (arrived 2:35 pm)

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

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 Stephenson at 1:30 p.m., September 9, 2019 in the Agency Board room at 1210 Beaumont Avenue, Beaumont, California. Vice President Stephenson led the Pledge of Allegiance to the flag. A quorum was present.

2. Public Comment: There were no members of the public who wished to speak at this time.

3. Review of Costs for Fiesta Recharge Project. This item was moved to occur after agenda items 5 and 6. A spread sheet summarizing the costs of the project to date, excluding land costs, was included in the agenda package. General Manager Davis reviewed the costs and answered questions from the Board.

4. Review of Costs for Noble Connection Enlargement. This item was also moved to be discussed after agenda items 5 and 6. A spread sheet summarizing costs to date was included in the agenda package. General Manager Davis reviewed the costs and answered questions from the Board. He noted that the construction is nearly complete but cannot be completed until it is determined whether or not the Agency needs to dig again.

5. Sites Reservoir Update. Copies of power point slides were included in the agenda package. General Manager Davis reviewed the power point slides with the Board, and then answered questions. He noted that four key issues at the current time include affordability vs. permitability of the project; level of participation of the US Bureau of Reclamation; Prop 1 deadlines for all permits and whether this deadline is flexible or not; and whether the project will be included in the Governor's Water Resiliency Portfolio.

6. Discussion of Potential Banning/Cabazon Pipeline. General Manager Davis noted that the Board has traditionally discussed this project every year or so. He pointed out that SGMA may very well determine whether this pipeline needs to be constructed, and when, and that the Board may well want to wait until the

Groundwater Sustainability Plan is completed to discuss this item further. He summarized some of the key issues for the Board if it were decided to move forward, including what it would be used for, who it would serve, how large it would be, what the alignment would be, and what institutional issues need to be dealt with to ensure that water delivered to Cabazon would benefit the customer who pays for it.

7. Announcements:

- A. Regular Board Meeting, September 16, 2019 at 1:30 p.m. After discussion, it was decided to CANCEL this meeting.
- B. Finance and Budget Workshop, September 23, 2019 at 1:30 pm
- C. Joint Board Meeting, September 25, 2019 at 1:30 pm. Location: 380 E. Vanderbilt Way, San Bernardino
- D. San Gorgonio Pass Regional Water Alliance, September 25, 2019, at 5:00 pm – Banning City Hall

8. Adjournment: Vice President Stephenson adjourned the meeting at 2:49 p.m.

Draft - subject to Board approval

Jeff Davis, Secretary to the Board

cmr

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue
Beaumont, California 92223
Minutes of the
Board Finance and Budget Workshop
September 23, 2019

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

Staff and Consultants Present:
Tom Todd, Jr., Finance Manager

1. **Call to Order, Flag Salute and Roll Call:** The Finance and Budget workshop of the San Gorgonio Pass Water Agency Board of Directors was called to order by Treasurer Steve Lehtonen at 1:30 pm, September 23, 2019, in the Agency Conference Room at 1210 Beaumont Avenue, Beaumont, California. Treasurer Lehtonen led the Pledge of Allegiance to the flag. A quorum was present.
2. **Adoption and Adjustment of Agenda:** The agenda was adopted as published.
3. **Public Comment:** No members of the public requested to speak at this time.
4. **New Business:**
 - A. Ratification of Paid Invoices and Monthly Payroll for August, 2019 by Reviewing Check History Reports in Detail: After review and discussion, a motion was made by Director Duncan, seconded by Director Thompson, to recommend that the Board ratify paid monthly invoices of \$1,776,619.09 and payroll of \$38,708.41 for the month of August, 2019, for a combined total of \$1,815,327.50. The motion passed 7 in favor, no opposed.
 - B. Review Pending Legal Invoices: After review and discussion, a motion was made by Director Duncan, seconded by Director Castaldo, to recommend that the Board approve payment of the pending legal invoice for August, 2019 for \$12,331.54. The motion passed 7 in favor, no opposed.
 - C. Review of August, 2019 Bank Reconciliation: After review and discussion, a motion was made by Director Thompson, seconded by Director Castaldo, to recommend that the Board acknowledge receipt of the Wells Fargo bank reconciliation for August, 2019 as presented. The motion passed 7 in favor, no opposed.

D. Review of Budget Report for August, 2019: Finance Manager Tom Todd reviewed the budget report, highlighting a number of items, and answering questions. After further review and discussion, a motion was made by Director Duncan, seconded by Director Stephenson, to recommend that the Board acknowledge receipt of the Budget Report for August, 2019. The motion passed 7 in favor, no opposed.

5. **Announcements:** Director Lehtonen reviewed the announcements:
 - A. Joint Board Meeting, September 25, 2019, 1:30 pm; SBVMWD office
 - B. Regular Board Meeting, October 7, 2019, 1:30 pm
 - C. Water Conservation & Education, October 10, 2019, 1:30 pm
6. **Adjournment:** The Finance and Budget workshop of the San Gorgonio Pass Water Agency Board of Directors was adjourned at 1:45 pm.

Draft - Not
Approved

Jeffrey W. Davis, Secretary of the Board

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Ave, Beaumont, CA 92223
Board Finance & Budget Workshop
Agenda
September 23, 2019 at 1:30 p.m.

1. Call to Order, Flag Salute

2. Adoption and Adjustment of Agenda

3. Public Comment: Members of the public may address the Board at this time concerning items relating to any matter within the Agency's jurisdiction. To comment on a specific agenda item, 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.

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

- A. Ratification of Paid Invoices and Monthly Payroll for August, 2019 by Reviewing Check History Reports in Detail*
- B. Review of Pending Legal Invoices*
- C. Review of August, 2019 Bank Reconciliation*
- D. Review of Budget Report for August, 2019*

5. Announcements

- A. Joint Board Meeting, September 25, 2019, 1:30 pm; SBVMWD office
- B. Regular Board Meeting, October 7, 2019, 1:30 pm
- C. Water Conservation & Education, October 10, 2019, 1:30 pm

6. Adjournment

***Information Included In Agenda Packet**

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San Gorgonio Pass Water Agency
Check History Report
August 1 through August 31, 2019

ACCOUNTS PAYABLE

Date	Number	Name	Amount
08/01/2019	119361	AT&T MOBILITY	206.29
08/01/2019	119362	BDL ALARMS, INC.	78.00
08/01/2019	119363	SOUTHERN CALIFORNIA EDISON	92.41
08/01/2019	119364	MICHAEL D. THOMPSON	382.00
08/01/2019	119365	VALLEY OFFICE EQUIPMENT, INC.	98.69
08/01/2019	119366	WASTE MANAGEMENT INLAND EMPIRE	112.59
08/05/2019	119367	ACWA BENEFITS	872.29
08/05/2019	119368	AMERICAS SECURITY PROFESSIONALS	4,968.00
08/05/2019	119369	BEST BEST & KRIEGER	8,926.59
08/05/2019	119370	UNDERGROUND SERVICE ALERT	43.00
08/05/2019	119371	UNLIMITED SERVICES BUILDING MAINT.	295.00
08/13/2019	119372	VOID	0.00
08/13/2019	119373	ALBERT WEBB ASSOCIATES	1,878.81
08/13/2019	119374	AUTOMATION PRIDE	95.00
08/13/2019	119375	BEAUMONT HOME CENTER	129.29
08/13/2019	119376	CALIMESA CHAMBER OF COMMERCE	125.00
08/13/2019	119377	JEFFREY W. DAVIS	602.70
08/13/2019	119378	EADIE AND PAYNE LLP	1,140.00
08/13/2019	119379	FRONTIER COMMUNICATIONS	1,306.00
08/13/2019	119380	STEPHEN J. LEHTONEN	674.51
08/13/2019	119381	THE PRESS-ENTERPRISE	297.98
08/13/2019	119382	PROVOST & PRITCHARD	483.00
08/19/2019	119383	DELTA CONVEYANCE FINANCE AUTHORITY	50,000.00
08/19/2019	119384	KENNETH M. FALLS	166.00
08/19/2019	119385	KVAC ENVIRONMENTAL	13,381.25
08/19/2019	119386	NICE-INCONTACT	76.30
08/19/2019	119387	WELLS FARGO ELITE CREDIT CARD	6,298.09
08/27/2019	119388	AT&T MOBILITY	206.29
08/27/2019	119389	AVEK WATER AGENCY	636,903.64
08/27/2019	119390	IN-SITU, INC.	9,981.04
08/27/2019	119391	MATTHEW PISTILLI LANDSCAPE SERVICES	350.00
08/27/2019	119392	SOUTHERN CALIFORNIA EDISON	113.82
08/27/2019	119393	CHERYLE M. STIFF	112.04
08/30/2019	119394	STANDARD INSURANCE COMPANY	473.37
08/15/2019	593742	EMPLOYMENT DEVELOPMENT DEPARTMENT	1,104.28
08/15/2019	523159	ELECTRONIC FEDERAL TAX PAYMENT SYSTEM	6,847.47
08/30/2019	536555	EMPLOYMENT DEVELOPMENT DEPARTMENT	1,083.52
08/30/2019	509284	ELECTRONIC FEDERAL TAX PAYMENT SYSTEM	7,619.35
08/15/2019	900255	CAL PERS RETIREMENT - SIP-457	1,680.00
08/16/2019	900256	CALPERS RETIREMENT	5,585.97
08/19/2019	900257	CALPERS HEALTH	8,060.54
08/27/2019	900258	CALPERS FINANCIAL REPORTING	350.00
08/30/2019	900259	CALPERS RETIREMENT	5,505.97
08/30/2019	900260	CAL PERS RETIREMENT - SIP-457	1,680.00
08/31/2019	900261	DEPARTMENT OF WATER RESOURCES	996,233.00
		TOTAL ACCOUNTS PAYABLE CHECKS	1,776,619.09

San Geronio Pass Water Agency

Check History Report

August 1 through August 31, 2019

PAYROLL

Date	Number	Name	Amount
08/14/2019	801758	JEFFREY W. DAVIS	5,131.37
08/14/2019	801759	RONALD A. DUNCAN	990.32
08/14/2019	801760	KENNETH M. FALLS	3,363.56
08/14/2019	801761	STEPHEN J. LEHTONEN	1,237.90
08/14/2019	801762	CHERYLE M. STIFF	2,305.06
08/14/2019	801763	THOMAS W. TODD, JR.	3,798.63
08/29/2019	801764	BLAIR M. BALL	1,237.90
08/29/2019	801765	JEFFREY W. DAVIS	5,131.37
08/29/2019	801766	RONALD A. DUNCAN	1,237.90
08/29/2019	801767	KENNETH M. FALLS	3,219.11
08/29/2019	801768	DAVID L. FENN	1,237.90
08/29/2019	801769	STEPHEN J. LEHTONEN	1,237.90
08/29/2019	801770	LEONARD C. STEPHENSON	1,237.90
08/29/2019	801771	CHERYLE M. STIFF	2,305.06
08/29/2019	801772	MICHAEL D. THOMPSON	1,237.90
08/29/2019	801773	THOMAS W. TODD, JR.	3,798.63
		TOTAL PAYROLL	38,708.41
		TOTAL DISBURSEMENTS FOR AUGUST, 2019	<u>38,708.41</u>

SAN GORGONIO PASS WATER AGENCY

**LEGAL INVOICES
ACCOUNTS PAYABLE INVOICE LISTING**

VENDOR	_INVOICE NBR	COMMENT _____	__AMOUNT__
BEST, BEST & KRIEGER	190831	LEGAL SERVICES AUG19	12,331.54

TOTAL PENDING INVOICES FOR APPROVAL SEPTEMBER 2019 12,331.54

**SAN GORGONIO PASS WATER AGENCY
BANK RECONCILIATION
August 31, 2019**

BALANCE PER BANK AT 08/31/2019 - CHECKING ACCOUNT 1,345,012.74

LESS OUTSTANDING CHECKS

CHECK NUMBER	AMOUNT	CHECK NUMBER	AMOUNT
119372	VOID	119390	9,981.04
119380	674.51	119392	113.82
119388	206.29	119394	473.37
119389	636,903.64	900255	1,680.00
	<u>637,784.44</u>		<u>12,248.23</u>

TOTAL OUTSTANDING CHECKS -650,032.67

BALANCE PER GENERAL LEDGER 694,980.07

BALANCE PER GENERAL LEDGER ON 07/31/2019 195,596.31

CASH RECEIPTS FOR AUGUST 1,562,005.25

CASH DISBURSEMENTS FOR AUGUST

ACCOUNTS PAYABLE - CHECK HISTORY REPORT	-1,776,619.09
PAYROLL TRANSFER - BANK OF HEMET	<u>-36,000.00</u>
	<u><u>-1,812,619.09</u></u>

BANK CHARGES -2.40

TRANSFER FROM LAIF 750,000.00

BALANCE PER GENERAL LEDGER AT 08/31/2019 694,980.07

REPORT PREPARED BY:



 Cheryl M. Stiff

**SAN GORGONIO PASS WATER AGENCY
DEPOSIT RECAP
FOR THE AUGUST 31, 2019**

DATE	RECEIVED FROM	DESCRIPTION	AMOUNT	TOTAL DEPOSIT AMOUNT
DEPOSIT TO CHECKING ACCOUNT				
8/6/19	RIVERSIDE COUNTY	PROPERTY TAXES	302,950.73	
8/6/19	RIVERSIDE COUNTY	PROPERTY TAXES	13.62	
8/6/19	RIVERSIDE COUNTY	PROPERTY TAXES	41.24	303,005.59
8/6/19	AVEK	CLASS 8 MEETINGS	1,350.00	1,350.00
8/12/19	BCVWD	SITES DEPOSIT	22,099.48	22,099.48
8/12/19	RIVERSIDE COUNTY	PROPERTY TAXES	51,732.17	51,732.17
8/21/19	RIVERSIDE COUNTY	PROPERTY TAXES	59,908.43	59,908.43
8/23/19	RIVERSIDE COUNTY	PROPERTY TAXES	27,223.81	27,223.81
8/23/19	AMERICAN TOWER	CELL TOWER LEASE	27,822.58	27,822.58
8/26/19	RIVERSIDE COUNTY	PROPERTY TAXES	185,983.52	185,983.52
8/27/19	TVI	CD - BOND INTEREST	60,313.79	60,313.79
8/28/19	RIVERSIDE COUNTY	PROPERTY TAXES	165,412.88	165,412.88
8/28/19	BCVWD	WATER SALES	657,153.00	657,153.00
TOTAL FOR AUGUST, 2019			1,562,005.25	1,562,005.25

**SAN GORGONIO PASS WATER AGENCY
BUDGET REPORT FY 2019-20
BUDGET VS. REVISED BUDGET VS. ACTUAL
FOR THE TWO MONTHS ENDING ON AUGUST 31, 2019**

FOR THE FISCAL YEAR JULY 1, 2019 - JUNE 30, 2020

	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
GENERAL FUND - INCOME				Comparison:	83%
INCOME					
WATER SALES	5,600,000		5,600,000	657,153.00	88.27%
TAX REVENUE	2,750,000		2,750,000	124,935.05	95.46%
INTEREST	350,000		350,000	16,803.51	95.20%
DESIGNATED REVENUES	820,000		820,000	0.00	100.00%
CAPACITY FEE	0		0	0.00	
OTHER (REIMBURSEMENTS, TRANSFERS)	31,000		31,000	49,922.06	-61.04%
TOTAL GENERAL FUND INCOME	9,551,000	0	9,551,000	798,891.56	91.64%
GENERAL FUND - EXPENSES					
COMMODITY PURCHASE					
PURCHASED WATER	6,100,000		6,100,000	412,721.00	93.23%
TOTAL COMMODITY PURCHASE	6,100,000	0	6,100,000	412,721.00	93.23%
SALARIES AND EMPLOYEE BENEFITS					
SALARIES	500,000		500,000	82,193.04	83.56%
PAYROLL TAXES	43,000		43,000	7,476.78	82.61%
RETIREMENT	250,000		250,000	60,168.51	75.93%
OTHER POST-EMPLOYMENT BENEFITS (OPEB)	73,000		73,000	5,020.75	93.12%
HEALTH INSURANCE	68,000		68,000	16,456.53	75.80%
DENTAL INSURANCE	5,000		5,000	1,204.50	75.91%
LIFE INSURANCE	1,600		1,600	407.33	74.54%
DISABILITY INSURANCE	5,200		5,200	854.81	83.56%
WORKERS COMP INSURANCE	3,800		3,800	0.00	100.00%
SGPWA STAFF MISC. MEDICAL	10,000		10,000	685.70	93.14%
EMPLOYEE EDUCATION	1,000		1,000	0.00	100.00%
TOTAL SALARIES AND EMPLOYEE BENEFITS	960,600	0	960,600	174,467.95	81.84%

16/91

**SAN GORGONIO PASS WATER AGENCY
BUDGET REPORT FY 2019-20
BUDGET VS. REVISED BUDGET VS. ACTUAL
FOR THE TWO MONTHS ENDING ON AUGUST 31, 2019**

FOR THE FISCAL YEAR JULY 1, 2019 - JUNE 30, 2020

	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
GENERAL FUND - EXPENSES				Comparison:	83%
ADMINISTRATIVE & PROFESSIONAL					
DIRECTOR EXPENDITURES					
DIRECTORS FEES	115,000		115,000	15,549.22	86.48%
DIRECTORS TRAVEL & EDUCATION	15,000		15,000	2,540.00	83.07%
DIRECTORS MISC. MEDICAL	21,000		21,000	1,856.51	91.16%
OFFICE EXPENDITURES					
OFFICE EXPENSE	15,000		15,000	1,133.91	92.44%
POSTAGE	700		700	0.00	100.00%
TELEPHONE	11,500		11,500	1,730.74	84.95%
UTILITIES	5,000		5,000	177.22	96.46%
SERVICE EXPENDITURES					
COMPUTER, WEB SITE AND PHONE SUPPORT	17,000		17,000	375.00	97.79%
GENERAL MANAGER & STAFF TRAVEL	18,000		18,000	3,071.03	82.94%
INSURANCE & BONDS	23,000		23,000	2,420.65	89.48%
ACCOUNTING & AUDITING	21,000		21,000	1,140.00	94.57%
STATE WATER CONTRACT AUDIT	5,500		5,500	0.00	100.00%
DUES & ASSESSMENTS	30,000		30,000	1,052.00	96.49%
OUTSIDE PROFESSIONAL SERVICES	7,500		7,500	350.00	95.33%
BANK CHARGES	1,000		1,000	78.22	92.18%
MISCELLANEOUS EXPENSES	500		500	0.00	100.00%
MAINTENANCE & EQUIPMENT EXPENDITURES					
TOOLS PURCHASE & MAINTENANCE	500		500	0.00	100.00%
VEHICLE REPAIR & MAINTENANCE	5,000		5,000	1,322.97	73.54%
MAINTENANCE & REPAIRS - BUILDING	30,000		30,000	961.18	96.80%
MAINTENANCE & REPAIRS - FIELD	8,000		8,000	877.45	89.03%
CONTRACT OPERATIONS AND MAINTENANCE	125,000		125,000	0.00	100.00%
COUNTY EXPENDITURES					
LAFCO COST SHARE	6,000		6,000	6,651.71	-10.86%
ELECTION EXPENSE	0		0	0.00	0.00%
TAX COLLECTION CHARGES	11,000		11,000	1,317.16	88.03%
TOTAL ADMINISTRATIVE & PROFESSIONAL	492,200	0	492,200	42,604.97	91.34%

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**SAN GORGONIO PASS WATER AGENCY
 BUDGET REPORT FY 2019-20
 BUDGET VS. REVISED BUDGET VS. ACTUAL
 FOR THE TWO MONTHS ENDING ON AUGUST 31, 2019**

FOR THE FISCAL YEAR JULY 1, 2019 - JUNE 30, 2020

	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
GENERAL FUND - EXPENSES				Comparison:	83%
GENERAL ENGINEERING					
NEW WATER					
UPDATED STUDY ON AVAILABLE SOURCES	16,000		16,000	483.00	96.98%
SGMA SUPPORT					
GSP CONSULTANT	500,000		500,000	0.00	100.00%
WEBSITE SERVICES	3,000		3,000	0.00	100.00%
UWMP CONSULTANT	35,000		35,000	0.00	100.00%
STUDIES					
USGS	115,000		115,000	9,981.04	91.32%
WATER RATE NEXUS STUDY	35,000		35,000	0.00	100.00%
WATER RATE FINANCIAL MODELING	15,000		15,000	0.00	100.00%
CAPACITY FEE NEXUS STUDY UPDATE	48,000		48,000	0.00	100.00%
WHEELING RATE STUDY	0		0	0.00	0.00%
OTHER PROJECTS					
IRWMP IMPLEMENTATION PROPOSAL	22,000		22,000	0.00	100.00%
FLUME MONITORING	30,000		30,000	0.00	100.00%
INFRASTRUCTURE PLAN	30,000		30,000	0.00	100.00%
BASIN MONITORING TASK FORCE	18,000		18,000	18,046.00	-0.26%
GENERAL AGENCY - CEQA AND GIS SERVICES	7,000		7,000	0.00	100.00%
TOTAL GENERAL ENGINEERING	874,000	0	874,000	28,510.04	96.74%
LEGAL SERVICES					
LEGAL SERVICES - GENERAL	150,000		150,000	7,204.26	95.20%
TOTAL LEGAL SERVICES	150,000	0	150,000	7,204.26	95.20%
CONSERVATION & EDUCATION					
SCHOOL EDUCATION PROGRAMS	12,000		12,000	0.00	100.00%
ADULT EDUCATION PROGRAMS	5,000		5,000	0.00	100.00%
SPONSORSHIPS	10,000		10,000	0.00	
OTHER CONSERVATION, EDUCATION AND P. R.	15,000		15,000	0.00	100.00%
TOTAL CONSERVATION & EDUCATION	42,000	0	42,000	0.00	100.00%

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99/61

**SAN GORGONIO PASS WATER AGENCY
BUDGET REPORT FY 2019-20
BUDGET VS. REVISED BUDGET VS. ACTUAL
FOR THE TWO MONTHS ENDING ON AUGUST 31, 2019**

FOR THE FISCAL YEAR JULY 1, 2019 - JUNE 30, 2020

	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
GENERAL FUND - EXPENSES				Comparison:	83%
GENERAL FUND CAPITAL EXPENDITURES					
BUILDING & EQUIPMENT					
BUILDING	10,000		10,000	0.00	100.00%
FURNITURE & OFFICE EQUIPMENT	25,000		25,000	0.00	100.00%
OTHER EQUIPMENT	0		0	0.00	0.00%
FIESTA RECHARGE FACILITY					
POST DESIGN	20,000		20,000	1,878.81	90.61%
CONSTRUCTION	76,000		76,000	0.00	100.00%
BUNKER HILL CONJUNCTIVE USE PROJECT	0		0	0.00	0.00%
NOBLE TURNOUT EXPANSION					
CONSTRUCTION	8,000		8,000	0.00	100.00%
POST DESIGN	1,500		1,500	0.00	100.00%
SITES RESERVOIR	322,000		322,000	302,057.17	6.19%
MONITORING WELLS USGS	250,000		250,000	21,949.25	91.22%
TOTAL GENERAL FUND CAPITAL EXPENDITURES	712,500	0	712,500	325,885.23	54.26%
TRANSFERS TO OTHER FUNDS	0		0	0.00	
TOTAL GENERAL FUND EXPENSES	9,331,300	0	9,331,300	991,393.45	89.38%
WITHDRAWALS FROM RESERVES	1,326,000		1,326,000		
TOTAL TRANSFERS TO/FROM RESERVES	1,326,000		1,326,000	0.00	
GENERAL FUND NET INCOME YEAR TO DATE	1,545,700	0	1,545,700	-192,501.89	

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**SAN GORGONIO PASS WATER AGENCY
 BUDGET REPORT FY 2019-20
 BUDGET VS. REVISED BUDGET VS. ACTUAL
 FOR THE TWO MONTHS ENDING ON AUGUST 31, 2019**

FOR THE FISCAL YEAR JULY 1, 2019 - JUNE 30, 2020

	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
DEBT SERVICE FUND - INCOME				Comparison:	83%
INCOME					
TAX REVENUE	23,995,229		23,995,229	679,779.25	97.17%
INTEREST	650,000		650,000	56,255.25	91.35%
DWR CREDITS - BOND COVER, OTHER	3,031,777		3,031,777	0.00	100.00%
TOTAL DEBT SERVICE FUND INCOME	27,677,006	0	27,677,006	736,034.50	97.34%
DEBT SERVICE FUND - EXPENSES					
EXPENSES					
SALARIES	60,000		60,000	10,765.04	82.06%
PAYROLL TAXES	4,700		4,700	823.49	82.48%
BENEFITS	74,000		74,000	11,388.78	84.61%
STATE WATER CONTRACT PAYMENTS	24,500,000		24,500,000	1,560,405.00	100.00%
WATER TRANSFERS	1,625,000		1,625,000	0.00	97.72%
SWC CONTRACTOR DUES	75,000		75,000	37,126.00	33.33%
DELTA CONVEYANCE FACILITY AUTHORITY	40,000		40,000	50,000.00	100.00%
EBX CONTRACT OPERATIONS AND MAINTENANCE	125,000		125,000	0.00	100.00%
SWP ENGINEERING AND MAINTENANCE	450,000		450,000	0.00	100.00%
DEBT SERVICE UTILITIES	11,000		11,000	1,638.23	85.11%
STATE WATER PROJECT LEGAL SERVICES	0		0	0.00	0.00%
TAX COLLECTION CHARGES	70,000		70,000	10,130.74	85.53%
TOTAL DEBT SERVICE FUND EXPENSES	27,034,700	0	27,034,700	1,682,277.28	93.78%
TRANSFERS FROM RESERVES	0		0	0.00	
DEBT SERVICE NET INCOME YEAR TO DATE	642,306	0	642,306	-946,242.78	

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General Manager's Report

October 7, 2019

Operations Report: The Agency delivered 1223 AF in September, an average of just over 20 cfs. Last week we were able to increase deliveries to 25 cfs, but this week we are back to 22. This is due to the continued bottleneck in the East Branch near Pearblossom Pumping Plant.

Construction Report: Pro-Craft is back on the Fiesta site working on the repairs approved by the Board. Staff is keeping a close eye on the work. Work is also continuing at the Mountain View connection. Pro-Craft still has some clean-up work at this site, and then programming and integrating will begin. The fiber optic line still needs to be restored before the connection can go online. Edison finally energized the site approximately seven months after the formal request was submitted.

Legislative Report: The Legislature passed SB 1 with the objectionable language opposed by the water industry. However, it was vetoed by Governor Newsome. In California, vetoes may be overridden but this has not occurred since 1979. It is anticipated that another similar effort will begin in the next legislative session.

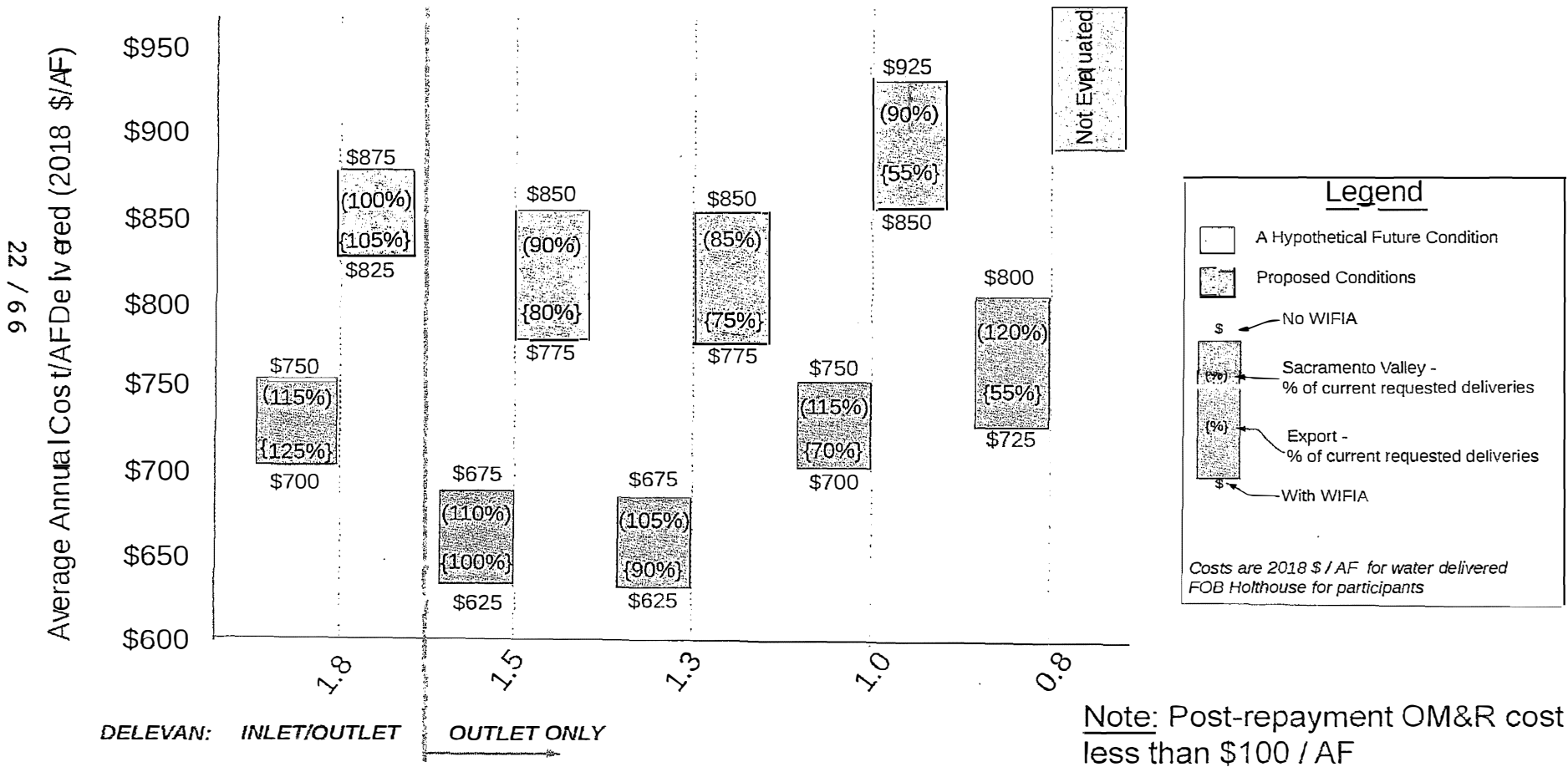
Sites Reservoir Update: The Reservoir Committee voted in September to postpone the start of the next phase at least three months, to April 2020 or later. This would be with no additional costs in the current phase. The purpose of this is to use the time to obtain additional information regarding the permitability of the reservoir and resultant costs. This means the Agency will not have to commit to the next phase until early next year. A figure showing potential costs for different scenarios is included in the agenda package. This will be reviewed with the Board at the Board meeting. It would appear at this time that a reservoir with a storage capacity of 1.3-1.5 MAF is more cost effective than the original 1.8 MAF reservoir.

Delta Conveyance Facility Update: Negotiations continue with DWR on an amendment that would allow construction of a new Delta conveyance facility in which Contractors could "opt in" to participation. The key issue here is among Contractors, and the Contractors must resolve this issue among themselves prior to continuing negotiations with DWR. The issue is that, with the DCF, more water will be available in most years, meaning San Luis Reservoir will have more water in it and will spill more frequently. How this is managed must be dealt with and Contractors have different visions of how this should work. The principle of "beneficiary pays" must govern all decisions; yet at the same time, Contractors may not be harmed. Staff will discuss this verbally in more detail at the Board meeting.

2020 Water Orders: Staff has received retailer water orders for 2020. Retailers are requesting several thousand acre-feet less in 2020 than in 2019; this is likely due to the fact that, with all of the water the Agency has been able to procure and deliver over the past three years, the Beaumont Basin is in excellent shape, storage wise. Based on the orders received, the Agency should be able to meet them even at a 50% allocation. This is due to the amount of water being carried over (nearly 3000), as well as our Nickel supplies and the fact that reservoirs are already relatively high. It is anticipated that the initial 2020 allocation, due by December 1, is likely to be at least 20%, and possibly higher. With a 2020 allocation of 30%, the Agency would not be able to meet retailer orders without obtaining additional supplies.

Results 1a: Current Local, State, & Federal (Average Year Affordability Scenarios)

Participating Water Agencies Long Term Average \$/AF Deliveries (not drier year)

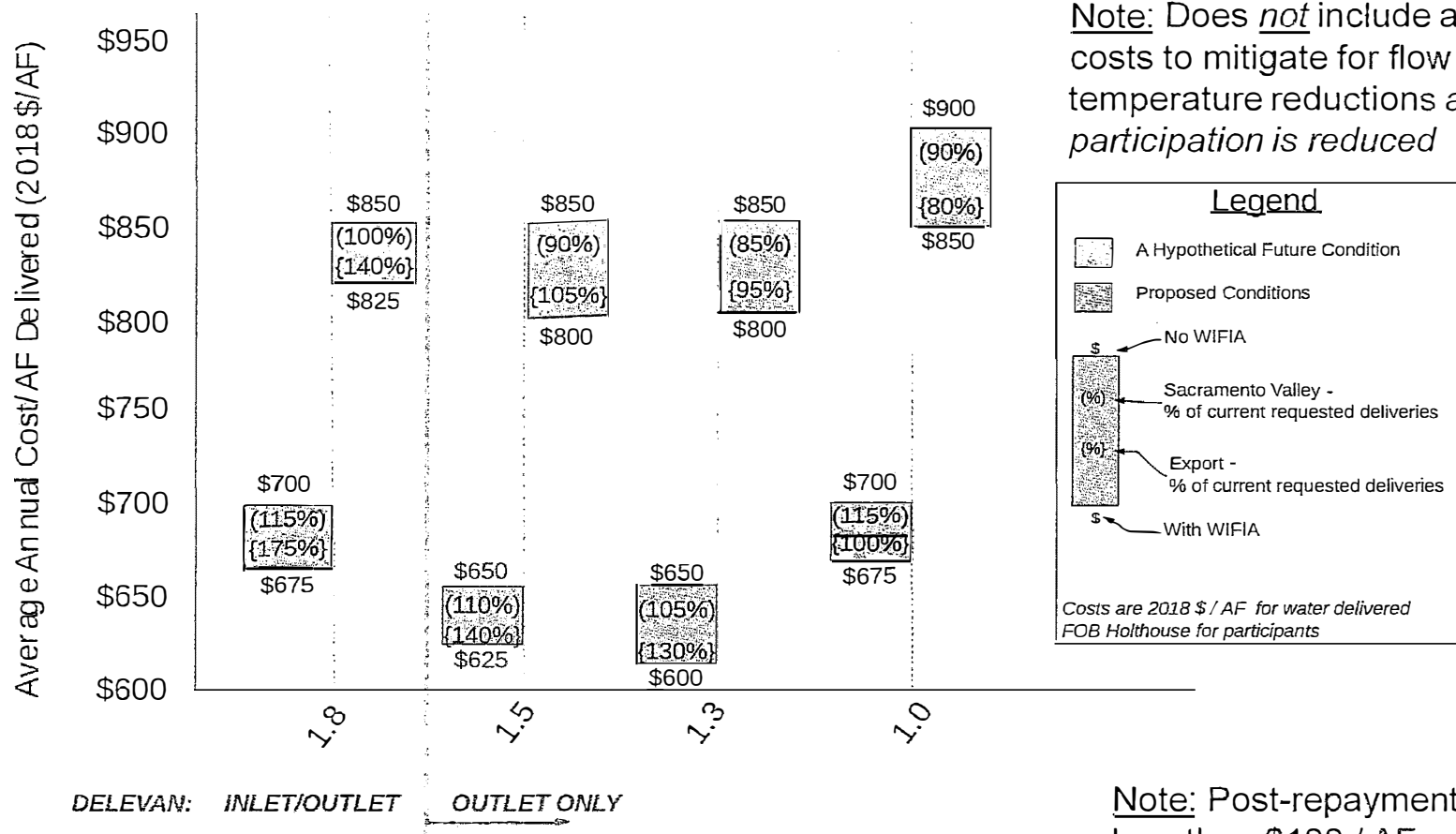


Reservoir Nominal Storage (MAF)

Update: Changed assumptions on bond staging / maturation and WIFIA

Results 2a: Increased Exports & Reduced Federal (Average Year Affordability Scenarios)

Federal Participation and Reduced Investment



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DELEVAN: INLET/OUTLET OUTLET ONLY

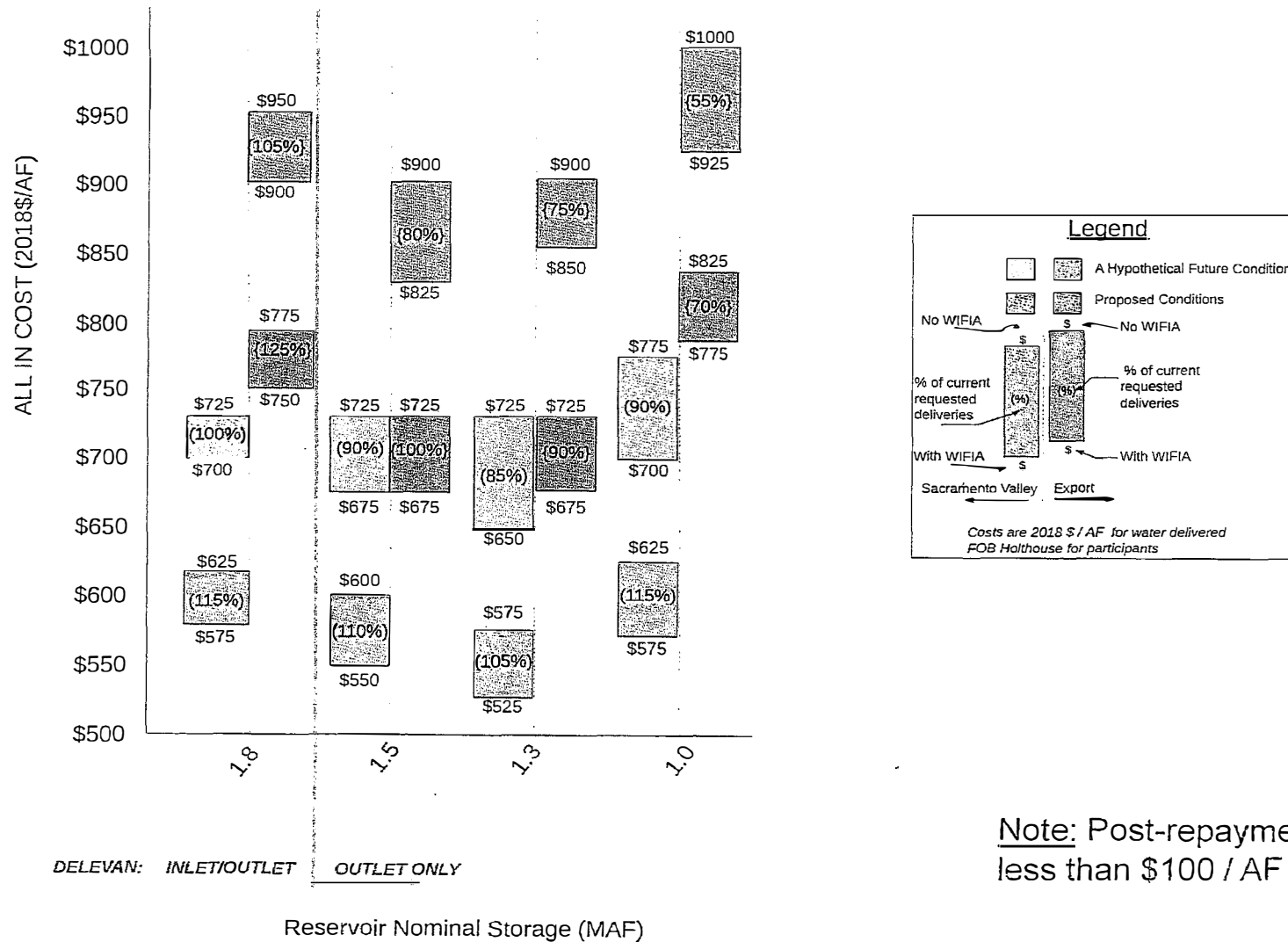
Note: Post-repayment OM&R cost less than \$100 / AF

Reservoir Nominal Storage (MAF)

Update: Changed assumptions on bond staging / maturation and WIFIA

Results 3a: Current Local, State, & Federal; Cost Allocation By Use of Delevan Facilities (Average Year Affordability Scenarios)

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Note: Post-repayment OM&R cost less than \$100 / AF



BEST BEST & KRIEGER
ATTORNEYS AT LAW

Memorandum

To: President and Members of the Board of Directors
San Geronio Pass Water Agency

From: Jeff Ferre, General Counsel

Date: October 7, 2019

Re: General Counsel Report - Board of Directors Meeting

NEW REGULATIONS REGARDING PFAS TESTING

The State Water Resources Board (“SWRCB”) has issued new regulations regarding testing and notification for the presence of synthetic organic chemicals that are referred to as per- and poly-fluoroalkyl substances (“PFAS”). PFAS is comprised of substances that are referred to as PFOA and PFOS (collectively referred to herein as “PFAS”) These substances are known for their nonstick, waterproof, heat- and stain-resistant properties. They are used in consumer and industrial products, such as fabrics, carpets, firefighting foams, food packaging, and nonstick cookware.

People can be exposed to PFAS through various sources including drinking water. As a result, the SWRCB has ordered certain public water systems to sample water from wells near airports and landfills. The SWRCB will also be ordering certain other public water systems to test certain wells that are near industrial sites and at wastewater treatment facilities. It would not seem that the Agency itself is likely to be ordered to do such testing since the Agency’s system is only comprised of distribution and storage facilities and does not include treatment facilities. Depending on the test results, public water systems will need to take certain actions.

Any detection of PFAS will need to be reported in consumer confidence reports.

The “Notification Level” is 6.5 parts per trillion for PFOS and 5.1 parts per trillion for PFOA. If these Notification Levels are exceeded, then the water system is required to report such exceedances to their governing board and are urged by the SWRCB to report this information to the water system’s customers.

The “Response Level” for both PFOS and PFOA is currently 70 parts per trillion. If Response Levels are exceeded, then the water system must report such exceedances to their customers, if the water source is to remain in service, and must consider taking the water source out of service or provide treatment if that option is available. The Response Level will soon be updated by the SWRCB and will likely become more stringent.

MEMORANDUM

TO: Board of Directors

FROM: General Counsel

RE: Adoption of Resolution No. 2019-08 Adopting Publicly Available Pay Schedules for Applicable Fiscal Years as Part of CalPERS Requirements

DATE: October 7, 2019

Summary:

As a CalPERS agency, the Agency is required to meet a number of requirements including the adoption of a publicly available pay schedule to ensure that the base pay paid to employees is included in the calculation of retirement benefits.

Nothing in this proposed action has any impact on employees and their compensation or benefits, nor does this action alter the Agency's ongoing compliance with CalPERS procedures. The compensation paid to employees has been previously approved by the Board in accordance with applicable legal requirements.

Recommendation:

It is recommended that the Board adopt Resolution No. 2019-08 to adopt the fiscal year 2011/2012, 2012/2013, 2013/2014, 2014/2015, 2015/2016, 2016/2017, 2017/2018, and 2018/2019 publicly available pay schedules as required under CalPERS rules.

Detailed Report:

CalPERS law (2 Calif Code of Regulations Section 570.5) provides that for the purposes of determining payrate, one of two components of final compensation for classic members, for a retiring employee, the amount is limited to the amount listed on a "publicly available pay schedule" that must meet certain requirements including, but not limited to, the following:

1. Has been duly approved and adopted by the Board in accordance with public meeting laws;
2. Identifies the position title for every employee position;
3. Shows the payrate for each identified position;
4. Is posted at the Agency's office or immediately accessible and available for public review during normal business hours or posted on the Agency's website;

As mentioned above, the compensation paid to Agency employees has been previously approved by the Board in accordance with District policy and in compliance with applicable public meeting laws.

Solely for the purpose of complying with Section 570.5, it is recommended that official publicly available salary schedules be approved which reflect previously approved compensation amounts. The proposed Resolution would adopt said pay schedules as set forth in Exhibit 1 to the Resolution.

Fiscal Impact:

There would not be a fiscal impact of complying with this CalPERS procedural requirement.

RESOLUTION NO. 2019-08

RESOLUTION OF THE BOARD OF DIRECTORS OF SAN GORGONIO PASS WATER AGENCY ADOPTING THE FISCAL YEAR 2011/2012, 2012/2013, 2013/2014, 2014/2015, 2015/2016, 2016/2017, 2017/2018, AND 2018/2019 PUBLICLY AVAILABLE PAY SCHEDULE AS REQUIRED BY CALPERS

WHEREAS, San Gorgonio Pass Water Agency (Agency) is a CalPERS contracting agency subject to the Public Employees Retirement Law and the regulations thereunder; and

WHEREAS, CalPERS regulations require that employee salaries be included on a publicly available pay schedule as defined in California Code of Regulations, Title 2, Section 570.5; and

WHEREAS, one of the requirements of Section 570.5 is that the Agency's salary schedule be adopted by resolution of the Board of Directors; and

WHEREAS, the compensation paid to Agency employees has been previously approved by the Board in accordance with District policy and in compliance with applicable public meeting laws; and

WHEREAS, solely for the purpose of complying with Section 570.5, it has been determined that it is in the Agency's best interest to have the salary schedules approved by the Board of Directors which reflect previously approved compensation amounts.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the San Gorgonio Pass Water Agency hereby adopts the fiscal year **2011/2012, 2012/2013, 2013/2014, 2014/2015, 2015/2016, 2016/2017, 2017/2018, 2018/2019, AND 2019/2020** salary schedule for Agency employees attached hereto as Exhibit 1 and incorporated herein by this reference, with an effective date of July 1 of the applicable fiscal year.

ADOPTED AND APPROVED this 7th day of October, 2019.

President, Board of Directors
San Gorgonio Pass Water Agency

ATTEST:

Secretary, Board of Directors
San Gorgonio Pass Water Agency

Exhibit 1

San Gorgonio Pass Water Agency
Position Payrate Schedule
FY 2011-2012
July 1, 2011 - June 30, 2012

Position Title	Payrate Range	Time Base
General Manager	\$154,920	Annual
Finance Manager	\$78,444 to \$95,340	Annual
Executive Assistant	\$58,536 to \$71,148	Annual
Field Operations Manager	\$34.21 to \$41.58	Hourly

This complies with CCR 570.5 requirements for pay schedule information, effective August 10, 2011.

**San Gorgonio Pass Water Agency
Position Payrate Schedule
FY 2012-2013**

July 1, 2012 - June 30, 2013

Position Title	Payrate Range	Time Base
General Manager	\$159,576	Annual
Finance Manager	\$80,796 to \$98,208	Annual
Executive Assistant	\$60,288 to \$73,284	Annual
Field Operations Manager	\$35.23 to \$42.83	Hourly

This complies with CCR 570.5 requirements for pay schedule information, effective August 10, 2011.

**San Gorgonio Pass Water Agency
Position Payrate Schedule
FY 2013-2014**

July 1, 2013 - June 30, 2014

Position Title	Payrate Range	Time Base
General Manager	\$164,364	Annual
Finance Manager	\$83,220 to \$101,148	Annual
Executive Assistant	\$62,100 to \$75,480	Annual
Field Operations Manager	\$36.29 to \$44.11	Hourly

This complies with CCR 570.5 requirements for pay schedule information, effective August 10, 2011.

**San Gorgonio Pass Water Agency
Position Payrate Schedule
FY 2014-2015**

July 1, 2014 - June 30, 2015

Position Title	Payrate Range	Time Base
General Manager	\$172,584	Annual
Finance Manager	\$88,692 to \$107,808	Annual
Executive Assistant	\$63,024 to \$76,608	Annual
Field Operations Manager	\$38.68 to \$47.01	Hourly

This complies with CCR 570.5 requirements for pay schedule information, effective August 10, 2011.

**San Gorgonio Pass Water Agency
Position Payrate Schedule
FY 2015-2016**

July 1, 2015 - June 30, 2016

Position Title	Payrate Range	Time Base
General Manager	\$172,584	Annual
Finance Manager	\$93,120 to \$113,196	Annual
Executive Assistant	\$63,024 to \$76,608	Annual
Field Operations Manager	\$38.68 to \$47.01	Hourly

This complies with CCR 570.5 requirements for pay schedule information, effective August 10, 2011.

San Gorgonio Pass Water Agency
Position Payrate Schedule
FY 2016-2017
July 1, 2016 - June 30, 2017

Position Title	Payrate Range	Time Base
General Manager	\$177,798	Annual
Finance Manager	\$96,804 to \$120,900	Annual
Executive Assistant	\$65,220 to \$81,444	Annual
Field Operations Manager	\$40.14 to \$50.12	Hourly

This complies with CCR 570.5 requirements for pay schedule information, effective August 10, 2011.

San Gorgonio Pass Water Agency
Position Payrate Schedule
FY 2017-2018
July 1, 2017 - June 30, 2018

Position Title	Payrate Range	Time Base
General Manager	\$190,206	Annual
Finance Manager	\$99,420 - \$124,164	Annual
Executive Assistant	\$66,972 - \$83,640	Annual
Field Operations Manager	\$41.22 to \$51.47	Hourly

This complies with CCR 570.5 requirements for pay schedule information, effective August 10, 2011.

**San Gorgonio Pass Water Agency
Position Payrate Schedule
FY 2018-2019**

July 1, 2018 - June 30, 2019

Position Title	Payrate Range	Time Base
General Manager	\$195,912	Annual
Finance Manager	\$102,600 - \$128,136	Annual
Executive Assistant	\$69,120 - \$86,316	Annual
Field Operations Manager	\$42.54 to \$53.12	Hourly

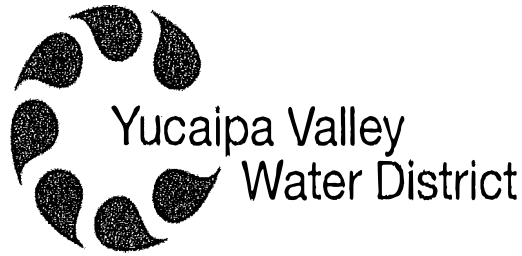
This complies with CCR 570.5 requirements for pay schedule information, effective August 10, 2011.

**San Gorgonio Pass Water Agency
Position Payrate Schedule
FY 2019-2020**

July 1, 2019 - June 30, 2020

Position Title	Payrate Range	Time Base
General Manager	\$201,408	Annual
Finance Manager	\$110,820 - \$138,408	Annual
Executive Assistant	\$71,052 - \$88,752	Annual
Field Operations Manager	\$43.73 to \$54.61	Hourly

This complies with CCR 570.5 requirements for pay schedule information, effective August 10, 2011.



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

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*”). SBVMWD, 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. On 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 provided 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 upon 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. *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.

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

c. *Potable Water Consumption by County (kgal) [C]*. YVWD summation of deliveries to customers within each county. Found on YVWD internal report on potable water.

- d. *Percentage of Domestic Use per County [D]*. Calculation.
- e. *Preliminary Allocation of Filtered Water (AF) [E]*. Calculation.
- f. *Well No. 35 Production (AF) [F]*. Found on YVWD water production report.
- g. *Well No. 40 Production (AF) [G]*. Found on YVWD water production report.
- h. *Well No. 48 Production (AF) [H]*. Found on YVWD water production report.
- i. *Well No. 61 Production (AF) [I]*. Found on YVWD water production report.
- j. *Calculation of Filtered Water Use in Riverside County (AF) [J]*. Calculation.
- k. *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.
- l. *Imported Water Allocated to YVWD (AF) [L]*. Calculation.
- m. *Imported Water Allocated to WHMWC (AF) [M]*. Found on YVWD production report.
- n. *Quantity of Recycled Water from Direct Imports (AF) [N]*. Calculation.
- o. *Amount of Recycled Water from B-8 at Wochholz RWRP (AF) [O]*. Found on YVWD water production report.
- p. *Actual Recycled Use in Riv. Co. (AF) [P]*. Found on YVWD internal report on non-potable water.
- q. *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@sbsvmwd.com

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

If to SGPWA: San Gorgonio Pass Water Agency
Attn: General Manager
1210 Beaumont Avenue
Beaumont, CA 92223
Phone: _____
Email: _____

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)

State of California
The Resources Agency
DEPARTMENT OF WATER RESOURCES

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

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."

RECITALS

- A. DWR and SBVMWD have entered into a water supply contract, dated December 30, 1960, and subsequently amended, providing that DWR shall supply certain quantities of water to SBVMWD, providing that SBVMWD shall make certain payments to DWR, and setting forth the terms and conditions of such water deliveries and payments, hereinafter "SBVMWD's Water Supply Contract."
- B. DWR and SGPWA have entered into a water supply contract, dated November 16, 1962, and subsequently amended, providing that DWR shall supply certain quantities of water to SGPWA, providing that SGPWA shall make certain payments to DWR, and setting forth the terms and conditions of such water deliveries and payment, hereinafter "SGPWA's Water Supply Contract."
- C. Yucaipa Valley Water District (YVWD) serves customers located in both SBVMWD's and SGPWA's service areas. However, YVWD's only physical connection to the SWP system is located at SBVMWD's turnout at 3A of the California Aqueduct's East Branch Extension (Reach EBX-3A) from which SWP water is conveyed to YVWD's service area. Therefore, a change in point of delivery agreement is necessary for YVWD to receive SGPWA's SWP water for use in the SGPWA portion of YVWD's service area. SGPWA has estimated that up to 2,400 acre-feet per year of its SWP Table A water will be delivered and used by YVWD in SGPWA's service area.
- D. SGPWA requests DWR's approval for a change in point of delivery of up to 2,400 acre-feet annually of SGPWA's approved SWP Table A water to SBVMWD's turnout at Reach EBX-3A for use in the SGPWA portion of YVWD's service area.
- E. In compliance with the California Environmental Quality Act (CEQA), SGPWA, as lead agency, has determined that the change in point of delivery is categorically exempt from the requirements under CEQA Guidelines Section 15301 (exemption for the operation of existing facilities) and has filed a Notice of Exemption (NOE) with the State Clearinghouse (SCH) on January 4, 2017 (SCH # 2017018021). DWR, as the responsible agency, will file a NOE upon execution of this Agreement.

AGREEMENT

DWR approves a change in point of delivery of up to 2,400 acre-feet annually of SGPWA's approved SWP Table A water to SBVMWD's turnout at Reach EBX-3A of the California Aqueduct during the term of the Agreement, subject to the following terms and conditions:

TERM

1. This Agreement shall be effective upon execution by all Parties, and shall terminate on December 31, 2035, or upon final payment to DWR of all costs attributable to this Agreement, whichever occurs later. However, the liability, hold harmless and indemnification obligations in this Agreement shall remain in effect until December 31, 2039, or until any claim or litigation concerning this Agreement asserted to DWR, SBVMWD, or SGPWA as of December 31, 2039 is finally resolved, whichever occurs later. Extending the obligations in this paragraph of this Agreement beyond the termination dates in the long term SWP water supply contracts between DWR and SBVMWD and between DWR and SGPWA, and the use of the December 31, 2039 date in this Agreement, are not intended to have any legal effect on the termination dates of those or any other long term SWP water supply contracts.

UNIQUENESS OF AGREEMENT

2. DWR's approval under this Agreement is unique and shall not be considered a precedent for future agreements or DWR activities.

USE OF CALIFORNIA AQUEDUCT CAPACITY

3. Delivery of a portion of SGPWA's SWP Table A water to SBVMWD's turnout located on the California Aqueduct under this Agreement shall be in accordance with a schedule that has been reviewed and approved by DWR under applicable provisions of SGPWA's Water Supply Contract. Article 12(f) of SGPWA's Water Supply Contract shall govern the priority for delivery of such water.

APPROVALS

4. The delivery of water under this Agreement shall be contingent upon, and subject to, any necessary approvals and shall be governed by the terms and conditions of such approvals and any other applicable legal requirements. SGPWA and SBVMWD shall be responsible for complying with all applicable laws and legal requirements and for securing any required consent, approvals, permits, or orders. SGPWA and SBVMWD shall furnish to DWR copies of all approvals and agreements required for the delivery of water under this Agreement.

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 30th 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

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

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

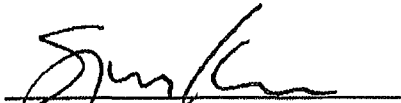
3-8-19
Date


Date

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/s 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

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.

EXHIBIT "B"

SUPPLEMENTAL WATER CALCULATIONS FOR SBVMWD AND SGPWA

Supplemental Water Calculations for SBVMWD & SGPWA

Wednesday, July 03, 2019

\$399.00
Effective 5/1/19

Potable Water Calculation:

	Calculations	June 2019		
		SBVMWD	SGPWA	Total
Quantity of Imported Water Delivered to YVWD (AF)	[A]	--	--	654.30
Quantity of Filtered Water Delivered to Customers (AF)	[B]	--	--	458.01
Drinking Water Consumption By County (kgal)	[C]	181,173	19,966	201,139
Percentage of Domestic Use per County	[D] = % of [C]	90.1%	9.9%	100.0%
Preliminary Allocation of Filtered Water (AF)	[E]=[B]*[D]	412.55	45.46	458.01
Well No. 35 Production (AF)	[F]	--	0.00	--
Well No. 40 Production (AF)	[G]	--	0.00	--
Well No. 48 Production (AF)	[H]	--	0.00	--
Well No. 61 Production (AF)	[I]	--	0.00	--
Calculation of Filtered Water Use in Riv. Co. (AF)	[J]=[E]-[F]-[G]-[H]-[I]	--	45.46	--
Revised Allocation of Filtered Water (AF)	[K]	412.55	45.46	458.01
Imported Water Allocated to YVWD (AF)	[L]	387.25	--	387.25
Imported Water Allocated to WHMWC (AF)	[M]	25.30	--	25.30

Recycled Water Calculation:

	Calculations	June 2019		
		SBVMWD	SGPWA	Total
Quantity of Recycled Water from Direct Imports (AF)	[N]=[A]-[B]	--	--	196.29
Amount of Recycled Water from B-8 at Wochholz RWRF (AF)	[O]	--	--	108.61
Actual Recycled Use in Riv. Co. (AF)	[P]	--	9.90	--
Revised Allocation of Recycled Water Use from YVRWFF (AF)	[Q]	0.00	0.00	0.00

Summary of Monthly Water Purchase from SGPWA

June 2019		
SBVMWD	SGPWA	Total
412.55	45.46	458.01

Checks paid to SGPWA	Potable	45.46 AF
	Check Number	
	Check Date	
	Check Amount	\$399 AF
		\$18,138.54
Checks paid to SGPWA	Recycled	0.00 AF
	Check Number	N/A
	Check Date	N/A
	Check Amount	\$309 AF
		\$0.00

6/30/2019	CHECK REQUEST	
02-5-01-51316	Potable (45.46 AF)	\$18,138.54
02-5-01-51316	Recycled (0.00 AF)	\$0.00
	SGPWA CHECK TOTAL	\$18,138.54

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

#6864 6/30/19		Jan-June 2019 Recap	
177.26	AF-Potable		
0.00	AF-NP		
177.26	Total AF		
\$50,470.38	Potable		
\$0.00	NP		
\$50,470.38	Total		

MEMORANDUM

TO: Board of Directors

FROM: General Manager

RE: Hiring of Temporary Part-Time Employee

DATE: October 7, 2019

Summary:

Casmir Joy Olaivar has worked as an intern for the Agency, through Cal State, San Bernardino, for approximately one year. The 360 hours the Agency paid for are nearly completed. The purpose of this proposed Board action item is to determine if the Board wishes to hire Casmir Joy as a part-time Agency employee through June 2020.

Background:

The Water Conservation and Education Committee has spearheaded an effort to have the Agency become active on social media, and toward that end, the Board last year gave a \$10,000 donation to the Water Resources Institute at CSUSB in exchange for a student intern for 360 hours. Casmir has initiated a social media footprint for the Agency on Facebook, Instagram, and Twitter, has developed a number of followers, and has begun following other water agencies. A number of Board members have commented that they are pleased with the Agency's footprint and wish to see it expand.

Detailed Report:

Staff recognizes that the commitment to Casmir as an intern was for only 360 hours, and knew that these hours would be completed in October or November. Toward that end, staff included in this year's General Fund budget, with the approval of the Board, approximately \$9,000 in the event the Board wished Casmir to stay on as an Agency employee after her 360-hour internship ended.

The internship hours will be expended by October 15. A new pay period will begin on October 16. Staff is requesting authorization from the Board to bring Casmir on as an Agency employee with the

status of a temporary part-time employee. The commitment would be to hire her at a maximum of 20 hours per week through June 30, 2020. In the budget process for 2020-2021, the Board can discuss whether it wishes to continue budgeting for a part-time employee to assist with a social media program and to perform other tasks as assigned. At that time, the Board could decide if the commitment would be more than temporary.

Based on Agency policy, temporary employees have a different status than permanent employees. By policy, a temporary employee would be employed for less than one year and would not be covered by the provisions of the Employee Manual. For example, a temporary employee would not be eligible for sick leave, vacation leave, insurance, or any other benefit. If at some point the Board wished to make the position a permanent position, even a part-time one, at that time the employee would be eligible for certain benefits. However, that is not part of this proposed action.

Casmir has been an exemplary intern and staff is pleased with the effort that she has put forth and the focus she brings to her work. Staff believes that the Agency has received good value for the funds expended for the 360-hour internship.

Were the Board to authorize hiring her as a temporary part-time employee, staff would endeavor to integrate her more into the overall work flow of the Agency by assigning work other than social media efforts when it is appropriate. This could lighten the load for other employees during peak periods. However, the primary focus of her work would be in social media and in helping to plan a proposed State of the Water Supply event in the Spring.

Fiscal Impact:

The 2019-2020 General Fund budget includes funds (salary and taxes) for up to 600 hours for a part-time employee at \$15.00 per hour, or approximately \$9,000. Staff believes that, should the Board authorize this hiring, the Agency would not reach that amount this year. When Casmir is in school, she will be spending less than 20 hours per week on the job. During academic breaks, she could work longer if she wished, but in no case more than 20 hours per week, which is what is included in the budget.

Since this is included in the budget, there would be no negative impact to the budget for this fiscal year.

Recommendation:

Staff recommends that the Board consider authorizing staff to hire Casmir Olaivar as a temporary part-time employee effective October 16, 2019 and ending June 30, 2020 at a salary of approximately \$15.00 to \$16.00 per hour.