



**JOINT BOARD MEETING OF DIRECTORS OF SAN BERNARDINO
VALLEY MUNICIPAL WATER DISTRICT AND
SAN GORGONIO WATER PASS AGENCY -
2:00 pm Tuesday, February 13, 2024**

In Person:

380 East Vanderbilt Way
San Bernardino, CA 92408

Online via Zoom:

<https://sbvmwd.zoom.us/j/82492309440>

Meeting ID: 824 9230 9440

PASSCODE: 3802020

By Telephone:

Dial-in Info: (877) 853 5247 US Toll-free

Meeting ID: 824 9230 9440

PASSCODE: 3802020

If you are unable to participate online or by telephone, you may also submit your comments and questions in writing for the District's consideration by sending them to comments@sbvmwd.com with the subject line "Public Comment Item #" (insert the agenda item number relevant to your comment) or "Public Comment Non-Agenda Item". Submit your written comments by **6:00 p.m. on Monday, February 12, 2024**. All public comments will be provided to the Board President and may be read into the record or compiled as part of the record.

IMPORTANT PRIVACY NOTE: Online participants **MUST** log in with a Zoom account. The Zoom app is a free download. Please keep in mind: (1) This is a public meeting; as such, the virtual meeting information is published on the World Wide Web and available to everyone. (2) Should you participate remotely via telephone, your telephone number will be your "identifier" during the meeting and available to all meeting participants; there is no way to protect your privacy if you elect to call in to the meeting.



AGENDA

SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT
380 East Vanderbilt Way
San Bernardino, CA 92408

**JOINT BOARD MEETING OF THE BOARD OF DIRECTORS OF SAN BERNARDINO VALLEY MUNICIPAL
WATER DISTRICT AND THE SAN GORGONIO PASS WATER AGENCY
2:00 PM Tuesday, February 13, 2024**

CALL TO ORDER/PLEDGE OF ALLEGIANCE

1) **PUBLIC COMMENT**

Any person may address the Board on matters within its jurisdiction.

2) **DISCUSSION ITEMS**

2.1 Consider the Next Phase of the Delta Conveyance Project(30 min) - Page 2

[Staff Memo - Next Phase Delta Conveyance](#)

2.2 Collaborations of San Geronio Pass Water Agency and San Bernardino Valley (30 min) - Page 5

[Staff Memo - SGPWA and SB Valley Collaborations](#)

3) **ADJOURNMENT**



DATE: February 13, 2024

TO: San Gorgonio Pass Water Agency Board of Directors
San Bernardino Valley Board of Directors

FROM: Lance Eckhart, General Manager, San Gorgonio Pass Water Agency
Bob Tincher, Chief of State Water Initiatives/Deputy General Manager, San Bernardino Valley

SUBJECT: Consider the Next Phase of the Delta Conveyance Project

Staff Recommendation

Consider the next phase of funding for the Delta Conveyance Project (DCP). Each Board may choose to formally support the next phase of funding for DCP at this workshop or may wish to consider scheduling this item for approval at an upcoming Board of Directors meeting. The motion could be specific to the costs and benefits presented in this memorandum and could direct staff to return to the Board should the proportionate share of the costs increase greater than 10% and/or the proportionate share of the benefits decrease greater than 10%, or some variation thereof. The Department of Water Resources (DWR) anticipates selling bonds for the project in late 2028, at which time they plan to refund all, or a portion, of each participants planning expenditures, to date. Taking early action can help create positive momentum for the almost 30 Public Water Agencies (PWAs) that will need to approve the next phase of funding by the end of 2024.

Summary

San Gorgonio Pass Water Agency (Pass Agency) and San Bernardino Valley (SB Valley), collectively "Agencies", both invested in a supplemental water supply from the State Water Project (SWP). The Pass Agency purchased up to 17,300 acre-feet per year (AFY) and San Bernardino Valley purchased up to 102,600 AFY. However, since project was built, the actual delivery received from the SWP has steadily declined by over 40% due to imposed restrictions intended to help endangered and threatened species in the Sacramento-San Joaquin Delta (Delta). In response to the decline in deliveries, the California Department of Water Resources (DWR), in cooperation with the SWP investor PWAs, has been developing the DCP, new infrastructure that would restore some of the lost supply while also protecting the SWP from the potential effects from earthquake(s) and climate change. Although the estimated costs and

benefits for DCP will likely change as the project is finalized, the most recent estimate of costs and benefits for the Pass Agency and SB Valley are provided below:

Agency	% Project	Estimated Cash Cost (\$ million), 26% Escalation	Estimated Benefit (AFY)	Estimated Added Unit Cost (\$/AF)¹
Pass Agency	2%	\$400	11,000	\$730
SB Valley	2.8%	\$561	15,000	\$750

Background

A Conveyance facility across the Delta was in the original design for the SWP but was not built to save money. In 1982, a conveyance facility, called the Peripheral Canal, went before the voters in Proposition 9. The measure failed largely due to opposition from some of the farming community. Ironically, they opposed the Peripheral Canal because they thought too much flow was allocated to the environment. In 1994, the facility was included in the CALFED Bay-Delta Program. In 2009, the Sacramento-San Joaquin Delta Reform Act stressed the “co-equal goals” of habitat restoration and water supply (conveyance) in the Delta and the Bay Delta Conservation Plan (BDCP) was developed to obtain permits for habitat and conveyance. In 2015, to speed up the approval process, the conveyance portion was separated out and titled “California WaterFix.” This was about the time the Agencies began more active participation in the project. In January 2019, Governor Newsom announced that he did not support WaterFix, as configured with two tunnels, but that he did support a single tunnel project. In May 2019, DWR rescinded its approvals for the two-tunnel WaterFix and began planning for the single tunnel option, the DCP. Shortly thereafter, DWR began public negotiations with the participating PWAs on terms for an eventual agreement, referred to as an Agreement in Principle (AIP), which generally allocates costs and benefits for DCP.

The DCP will add a second SWP intake north of the Delta which will then convey the water by 36-foot diameter tunnel 45 miles under the Delta to the existing Bethany Reservoir, just downstream from the existing SWP Delta intake. The new intake will be operated in coordination with the existing south Delta intake resulting in two ways to divert and convey water, or “dual conveyance”. Dual conveyance does not increase the water right, or maximum export amount, for the SWP but the new intake would enable the capture of additional water, predominantly in wet years, which would restore some of the previous loss in supply due to environmental restrictions. The new DCP infrastructure also protects the SWP from the potential impacts of climate change and the potential disruption of deliveries due to an earthquake in the Delta. The overarching objective of DCP is to make the SWP more resilient. The new north of Delta intake will be sized

¹ Calculation for a 50-year period.

for up to 6,000 cubic feet per second.

On December 18, 2023, the Department of Water Resources approved the final Environmental Impact Report for the DCP, the most cost-effective alternative to restore some water supply to the SWP. With the planning and permitting phase of the project nearing completion, DWR and the participating PWAs are now focusing on the next phase of the project. Various options requiring different levels of investment have been identified. In general, the more we spend up front, the greater the risk but the more we save during construction. An investment of \$millions now can save us \$billions later. The DWR, in consultation with the PWAs, will eventually choose one of the options for consideration by the PWAs.

At this workshop, staff will present the most likely option for the project. You are the first Boards to be briefed on the next phase of DCP.

San Bernardino Valley Strategic Plan Application

Supplemental water from the State Water Project helps San Bernardino Valley achieve its mission to work collaboratively to provide a reliable and sustainable water supply to support the changing needs of our region’s people and environment.

San Gorgonio Pass Water Agency Strategic Plan Application

Partner with other State Water Contractors to advance statewide infrastructure goals to preserve system reliability.

Fiscal Impact

The next phase of DCP is estimated to cost \$925 million which would be collected between 2026 and 2028 as follows: \$405 million (2026-27) and \$520 million (2028). The proportionate shares for San Bernardino Valley and the Pass Agency are as follows:

Agency	% DCP	2026-27 (\$M)	2028 (\$M)	Total (\$M)
SBV	2.8	11.5	14.6	26.1
Pass Agency	2.0	8.2	10.4	18.6

The motion could direct staff to return to the Board should the proportionate share of the costs increase by greater than 10%. The Department of Water Resources (DWR) anticipates selling bonds for the project in late 2028, at which time they plan to refund all, or a portion, of the Agencies planning expenditures, to date.



DATE: February 13, 2024

TO: San Gorgonio Pass Water Agency Board of Directors
San Bernardino Valley Board of Directors

FROM: Lance Eckhart, General Manager, San Gorgonio Pass Water Agency
Heather Dyer, CEO/ General Manager, San Bernardino Valley

SUBJECT: Collaborations of San Gorgonio Pass Water Agency and San Bernardino Valley

Staff Recommendation

Receive and file

Summary

The San Gorgonio Pass Water Agency (Pass Agency) and San Bernardino Valley (SB Valley) are neighbors and have been collaborating on joint projects since 1963. At this workshop staff will provide an overview of past and current collaborations between our two agencies.

Background

In 1963, the Pass Agency and SB Valley agreed to hire an engineering firm to design of what would later become the Foothill Pipeline that would deliver State Water Project water to both agencies. That began what would become a long and successful partnership that has benefited both agencies, and the people they serve, by reducing each agency's individual costs by sharing in the cost of various studies and construction of water facilities. To date, the two agencies have entered into over thirty (30) different Agreements that have also involved additional collaboration with multiple other agencies, over the years.

San Bernardino Valley Strategic Plan Application

One of our core values is collaboration which is included in our mission statement to work collaboratively to provide a reliable and sustainable water supply to support the changing needs of our region's people and environment. Collaboration often results in joint projects that reduce the cost for each of the participants which is consistent with one of our priorities to be cost-effective.

San Geronio Pass Water Agency Strategic Plan Application

Partner with other State Water Contractors to advance statewide infrastructure goals to preserve system reliability.

Fiscal Impact

None, this is an informational report.