

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, CA
Board of Directors Meeting
Agenda
February 18, 2020 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, February 3, 2020*
(p. 3)
- B. Approval of the Minutes of the Engineering Workshop, February 10, 2020*
(p. 7)

5. Reports:

- A. General Manager's Report
- B. General Counsel Report
- C. Directors Reports
- D. Committee Reports

6. New Business:

- A. Consideration of Sponsorship of 2020 Inland Solar Challenge* (p. 9)
- B. Review of Costs and Revenue Related to 2019 and 2020 Water Deliveries*
(p. 20)

7. Topics for Future Agendas

8. Announcements:

- A. Finance & Budget Workshop, February 24, 2020 at 1:30 p.m.
- B. Regular Board Meeting, March 2, 2020 at 1:30 p.m.
- C. Engineering Workshop, March 9, 2020 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) and initiation of litigation pursuant to paragraph (4) of subdivision (d) of Government Code Section 54956.9
One potential case
- B. PUBLIC EMPLOYEE APPOINTMENT –
Pursuant to Government Code Section 54957
Title: Executive Recruitment Firm/Recruiter

10. Adjournment

Pending Agenda Items:

<i>Request</i>	<i>Requester</i>	<i>Date of Request</i>	<i>Tentative Meeting Date Agenda</i>
Updated/revised calculations on new rate	Ball	11/18/2019	02/03/2020
Final costs of: Fiesta Recharge; Noble Creek Connection & Temp Connection; Mtn. View Connection	Thompson	12/02/2019	02/03/2020 or 02/17/2020

***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
February 3, 2020

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

Staff Present: Jeff Davis, General Manager
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., February 3, 2020 in the Agency Boardroom at 1210 Beaumont Avenue, Beaumont, California. President Duncan led the Pledge of Allegiance to the flag. Director Fenn 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. Rhea Weber representing Cherry Valley Acres and Neighbors (CVAN) asked if the Agency is selling potable water to Pardee for the Atwell project. Legal Counsel Jeff Ferre stated that since this is a question and is not an item that is listed on the Agenda, she would need to speak to staff after the board meeting.*
4. **Consent Calendar:**
 - A. Approval of the Minutes of the Regular Board Meeting, January 21, 2020
 - B. Approval of the Minutes of the Finance and Budget Workshop, January 27, 2020
 - C. Approval of the Finance and Budget Workshop Report, January 27, 2020

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

5. **Reports:**
 - A. **General Manager's Written Report:** A written report was not provided in the agenda packet. However, a written report was given to all Board members and was made available to the public. General Manager Davis verbally reviewed the report with the Board.

(1) Operations and Water Supply Report: DWR has increased our allocation this year to 15%. We are back online 3 / 2 3 after shutting down in January. YVWD will not be

back online until at least February 12, leaving some additional capacity in the system. Our plan is to take as close to 50 cfs as possible until that date, in order to reduce our carryover in San Luis Reservoir. That means that we will be putting water into our recharge facility, in addition to delivering 34 cfs to BCVWD. We will be operating through the Greenspot system at least through February. The effort to retrofit Citrus to protect against rhomboids is proceeding.

(2) General Updates: General Manager Davis reviewed the following with the Board:

- a. Sites Reservoir – General Manager Davis met with Chuck Bonham, Director of Cal Fish and Wildlife, last week. The investors will need to decide if the permit terms being discussed are acceptable. This was a positive and productive meeting.
- b. Voluntary Agreements (VA's). Negotiations have continued among a very small group of people and there is hope that a deal could be struck in the near future. The key issue now is money to buy water for outflow in dry years.
- c. Incidental Take Permit (ITP). This issue is being wrapped into the VA discussions and may become a part of the overall voluntary agreements.
- d. Delta Conveyance Facility (DCF) Amendment - The Contractors met last week and are scheduled to meet again this week to develop a proposal that everyone can sign on to and that could be presented to DWR. The next formal negotiation session with DWR is scheduled for March 4.
- e. Water Management Tools Amendment - DWR will recirculate the EIR on or about Feb 21. There will be a 45 day review period. Recirculation is related to removal of CWF language from the original amendment.
- f. Delta Conveyance – There will be an open mic at all CEQA scoping meetings coming up in the next two weeks. DWR would like Contractors to attend the LA meeting, along with Bay Area and Sacramento meetings. They want input from all water agencies - not just Contractors. Letters will be due sometime in March.
- g. Report on SCWC Luncheon – Held in Ontario on January 31st. Three people who are in the water industry and well connected in Sacramento spoke about the current political climate related to water. The Governor's proposed climate resiliency bond was discussed. One speaker encouraged all water agencies to work closely with their legislators to educate them on important issues. Another indicated he thinks that the single most important water issue in the state right now is the voluntary agreements.

B. General Counsel Report: General Counsel Jeff Ferre provided a written report on Regulation Narrowing Clean Water Act ("CWA") Jurisdiction. There were no questions asked by the Board or the public.

C. Directors Reports: Director Castaldo reported on the BCVWD meeting that was held on January 23rd. Director Lehtonen reported on the BCVWD meeting that was held on January 2nd. He also attended and reported on the SGPRWA held on January 22nd.

D. Committee Reports: Director Thompson noted that the Water Conservation and Education Committee will be meeting on February 13th. Director Stephenson noted that the General Manager Hiring Committee will be meeting on February 10th. Director Ball noted that the Capacity Fee Committee will be meeting on February 10th.

6. New Business:

A. Review of San Geronio Pass Water Agency Retirement Benefits and Obligations. A staff report was included in the agenda package. President Duncan noted that Riverside County Supervisor Jeff Hewitt wished to speak on this topic remarking that Mr. Hewitt is representing himself and not on the behalf of the County. Mr. Hewitt stated that he believes there is a problem with CalPERS (PERS). He remarked that public entities are having to pay more to PERS and recommended that the Agency pay off its unfunded liability to them. After Mr. Hewitt's remarks President Duncan turned the meeting over to General Manager Davis. General Manager Davis stated that he will be providing a comprehensive presentation to the Board on CalPERS. He noted that the components of PERS are pensions (a defined benefit plan) and other post-employment benefits (OPEB). He also explained the Public Employees' Pension Reform Act (PEPRA). General Manager Davis provided the history of CalPERS. General Manager Davis also provided an explanation as to why PERS increased the unfunded liability. General Manager Davis provided a PowerPoint presentation on the following:

1. Retirement Income and Other Post-Employment Benefits
2. Funding and Formula for PERS
3. OPEB
4. Management Strategies
5. How PERS affects the Agency
6. PEPRA Summary
7. Summary and Proposals

During the presentation Board members asked various questions, which General Manager Davis replied to. After discussion with the Board, Legal Counsel Jeff Ferre proposed the following items be followed up on:

1. What are the options for new general manager in terms of a retirement plan.
2. What are the other retirement plans out there, contribution vs. defined benefit plans.
3. What would be the process to get out of PERS and what would it cost.
4. What impact would that have on current and future employees.

The Board was in agreement with the noted follow-up items.

B. Update on SGMA. A staff report and supporting documents were included in the agenda package. General Manager stated that a consultant was hired, and that we are well on our way to producing a GSP. The San Geronio Pass Subbasin is categorized as a medium priority basin. General Manager Davis reviewed a number of key issues and documents that were provided in the agenda packet.

Key issues:

1. A groundwater model of the basin was done by USGS for a previous project. The groundwater model is required in order to figure out what the water budget is, which requires data. The model now needs to be calibrated.
2. SGMA requires a searchable secure data management system.
3. Possibility of having management areas.
4. Water rights.

He reviewed the Sustainable Management Criteria from DWR. The GSP will require a public hearing and is due to DWR on January 31, 2022.

7. Topics for Future Agendas: Director Castaldo requested a workshop for discussion on procurement allotment through the State Water Project. General Manager Davis stated that he will add this topic to next week's Engineering Workshop.

8. Announcements:

- A. Engineering Workshop, February 10, 2020 at 1:30 p.m.
- B. Water Conservation and Education Workshop, February 13, 2020 at 1:30 p.m.
- C. Office closed **Monday**, February 17th, 2020 in observance of Presidents' Day
- D. Regular Board Meeting, **Tuesday**, February 18, 2020 at 1:30 p.m.

9. Adjournment

Time: 3:44 pm

Draft - Subject to Board Approval

Jeffrey W. Davis, Secretary of the Board

GMF

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, CA 92223
Minutes of the
Board of Directors Engineering Workshop
February 10, 2020

Directors Present: Ron Duncan, President
Leonard Stephenson, Vice President
Blair Ball, Director
David Castaldo, Director
David Fenn, Director
Mike Thompson, Director

Directors Absent: Steve Lehtonen, Director

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

1. Call to Order, Flag Salute and Roll Call: The Engineering workshop of the San Gorgonio Pass Water Agency Board of Directors was called to order by Vice President Stephenson at 1:30 p.m., February 10, 2020 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: No members of the public wished to address the Board at this time.

3. Review of Directors' Travel and Expense Policy. At the recommendation of General Manager Davis, this item was tabled to next month's workshop.

4. Review of YVWD Request for Additional Delivery Points. A copy of Yucaipa Valley Water District's application for additional delivery points and of the Agency's Ordinance 8 were included in the agenda package. General Manager Davis reviewed YVWD's application for four additional delivery points for purposes of groundwater banking, originally submitted in 2017. He noted that he was bringing this to the Board now because of the recent completion of the Agency's Fiesta Recharge Facility. He indicated that three of the requested delivery points—Wilson Creek Spreading Grounds in Yucaipa, and the Fiesta and BCVWD recharge facilities in Cherry Valley—already exist, and no additional construction would be required. For this reason, he recommended that the Board consider approving these additional delivery points. For the fourth delivery point—the Bunker Hill Conjunctive Use Project in Redlands—this project is not yet complete, and neither the Agency nor YVWD has yet committed to participate in it. Thus, he recommended that the Board take no action on this delivery point at this time. It was the consensus of the Board to bring the other three delivery points to the Board for consideration and possible action in the near future.

5. Status Report on Fiesta Recharge Facility. General Manager Davis informed the Board that the Notice of Completion has recently been filed for this project, noting mid-December as the completion date. This would begin the 12-month warranty period. He also indicated that the Agency is currently delivering 16 cfs to the facility in order to reduce storage in San Luis Reservoir. He noted that last week technicians

repaired the connection between the control valve and meter so that the meter is reading correctly now. The connection must still be added to the SCADA system so that it can be operated remotely. Currently it must be operated locally.

6. Review of Options for Additional Table A Water. In response to a request from Director Castaldo, General Manager Davis reviewed the process for obtaining additional permanent Table A water rights. He noted that this has been done previously by several Contractors, including Castaic Lake Water Agency, Mojave Water Agency, Coachella Valley Water District, and Desert Water Agency. However, agricultural Contractors have not recently transferred any more Table A water, in part because of SGMA and in part because of local political pressure. He indicated that the Agency has twice attempted to purchase Additional Table A water from farmers, but has been rebuffed both times. He briefly reviewed other potential opportunities for additional long-term water supplies and assured the Board that the water industry is aware of the Agency's desire to procure additional supplies and he would hear about it if another agency wished to market its water rights.

7. Review of Voluntary Agreement Framework. A copy of a PowerPoint given at last weeks VA Plenary Session was included in the agenda package, along with a statement from the Governor's office summarizing the Framework. General Manager Davis reviewed the PowerPoint with the Board and briefly summarized the Framework. He noted that a lot of work still needs to be done and that the Frameworks is just that—it is not complete and lacks a number of details. He promised to continue to keep the Board apprised of the status of VA's.

8. Announcements:

- A. Water Conservation and Education Committee, February 13, 2020 at 1:30 pm
- B. Office closed February 17, 2020, in observance of Presidents' Day
- C. Regular Board Meeting, Tuesday, February 18, 2020 at 1:30 pm.

9. Adjournment: Vice President Stephenson adjourned the meeting at 2:38 p.m.

Draft - subject to Board approval

Jeff Davis, Secretary to the Board

cmr

MEMORANDUM

TO: Board of Directors
FROM: General Manager
RE: Sponsorship of Inland Solar Challenge
DATE: February 18, 2020

Summary:

The purpose of this proposed Board action is to determine if the Board wishes to sponsor the 2020 Inland Solar Challenge and, if so, to what level.

Background:

The Agency has supported the Inland Solar Challenge in the form of financial sponsorships for the past several years. Sponsorship levels have varied from \$2,500 to \$4000. Information on this year's event is included in the agenda package.

Detailed Report:

Over the past several years, the Agency has provided input to the Inland Solar Challenge regarding what it would like to see, including forming a non-profit organization so that sponsorships may be requested of private power and solar companies, reaching out to include more students, and lengthening Public Service Announcements (PSA's). At the Water Conservation and Education Committee meeting on February 13, the Inland Solar Challenge Committee reported that they have taken action on all of these issues in response to the Agency's input.

As part of its effort to become a non-profit, the Inland Solar Challenge Committee has hired a consultant to help file the appropriate documentation. Due to the cost of this consultant, the Committee's budget shows a small loss for this year with this one-time cost. At the Water Conservation and Education Committee meeting, a motion was made to sponsor the event at the \$5,000 level, but the motion

died for lack of a second. The Committee made no recommendation regarding sponsorship.

More schools and more sponsorships have been added this year, the event's tenth. Several schools from the Coachella Valley will compete this year, and Desert Water Agency and the Coachella Valley Water District are new sponsors of those schools. San Bernardino Valley Municipal Water District has increased its sponsorship this year from \$5,000 to \$6,000.

Fiscal Impact:

The 2019-2020 General Fund budget includes \$4,000 for a sponsorship of this event. If the Board approved a sponsorship at this level there would be no impact. If the Board were to approve sponsorship at a higher level, there would be minimal impact to the Agency.

Recommendation:

Staff does not have a recommendation. The Water Conservation and Education Committee does not have a recommendation either.

Thank You Sponsors

SOLAR MEGA SPONSORS

SOLAR GRID SPONSORS

11/23
SOLAR PANEL SPONSORS

SOLAR CELL SPONSORS



The Challenge

The Inland Solar Challenge gathers local high school students to build and race 16-foot boats equipped with solar technology over a six-month period.

The three day event, held at Yucaipa Regional Park, includes an endurance, slalom and sprint race. In the months before the event, teams must prepare two technical reports and a Public Service Announcement (PSA) about water conservation. Students are also required to present their PSA at the event. The team with the most points overall wins the competition.

Once built, teams take the boats back to their schools where they spend many hours fitting them with the required technology. During this time students fine-tune their designs to prepare for competition.

The cost of the event is provided through local sponsorships. Students work on their boats at their local high school, while motivated instructors help the students get the most out of this learning experience.



MAY 15-17, 2020

Yucaipa Regional Park

33900 Oak Glen Road, Yucaipa, CA 92399

Event Info

Janett Robledo, Chair
EAST VALLEY WATER DISTRICT
(909) 806-4287

Devin Arciniega, Co-Chair
SAN BERNARDINO MUNICIPAL
WATER DEPARTMENT

inlandsolarchallenge.com

  @inlandsolarchallenge



Schedule of Events

FRIDAY, MAY 15, 2020

Registration	8:00am – 2:00pm
Inspections	8:00am – 4:00pm
Lunch	12:00pm – 1:00pm
Dinner	5:00pm – 6:00pm

SATURDAY, MAY 16, 2020

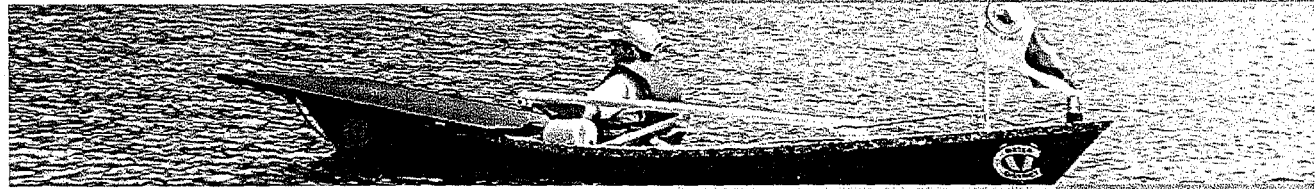
Breakfast	7:00am – 8:00am
Team Meetings	8:00am
Inspections	8:15am

SPRINT RACE

1. Cathedral City	8:40am
2. Palm Springs	9:00am
3. Desert Hot Springs	9:20am
4. Redlands East Valley	9:40am
5. Desert Mirage	10:00am
6. Cajon	10:20am
7. Rialto	10:40am
8. Banning	11:00am
9. Yucaipa	11:20am
10. Cathedral City	11:45pm – 12:45pm
11. Inspections	1:00pm

SLIPWAY RACE

1. Desert Hot Springs	1:20pm
2. Banning	1:40pm
3. Cathedral City	2:00pm
4. Cajon	2:20pm
5. Desert Mirage	2:40pm
6. Redlands East Valley	3:00pm
7. Rialto	3:20pm
8. Palm Springs	3:40pm
9. Yucaipa	4:00pm



SATURDAY CONTINUED

PSA PRESENTATIONS

Dinner	4:15pm – 5:15pm
1. Palm Springs	5:40pm
2. Banning	5:50pm
3. Cathedral City	6:00pm
4. Rialto	6:10pm
5. Redlands East Valley	6:20pm
6. Desert Mirage	6:30pm
7. Cajon	6:40pm
8. Desert Hot Springs	6:50pm
9. Yucaipa	7:00pm

SUNDAY, MAY 17, 2020

Breakfast	7:00am – 8:00am
Team Meetings	8:00am
Inspections	8:15am

ENDURANCE RACE

1. Desert Hot Springs	8:40am
2. Banning	8:50am
3. Rialto	9:00am
4. Cajon	9:10am
5. Redlands East Valley	9:20am
6. Desert Mirage	9:30am
7. Palm Springs	9:40am
8. Yucaipa	9:50am
9. Cathedral City	10:00am

AWARDS & LUNCH 12:00pm – 1:00pm

PARTICIPATING HIGH SCHOOLS

- Banning High School
- Cajon High School
- Cathedral City High School
- Desert Hot Springs High School
- Desert Mirage High School
- Palm Springs High School
- Redlands East Valley High School
- Rialto High School
- Yucaipa High School

ISC COMMITTEE MEMBERS

- CITY OF REDLANDS
- COACHELLA VALLEY WATER DISTRICT
- EAST VALLEY WATER DISTRICT
- SAN BERNARDINO MUNICIPAL WATER DEPARTMENT
- WEST VALLEY WATER DISTRICT
- YUCAIPA VALLEY WATER DISTRICT

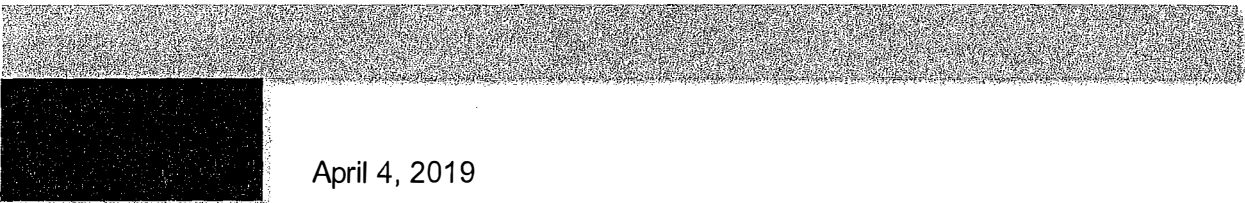
Recharging Communities with Groundwater

During dry years, groundwater contributes up to 60 percent of our regions annual supply. An efficient way to secure and increase the availability of groundwater supply is through recharge. Many water retailers are investing into groundwater recharge projects to help ease low levels of water and increase water manageability.

Students this year are asked to learn about their water agency groundwater supply and the investments being made to ensure sustainability of this resource. Participating teams will prepare a public service announcement highlighting the benefits of groundwater recharge projects and the method being used to replenish the basin.

The objective of this report is to bring awareness and continued support to the investments being made across the Inland Empire to ensure water supply reliability through recharging our groundwater supplies.





April 4, 2019



Board of Directors
San Geronio Pass Water Agency
1210 Beaumont Ave
Beaumont, CA 92223

City of Redlands
City of San Bernardino
Coachella Valley Water District
East Valley Water District
West Valley Water District
Yucaipa Valley Water District

Dear Board of Directors,

Please see the attached sponsorship request for the 2019 Inland Solar Challenge Event. As you know, the Inland Solar Challenge (ISC) is an annual event used to educate high school students on energy and water sustainability. For the past nine years, water retailers within SBVMWD's service area have administered and facilitated the event, every year improving and building upon the knowledge gained from years prior to encourage increased knowledge in conservation. The ISC would like to thank SGPWA for past support and requests continued support of \$4,000.00 for this year's event.

Thank you for your consideration,

Janett Robledo
2019 ISC Chair



About the Event

The Inland Solar Challenge Event is a proven educational platform to convey the water conservation message and helps water agencies comply with the Water Conservation Act of 2009 SBx7-7 and the Demand Management Measure H, School Education Program. Students learn about career options in the water industry and are encouraged to pursue careers in engineering or environmental sciences.

The Inland Solar Challenge gathers high school students from San Bernardino Valley Municipal Water District, San Geronio Pass Water Agency, and Coachella Valley Water District's service areas to build and race solar powered boats during a three-day event held at Yucaipa Regional Park. Each team builds their own 16-foot-long boat equipped with solar technology to compete in three race configurations. Teams must prepare two technical reports on boat design and a Public service Announcement (PSA) on water conservation that is presented at the event. Points are awarded for the races, reports and the presentation. The school with the most overall points wins the competition.

In preparation for the event, the nine participating high school teams come together to a boat building workshop to build their boats and tour a water filtration facility. Students will also participate in a presentation about the East Branch Extension, a system that delivers State Water Project water to areas within San Bernardino Valley Municipal Water District.

During the eight-month educational program students commit time after school to work as a team to fit their boats with the required technology to compete in May. The event costs are paid for through sponsorships from local companies and water agencies. High schools provide the classroom space to work on the boats and motivated instructors help the students gain knowledge in both energy and water sustainability.

2020 PSA Conservation Topic

“Recharging Communities with Groundwater”: With California’s last drought of 2012-2017, efforts to protect our water supply have increased to prepare for future droughts. During dry years, groundwater contributes up 60 percent of our regions annual supply. Groundwater is water stored underground between rocks and particles of soil. Securing our groundwater levels by recharging provides an efficient way of increasing the availability of water for future droughts ahead. With support and grant funding from the State, many water retailers are investing in groundwater recharge projects to improve water levels and secure long-term water supply.

This year, students are required to research information on their water agency groundwater supply and the investments being made to ensure sustainability of this resource. Participating teams will prepare a public service announcement highlighting the benefits of groundwater recharge projects and the method used to replenish their local groundwater basins.

The following are topics students should focus on when presenting their PSA's:

- Overview of their agencies water supply portfolio.
- Projects completed/in-progress by their water supplier to manage groundwater supplies.
- What recharge techniques are being used to replenish groundwater basins.
- Where is the recharge water coming from?
- Benefits of groundwater recharge projects to their communities.

The objective of this assignment is to bring awareness and continued support to the investments being made across the Inland Empire to ensure water supply reliability through groundwater recharge.

2020 Inland Solar Challenge Committee

The Inland Solar Challenge Committee is comprised of several water retailer employees who dedicate a portion of their staff time throughout the year to plan the event.

Inland Solar Challenge Committee	
Jennifer Shimmin	Coachella Valley Water District
Cecilia Griego	City of Redlands
Janett Robledo	East Valley Water District
Cecilia Contreras	East Valley Water District
Martha Duran	East Valley Water District
Jennifer Ares	Yucaipa Valley Water District
Matt Flordelis	Yucaipa Valley Water District
Matt Porras	Yucaipa Valley Water District
Devin Arciniega	San Bernardino Municipal Water Department
Claudia Frias	San Bernardino Municipal Water Department
Socorro Panteleon	West Valley Water District

2020 Water Retailer Sponsorship

In addition to in-kind staff time, water retailers also financially sponsor a team within their water service area, and/or the event, or other in-kind donations.

Water Agency Sponsors	Sponsorship Item	Amount
San Bernardino Municipal Water Department	Cajon High School/Event	\$3,500
City of Redlands	Redlands East Valley High School/Event	\$3,500
West Valley Water District	Rialto High School/Event	\$3,500
Yucaipa Valley Water District	Yucaipa High School	\$2,500
East Valley Water District	Event	\$2,500
Coachella Valley Water District	Cathedral City/Desert Mirage High School/Event	\$7,500



2020 Sponsorship

The Inland Solar Challenge (ISC) is a student-based competition that requires high school teams to design, build, and ultimately race a solar-powered boat. Teams are tested on their boat's endurance, speed and maneuvering abilities. The event also integrates a water conservation requirement for students to present on various scenarios water districts are challenged with in order to conduct sustainable practices.

Inland Solar Challenge Sponsorship Levels	
Solar Ray Sponsor Up to \$500	ISC t-shirt Certificate of Sponsorship
Solar Cell Sponsor \$1,000	Name/Logo on Event t-shirt ISC t-shirt Certificate of Sponsorship
Solar Panel Sponsor 2,000	Name/Logo on Event t-shirt ISC t-shirt Certificate of Sponsorship Logo on all Printed Material
Solar Grid Sponsor \$3,000	Name/Logo on Event t-shirt ISC t-shirt Sponsor Plaque Logo on all Printed Material
Solar Mega Sponsor \$5,000 and above	Name/Logo on Event t-shirt ISC t-shirt Sponsor Plaque Top billing on all Printed Material Logo on all participating Solar Boats Awards Presenter

The Inland Solar Challenge event also appreciates physical donations. Items needed are boat building tools and supplies, event awards and apparel and food items for the students' meals.

This event is open to schools located within the Inland Empire which incorporates the cities of San Bernardino, Redlands, Yucaipa, Rialto, Banning, Palm Springs, and Cathedral City. This year's event will take place at Yucaipa Regional Park on May 15-17, 2020.

If you wish to sponsor this event, please make your check payable to:

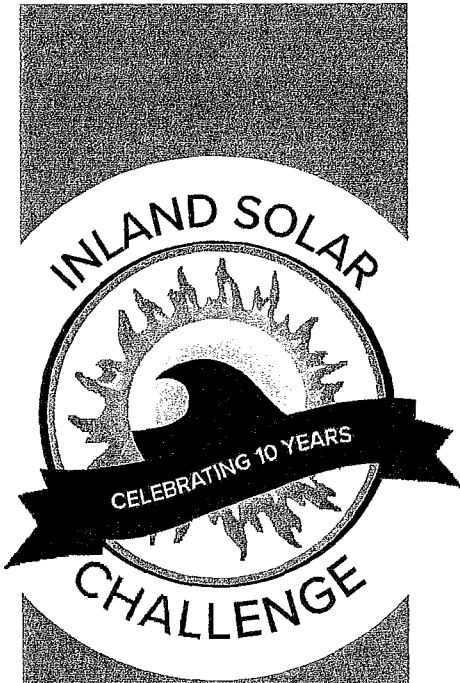
East Valley Water District – Inland Solar Challenge
31111 Greenspot Rd
Highland, CA 92346
www.eastvalley.org

For more information please contact Janett Robledo, Event Chair at (909)806-4287.

2020 Inland Solar Challenge

Sponsorships				
Description/Source	2019		2020	
	Budget	Actual	Budget	Actual
Balance Forward	\$ 3,170.94	\$ 3,170.94	\$ 698.02	\$ 698.02
San Bernardino Valley MWD	\$ 5,000.00	\$ 5,000.00	\$ 6,000.00	\$ -
San Gorgonio Pass WA	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ -
East Valley Water District	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00
Nestle Water/Arrowhead	\$ 2,500.00	\$ 2,000.00	\$ 2,000.00	\$ -
City of San Bernardino	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00
City of Redlands	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00
Coachella Valley Water District	\$ 5,000.00	\$ 5,000.00	\$ 7,500.00	\$ -
West Valley Water District	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00
Total Sponsorships	\$ 32,670.94	\$ 32,170.94	\$ 32,198.02	\$ 13,698.02

Expenses				
Description/Source	2019		2020	
	Budget	Actual	Budget	Actual
Establish 501c-3 Status	\$ -	\$ -	\$ 1,500.00	\$ -
Website Design	\$ 520.00	\$ 99.00	\$ 200.00	\$ -
Event Location	\$ 5,500.00	\$ 4,005.00	\$ 5,500.00	\$ -
Event Apparel	\$ 1,500.00	\$ 1,677.13	\$ 1,700.00	\$ -
Food	\$ 5,000.00	\$ 6,270.12	\$ 6,500.00	\$ 459.77
Signs/Banners	\$ 700.00	\$ 648.71	\$ 700.00	\$ -
Event Supplies/Miscellaneous	\$ 1,500.00	\$ 1,950.38	\$ 2,000.00	\$ 282.26
Trophies/Sponsorship Plaques	\$ 550.00	\$ 808.71	\$ 700.00	\$ -
Boat Build Materials	\$ 2,055.88	\$ 2,187.37	\$ 2,000.00	\$ 1,708.74
Lifeguard/Security Guard	\$ 1,000.00	\$ 846.50	\$ 1,000.00	\$ -
School Sponsorships	\$ 5,000.00	\$ 12,980.00	\$ 12,500.00	\$ 12,500.00
Total Expenses	\$ 23,325.88	\$ 31,472.92	\$ 34,300.00	\$ 14,950.77
Remaining Balance		\$ 698.02	\$ (2,101.98)	\$ (1,252.75)



CITY OF REDLANDS

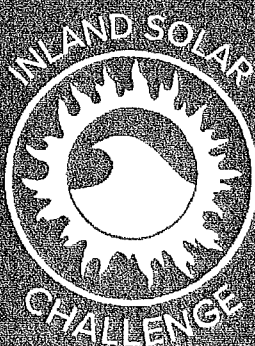
COACHELLA VALLEY
WATER DISTRICT

EAST VALLEY
WATER DISTRICT

SAN BERNARDINO
MUNICIPAL
WATER DEPARTMENT

WEST VALLEY
WATER DISTRICT

YUCATPA VALLEY
WATER DISTRICT



February 12, 2020

In preparation for the 2020 event committee representatives have requested quotes from several legal firms for consultant services to establish the Inland Solar Challenge with 501c3 nonprofit tax-exempt status. Of the eight firms contacted, three legal firms scheduled consultation calls and provided service estimates. All nonprofit legal firms and quotes received are provided in the table below.

<u>Firm</u>	<u>Based</u>	<u>Estimate</u>
T.S. Wrobel & Associates -Nonprofit Legal Center	San Francisco	\$3,800
Bergman and Allderdice	Los Angeles	\$5,000
Jill England - Creative Legal Solutions	Sacramento	\$6,500
Cameron Holland	Oakland	N/A
Neo Law Group	San Francisco	N/A
Arthur Rieman - The Law Firm for Nonprofits	Studio City	N/A
Evans and Rosen LLP	Berkeley	N/A
Jost Legal	Pasadena	N/A

The Inland Solar Challenge Committee has selected T.S. Wrobel & Associates for services to, develop multi-year budgetary document and, review program activities in order to refine the committee's statement of purpose. Other consultant services will include the following.

Completion of:

- Articles of Incorporation
- Bylaws
- Conflict of Interest Policy
- Minutes of the first Board of Directors meeting
- IRS and State Exemption Application and Registration

Given the scope and size of the Inland Solar Challenge Committee's budgetary needs, the estimated timeline for incorporation as a nonprofit is two to four months; However, the committee may operate as a nonprofit immediately after intake documents are completed and Articles of Incorporation are filed.

MEMORANDUM

TO: Board of Directors

FROM: General Manager

RE: Review of Costs and Revenues for 2019 Water Deliveries and Projections for 2020

DATE: February 18, 2020

Summary:

Each year, staff reviews the revenues and costs associated with water delivery the previous year. The purpose of this information item is to review the costs and revenues related to water deliveries in 2019, and to make projections for the same in 2020. Two tables included in the agenda package summarize this financial data.

Background:

On April 15, 2019, the Agency Board of Directors adopted a new water rate, the first increase in ten years. That rate went into effect May 1, 2019. In adopting the new rate, the Board attempted to recover costs for water operations, a small amount of overhead, funds to purchase Yuba water, DWR variable power costs, and one-half the cost of the Agency's Nickel water for the year. The Board, in adopting this rate, agreed to pick up one half of the Nickel water cost, or nearly \$1 million, from Agency reserves.

Detailed Report:

The attached table for 2019 shows that the Agency did recover the costs it intended to recover, plus an additional \$585,982. The primary reason for this was the fact that the overall power cost for the year (\$253 per AF) was less than the projected power cost (\$289 per AF). This occasionally happens with SWP power costs in wet years. Also, being a wet year, there was no Yuba water to purchase. These two items alone account for nearly all of the difference between projected costs and actual costs.

The Agency was helped in 2019 by the Board's decision to sell 100 AF of its Nickel water supply to an outside party at cost, thereby reducing losses by approximately \$90,000.

The table also shows that, when all costs related to purchase and delivery of water are accounted for (including 100% of the Agency's Nickel water supply), the Agency had to withdraw \$385,882 from reserves for the year. Over the past three calendar years (2017-2019), the Agency has withdrawn \$3.2 million from reserves in order to deliver Agency water to retail water agencies. Most of this is from 2017 and 2018, when the old water rate was in effect. As noted above, \$385,882 of that (12%) is from 2019.

The other table included in the agenda package projects costs and revenues for water deliveries in 2020, assuming a 15% final allocation. There is no rain or snow in the immediate forecast in Northern California.

That table indicates that, if the Agency takes no action, it will need to withdraw approximately \$1.8 million from reserves to cover water delivery costs. This is in addition to the \$3.2 million withdrawn over the past three years. Due to current energy trends, staff is expecting a much higher DWR variable power rate this year than last year. This table also summarizes the overall cost/revenue projection assuming the Agency were to sell 50% of its Nickel water to an outside party or 100% of its Nickel water to an outside party (both at cost). Staff is not recommending this but is merely providing information to the Board.

Recommendation:

This is an information item only, and staff has no recommendation. However, staff believes that this information may cause a discussion at the Board level that could lead to further discussion and potential action items later this year.

San Gorgonio Pass Water Agency			
Water Rate 2019			
Projected vs. Actual			
Item	Projected	Actual	
Delivery Amount (AF)	15,000	14,220	
SGPWA Operations	\$288,000	\$290,982	(est.)
Yuba Water	\$180,000	\$0	
DWR Variable	\$4,335,000	\$3,651,644	
Nickel Water (50% of cost)	\$966,000	\$971,864	
Total Expense for Items Included in Rate Projections	\$5,769,000	\$4,914,490	
Total Income	\$5,985,000	\$5,500,471	
Actual Total Expense		\$5,886,353	
Difference - Income vs Expense, recover Nickel at 50%		\$585,982	
Difference - Income vs Expense, recover Nickel at 100%		-\$385,882	
Assumptions:			
Average DWR Variable Power Rate	\$289 per AF		
Agency pays for \$966,000 of Nickel water from reserves			

San Geronio Pass Water Agency
Water Rate 2020
Projections

		Projected		
		Nickel: don't sell	Nickel: sell 50%	Nickel: sell 100%
Delivery Amount (AF)		8,195	7,345	6,495
Carry over:	4,200			
Table A:	2,595			
Nickel Water:	1,700			
Yuba Water:	200			
CLAWA Exch	-500			
SGPWA Operations		\$270,000	\$270,000	\$270,000
Yuba Water	539	\$107,800	\$107,800	\$107,800
Nickel Water	2,018,500	\$2,018,500	\$2,018,500	\$2,018,500
DWR Variable	325	\$2,663,375	\$2,387,125	\$2,110,875
Projected Expenses		\$5,059,675	\$4,783,425	\$4,507,175
Projected Income	399	\$3,269,805	\$2,930,655	\$2,591,505
Sell Nickel		\$0	\$1,009,250	\$2,018,500
Potential Income		\$3,269,805	\$3,939,905	\$4,610,005
Gain/Loss		-\$1,789,870	-\$843,520	\$102,830
Contributed from Reserves		\$1,789,870	\$843,520	
Added to Reserves				\$102,830
Retailer Requests:	10,200 AF			