

# ***San Geronio Pass Water Agency***

**DATE:** August 18, 2025  
**TO:** Board of Directors  
**FROM:** Lance Eckhart, General Manager  
**BY:** Tom Todd, Jr., Chief Financial Officer  
**SUBJECT: AUTHORIZE GENERAL MANAGER TO PRE-FUND HELI-HYDRANT INSTALLATIONS**

## **RECOMMENDATION**

Authorize the General Manager to facilitate the installation of Heli-Hydrant facilities by taking any and all necessary actions including pre-funding of contractor requirements.

## **PREVIOUS CONSIDERATION**

- Board of Directors – June 12, 2025: Ribbon-Cutting event demonstrating the first Cabazon Heili-Hydrant installation.
- Board of Directors – November 18, 2024: The Board authorized the execution of the Heli-Hydrant Installation and Maintenance agreement with Cabazon Water District.
- Board of Directors – October 7, 2024: The Board authorized the ARPA funding agreement between the Agency and Riverside County for the construction of Heli-Hydrant systems.

## **BACKGROUND**

The Board has been very involved and supportive of the Heli-Hydrant initiative. As a result of Board member interaction and efforts, two Heli-Hydrant installations have been completed.

At the present time, five other installations are contemplated and funded by ARPA appropriations and funds from Riverside County. Discussions with local water retailers are ongoing and the remaining five installations are in various stages of planning and construction.

However, local retailers installing these are the same water systems that have applied for financial support through the Gap Funding Program. These retailers have a demonstrated financial constraint related to grants, specifically, the amount of time between the expenditure of funds and the reimbursement of those funds.

## **ANALYSIS**

Riverside County has approved \$2.1 million (\$1.8M via ARPA funds; \$300K via County funds) for the installation of seven Heli-Hydrant installations. Cabazon Water District has completed the installation of two Heli-Hydrants. Reimbursement requests have been submitted to Riverside County, and reimbursement has been received for the first installation. Riverside County has been helpful and responsive to our efforts and has begun processing grant reimbursements for Agency in a fairly timely manner.

On the other hand, local water districts have fairly limited reserves, and might not have the cash flow necessary to sustain their normal operations and be involved in a significant construction project. The time between paying the invoices and receiving reimbursement for those invoices may pose a financial problem.

The Agency can assist the installation Heli-Hydrant facilities by providing funds for the deposits, and if necessary, the final invoices for contractor installing the Heli-Hydrants. The risks to the Agency could be delayed reimbursements from the County, or not receiving reimbursement altogether.

Given that the funds have been allocated to the Heli-Hydrant project and the County has been reasonably prompt in repayment, the risk to the Agency of not receiving reimbursement for the project, or having to 'float' the funds for a lengthy time seem relatively small at this time.

In addition, considering the short time-frame available to complete the installations due to funding requirements, it is even more important to consider ways the Agency can facilitate the project.

The Board has demonstrated strong support for local water systems in a number of ways. Specifically, to name a few, the Agency has contracted with the California Rural Water Association to provide assistance to local water systems with analysis, operations staffing, and grant research and application services. The Board has supported and authorized the Gap Funding Program. The Agency is currently involved in a developing a multi-agency recharge facility.

The Heli-Hydrant agreement previously authorized by the Board allows the Agency to work with the retailer to provide financial assistance during the reimbursement process. The proposed authorization goes one step further to provide funds in advance of the reimbursement process. Pre-funding will not circumvent any Staff requirements for construction documentation to assure grant reimbursements.

Providing pre-funding and contracting assistance to local water retailers for the Heli-Hydrant systems may be another way the Agency could show its commitment to meeting regional objectives of infrastructure improvements and general support of community projects.

## **STRATEGIC PLAN NEXUS**

Strategic Goal 6: Maintain, foster, and expand collaboration with local, regional, state, tribal and federal partners to develop strategic solutions to water supply challenges and opportunities.

Objective 1: Coordinate with other agencies and organizations on grants and multi-partner project opportunities.

## **FISCAL IMPACT**

Any amounts pre-funded would come from the General Fund and be handled in a similar manner as the Gap Funding Program. Staff expect to receive funds more quickly than has been experienced with the Gap Funding program, based on experience.

The potential amount the Agency would extend could be \$1.2 million, based on the completion and reimbursement of the Cabazon Heli-Hydrant systems.

## **ACTION**

Authorize the General Manager to facilitate the installation of Heli-Hydrant facilities by taking any and all necessary actions including pre-funding of contractor requirements.