

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



SAN GORGONIO PASS
WATER AGENCY
A California State Water Project Contractor

Regular Meeting of the Board of Directors
December 1, 2025 at 1:30 p.m.

AMENDED AGENDA

*This meeting is being held virtually and in person.
Link and telephone option provided is available for the
convenience of the public.*

TO JOIN VIA ZOOM: [Zoom Link Board Meeting](#)

TO JOIN THE MEETING BY TELEPHONE

CALL: 669-900-6833 | MEETING ID: 956 9367 4121

Members of the public who wish to comment on any item within the jurisdiction of the Agency or any item on the agenda may submit comments by emailing mcabral@sgpwa.com or may do so during the meeting. Comments will become part of the Board meeting record.

****In order to reduce feedback, please mute your audio when you are not speaking.***

*Esta reunión se llevará a cabo virtualmente y en persona.
El enlace y la opción telefónica proporcionada
es para la comodidad del público.*

PARA UNIRSE VÍA ZOOM: [Zoom Link Board Meeting](#)
PARA UNIRSE A LA JUNTA CON LA OPCIÓN TELEFONICA
LLAMAR: 669-900-6833 | ID DE REUNIÓN: 956 9367 4121

Los miembros del público que deseen comentar sobre cualquier tema dentro de la jurisdicción de la Agencia o cualquier tema en la agenda pueden enviar comentarios por correo electrónico a mcabral@sgpwa.com o pueden hacerlo durante la reunión. Los comentarios pasarán a formar parte del registro de la reunión de la Junta.

****Para reducir los comentarios, silencia el audio cuando no estés hablando.***

- 1. Call to Order, Invocation and Pledge of Allegiance**
- 2. Roll Call**
- 3. Adjustment and Adoption of Agenda**

4. Public Comment

Members of the public may address the Board at this time concerning items relating to any matter within the Agency's jurisdiction. There will be an opportunity to comment on specific agenda items, as the items are addressed. Speakers are requested to keep their comments to no more than five (5) 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

President
Mickey Valdivia

Vice President
Chander Letulle

Treasurer
Robert Ybarra

Secretary
Vacant

Directors
Dr. Blair M Ball
Larry Smith
Jim Tickemyer
Sarah Wargo

General Manager
Lance Eckhart,
PG, CHG

Legal Counsel
Holland Stewart

respond to statements made or questions posed for the purpose of directing statements or questions to staff for follow-up.

5. 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. Approve Minutes of the November 17, 2025, Regular Meeting of the San Geronio Pass Water Agency Board of Directors, [\(pg. 4\)](#)
- B. Approve Finance & Budget Committee Meeting report for November 20, 2025, [\(pg. 13\)](#)

6. Reports – Staff

- A. General Manager's Report
- B. General Counsel's Report

7. Informational Presentations and Updates

- A. Cabazon Area Enhanced Infrastructure Financing District (EIFD), presentation by Scott Bruckner, Riverside County TLM Agency, [\(pg. 39\)](#)
- B. San Geronio Pass Water Agency: Regional Outlook, presentation by Justin Niakamal, Beacon Economics, [\(pg. 53\)](#)
- C. 2025 Retrospective, [\(pg. 87\)](#)
- D. Greenspot PS Buyback and Facilities Transfer, [\(pg. 104\)](#)

8. New Business – Discussion and Possible Action

- A. Approve and Authorize the General Manager to Execute a Funding Agreement with Antelope Valley-East Kern Water Agency (AVEK) Concerning a Feasibility Study on Potentially Expanding AVEK Water Banking Operation within the Antelope Valley Groundwater Basin, and Authorize a Budget Adjustment to accommodate the work, [\(pg. 115\)](#)

9. Reports – Directors and Committees

10. Board Requests for Future Agenda Items

11. Closed Session

- A. CONFERENCE WITH REAL PROPERTY NEGOTIATOR
Property: APN (water rights); Agency Negotiator: Lance Eckhart; Negotiating Parties: Property Owner; Under Negotiation: Price

12. Reconvene

- A. Report out of Closed Session

13. Announcements

- A. Association of California Water Agencies (ACWA) Fall Conference, December 2-4, 2025

- B. Water Conservation & Education Committee Meeting, December 9, 2025 at 1:30 p.m.
- C. Regular Board Meeting, December 15, 2025 at 6:00 p.m.
- D. Finance & Budget Committee Meeting, December 18, 2025 at 3:00 p.m.

14. Adjournment

Pending Agenda Items:

<i>Request</i>	<i>Requester</i>	<i>Date of Request</i>	<i>Status</i>
Agency Law Workshop	Walton	5/5/25	Scheduling for Dec./Jan
City Creek Update	Wargo	6/16/25	
Discussion on prioritizing local vendors – maintenance and related services	Ball	9/15/25	
Evaluation of Evening Meetings	Smith	10/6/25	

(1) 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, during regular business hours. When practical, these public records will also be made available on the Agency's website, accessible at: www.sgpwa.com (2) Any person with a disability who requires accommodation in order to participate in this meeting should telephone the Agency 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

Official Minutes
Board of Directors Regular Meeting
November 17, 2025

THIS MEETING WAS HELD IN PERSON,
WITH PUBLIC AVAILABILITY PROVIDED VIA ZOOM.

1. Call to Order, Pledge of Allegiance, and Invocation

The San Gorgonio Pass Water Agency Board of Directors meeting was called to order by President Valdivia at 6:00 p.m., Monday, November 17, 2025, at the office of the Agency. Director Smith provided the invocation and Treasurer Ybarra led the Pledge of Allegiance.

2. Roll Call

President Valdivia requested a roll call.

Board Present:

Mickey Valdivia, President
Chander Letulle, Vice-President
Robert Ybarra, Treasurer
Blair M Ball, Director
Larry Smith, Director
Sarah Wargo, Director

Staff Present:

Lance Eckhart, General Manager
Thomas Todd, Jr., Chief Financial Officer
Maricela Cabral, Exec. Asst. /Clerk of the Board
Emmett Campbell, Director of Water Resources
Matt Howard, Operations Manager

Consultant Present:

Holland Stewart, Legal Counsel

A quorum was present.

3. Adoption and Adjustment of Agenda

President Valdivia announced that an emergency matter had come to his attention this morning requiring immediate action, and that this need was identified after the posting of the agenda. Counsel Stewart advised that Government Code section 54954.2 permits the addition of items under such circumstances, provided the Board, by a two-thirds vote, determines that immediate action is necessary and that the need for action arose after the agenda was posted. The Board proceeded to add the item as Agenda Item 9(b), Conference with Real Property Negotiators, pursuant to Government Code section 54956.8, APNs 408-080-009, 408-080-010, 408-080-011, 480-080-012, Agency Negotiator: Lance Eckhart, Negotiating

Parties: Beaumont-Cherry Valley Water District, Under Negotiation: Price and Terms of Payment.

On a motion by President Valdivia, seconded by Vice President Letulle, the board approved the addition of Item 9.B to the closed session portion of the agenda consistent with the statutory requirements.

Approved by the following vote:

Ayes: Smith, Wargo, Ybarra, Letulle, Ball, Valdivia

Noes: None

Absent: None

Motion passed 6-0.

President Valdivia adjusted the agenda, moving Item 8.A to be heard prior to the Consent Calendar portion of the meeting.

4. Public Comment

No public comment received.

8. New Business – Discussion and Possible Action:

A. Conduct Interviews and Consider Filling the Division 3 Seat on the Board of Directors by Appointment

Clerk of the Board Maricela Cabral provided background on the vacancy for Director of Division 3, and the procedures that would take place for the appointment of a new Director. Ms. Cabral read a letter into the record received from David Fenn in support of David Castaldo. The three candidates left the Board chambers. Dr. Ball inquired about the origin of the questions to be asked and suggested revisions to the questions and procedures of the interview process. The Board reviewed each question, making revisions and including additional questions. President Valdivia announced the board would recess for five minutes to provide the time allowed to make the necessary changes.

President Valdivia reconvened at 6:47 p.m. to continue discussion of Agenda Item 8.A, relating to the review and approval of supplemental interview questions for candidates applying to fill the Division 3 Board vacancy.

President Valdivia explained that, although the original interview framework contained five questions, four additional questions had been proposed, bringing the total to nine. He recommended, in consultation with Counsel Stewart, that the Board consider and vote on each proposed question individually for fairness and clarity.

Staff confirmed that the item had been properly agendaized and that the selection process, including the vacancy posting, complied with Registrar of Voters requirements and Brown Act noticing.

President Valdivia led the Board through each question in numerical order.

Question 1 – The Board confirmed that Question 1 remained unchanged from the original version.

No action required.

Question 2 – The Board reviewed a newly proposed Question 2: “What aspect of the Agency’s work are you most passionate about, and what motivates you to dedicate your time and energy to serving in this government role?”

On a motion by Vice President Letulle, seconded by Director Ball, the Board approved the revised Question 2.

Approved by the following roll call vote:

Ayes: Smith, Wargo, Ybarra, Letulle, Ball, Valdivia

Noes: None

Absent: None

Motion passed 6-0.

Question 3 – The proposed Question 3 read: “How did you hear about the vacancy? Did anyone ask you to apply? If yes, who?”

Director Ball moved to approve Question 3 as drafted. Before a vote, Director Smith made a substitute motion to strike the second portion of the question and retain only: How did you hear about the vacancy?

After discussion, Director Smith agreed to modify the motion to accept the shortened version of Question 3. Counsel Stewart clarified that the Board would be voting on the modified version only.

Public comment was received via written communication from Christy Valdivia, who suggested that questions be provided to candidates in advance and expressed concern that the discussion might be more appropriate for closed session. Counsel explained that, under the Brown Act, Board vacancy appointments are to be conducted in open session and that the Board was required to deliberate publicly.

On a motion by Director Smith as modified, seconded by Treasurer Ybarra, the Board approved Question 3 to read solely: “How did you hear about the vacancy?”

Approved by the following roll call vote:

Ayes: Smith, Wargo, Ybarra, Letulle, Ball

Noes: Valdivia

Absent: None

Motion passed 5-1.

Questions 4-7 – The Board confirmed that the remaining questions related to understanding the Agency’s mission, meeting availability, participation in regional meetings, and interest in serving on committees were substantively unchanged from the original set and did not require further action.

Question 8 – The Board considered a newly proposed Question 8 regarding ethics and conflicts of interest: “Elected officials must comply with all federal, state, and local rules and regulations governing ethics and conflicts of interest, and members

of this board are no exception. Do you have any concerns with abiding by these rules?"

On a motion by Director Ball, seconded by Director Smith, the Board approved Question 8.

Approved by the following roll call vote:

Ayes: Smith, Wargo, Ybarra, Letulle, Ball, Valdivia

Noes: None

Absent: None

Motion passed 6-0.

Proposed Question 9 – The Board considered a proposed additional, open-ended question inviting candidates to disclose any other information related to their independent judgment and service. The Board discussed the total number of questions and interview length.

On a motion by Director Wargo, seconded by Director Ball, the board voted to add the additional question.

Motion failed by the following roll call vote:

Ayes: Wargo, Letulle, Ball

Noes: Smith, Ybarra, Valdivia

Absent: None

Motion failed 3-3.

Staff was directed to finalize the eight approved interview questions reflecting the modifications to Question 3 and removal of Question 9, and to make the updated list available to the Board, candidates, and public.

President Valdivia outlined the interview process for the three Division 3 candidates, explaining that each candidate would be asked the same eight approved questions, with up to five minutes to respond to each. The Board interviewed the following candidates for the seat of the Division 3 Director:

- David Castaldo
- Sally Goodman June
- James Tickemyer

President Valdivia stated that this appointment is to carry out former Director Kevin Walton's term. He stated an Ad-Hoc Committee was established for this process and asked Director Smith as the Chair to provide comment. Director Smith reported the committee, comprised of Directors Smith, Ybarra, and Ball met twice: first to develop the appointment procedure and questions, and second to interview all three candidates. He stated that, following deliberation, the Committee recommended that the Board appoint James Tickemyer to fill the Division 3 vacancy.

Public comment was received from Oscar Garcia and Taffy Brock, who each expressed support for Mr. Tickemyer, citing the need for legacy experience and leadership to address complex regional water and infrastructure issues.

The Board thanked each individual candidate.

President Valdivia opened the floor for nominations to fill the Division 3 vacancy. Director Smith motioned to nominate candidate James Tickemyer to be appointed to the Division 3 seat. Treasurer Ybarra seconded.

Director Ball made an alternate motion to nominate David Castaldo. No second was received, and the motion died for lack of a second.

The Board voted on the motion to appoint James Tickemyer to the Division 3 seat for the remainder of former Director Walton's unexpired term, effective Tuesday, November 17, 2025.

Approved by the following roll call vote:

Ayes: Smith, Wargo, Ybarra, Letulle, Valdivia

Noes: Ball

Absent: None

Motion passed 5-1.

Clerk Cabral administered the Oath of Office to James Tickemyer. Director Tickemyer took his seat on the dais. The Board then recessed briefly before President Valdivia reconvened the meeting at 8:20 p.m.

5. Consent Calendar

- A. Approve Minutes of the November 3, 2025, Regular Meeting of the San Geronio Pass Water Agency Board of Directors
- B. Receive and File the T.R. Holliman & Associates Recycled Water Reports

Director Smith requested that Item 5.B be pulled for discussion.

On a motion by Director Smith, seconded by Director Ball, the board approved Item 5.A of the Consent Calendar.

Approved by the following vote:

Ayes: Smith, Wargo, Ybarra, Letulle, Ball, Valdivia

Noes: None

Abstain: Tickemyer

Motion passed 6-0-1.

Item Pulled from Consent Calendar for Discussion

5.B. Receive and File – TR Holliman & Associates Recycled Water Reports

Director Ball requested clarification regarding the TR Holliman & Associates report addressing recycled water recharge and permitting considerations for the Beaumont area. General Manager Eckhart summarized the history of the joint consulting effort among the Agency, Beaumont-Cherry Valley Water District, and

the City of Beaumont, noting that the City subsequently retained a separate consultant. He explained that staff continued work with TR Holliman to complete a technical document to guide future regional discussions on recycled water, regulatory requirements, and potential recharge locations.

General Manager Eckhart emphasized the importance of the report as a foundation for upcoming regional conversations with the City of Beaumont and Beaumont-Cherry Valley Water District on the possible use of recycled water for local recharge. He noted that staff intends to bring the report back in a workshop setting for a more detailed presentation and Board discussion.

Beaumont-Cherry Valley Water District General Manager Dan Jagers addressed the Board, expressing appreciation for the Agency's efforts to advance the technical work, and highlighting the need for coordinated regional planning, clear understanding of regulatory constraints, and future evaluation of recharge siting and liability issues.

On a motion by Treasurer Ybarra, seconded by Director Smith, the Board approved Item 5.B, receiving and filing the T.R. Holliman & Associated Recycled Water Reports.

Approved by the following roll call vote:

Ayes: Smith, Tickemyer, Wargo, Ybarra, Letulle, Ball

Noes: Valdivia

Absent: None

Motion passed 6-1.

6. Reports

A. General Manager's Report

General Manager, Lance Eckhart had no report.

B. Legal Counsel's Report

Counsel Stewart had no report.

7. Informational Presentations and Updates:

A. Water Conditions Report

Operations Manager Matt Howard presented the water conditions report, noting that October and November precipitation in the Northern Sierra was already above average, signaling a strong start to the new water year. He reported that Lake Oroville and San Luis Reservoir continued to track near or slightly above historical storage levels, and that the Agency's 2025 State Water Project portfolio totaled approximately 19,500 acre-feet, with all deliveries expected to be completed in early December. Mr. Howard explained that October deliveries exceeded 2,000 acre-feet and that November deliveries were projected at a similar volume, allowing the Agency to fulfill its planned annual deliveries. He also provided updates and photos of recharge operations, confirming that both the Brookside East facilities and the Beaumont-Cherry Valley Water District recharge basins were actively receiving water ahead of the most recent storms.

B. Greenspot Workshop

General Manager Eckhart, with Board concurrence, deferred the Greenspot Workshop information item to a future meeting.

8. New Business – Discussion and Possible Action:

B. Approve and Authorize the General Manager to Enter into a Two-Year Contract with CV Strategies in an amount not to exceed \$440,000, to provide various Public Information Support Services

General Manager Eckhart presented a proposed two-year professional services agreement with CV Strategies in an amount not to exceed \$440,000 to provide public information, outreach, branding, media relations, and event support services. Ms. Erin LaCombe, President of CV Strategies, presented an overview of the proposed communications strategy.

Former Director Kevin Walton, speaking as past Chair of the Public Information and Outreach Ad-Hoc Committee, addressed the Board via teleconference and expressed support for the proposed agreement, noting the Committee's work with CV Strategies, the firm's responsiveness to feedback, and the importance of continuity during a critical communications period.

On a motion by Treasurer Ybarra, seconded by Director Wargo, the board approved and authorized the General Manager to enter into a two-year contract with CV Strategies in an amount not to exceed \$440,000 for public information support services, with the understanding that the agreement may be terminated with 30 days' notice and is subject to annual budget approval.

Approved by the following roll call vote:

Ayes: Smith, Tickemyer, Wargo, Ybarra, Letulle, Valdivia

Noes: Ball

Absent: None

Motion passed 6-1.

C. Adopt Resolution No. 2025-10, CalPERS Pay Schedule for Fiscal Year 2025-26

Chief Financial Officer Thomas Todd, Jr. presented Resolution No. 2025-10, adopting the Agency's pay schedule for Fiscal Year 2025-26 as required by the California Public Employees' Retirement System (CalPERS). He explained that CalPERS mandates that contracting agencies approve and publicly post a salary schedule by resolution each year. The resolution does not modify any previously approved salaries or benefits but simply memorializes the Board-approved ranges in the format required by CalPERS.

On a motion by Director Smith, seconded by Director Tickemyer, the board adopted Resolution No. 2025-10, approving the CalPERS pay schedule for Fiscal Year 2025-26.

Approved by the following roll call vote:

Ayes: Smith, Tickemyer, Wargo, Ybarra, Letulle, Ball, Valdivia

Noes: None

Absent: None

Motion passed 7-0.

9. Closed Session Agenda

A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

(Gov. Code § 54956.9(d)(4))

Initiation of litigation (*amicus curiae*): *United Water Conservation District v. United States*, 2023-1602 (Fed. Cir. 2025)

B. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

(Gov. Code § 54956.8)

Property: APNs 408-080-009, 408-080-010, 408-080-011, 480-080-012

Agency Negotiator: Lance Eckhart

Negotiating Parties: Beaumont-Cherry Valley Water District

Under Negotiation: Price and Terms of Payment

10. Reconvene

A. Report out of Closed Session Action

President Valdivia reconvened the meeting into open session at 10:51 p.m.

Counsel Stewart reported on the following:

Regarding Item 9.A – The Board voted 7-0, to authorize General Manager Eckhart to sign an amicus brief in support of United Water Conservation District in its petition for writ of certiorari to the United States Supreme Court, provided that the final form of the brief is consistent with the Board's direction.

Regarding Item 9.B – There was no reportable action.

11. Reports - Directors and Committee Report

The following meetings were reported on:

- November 5, 2025, Banning State of the City event (Wargo)
- November 10, 2025, Banning Heights Mutual Water Company Board meeting (Wargo)
- November 12, 2025, Beaumont Cherry Valley Water District Board meeting (Wargo)
- November 13, 2025, IERCD Know Your Water Program (Wargo)

Director Ball reported attendance at several committee meetings and ad-hoc committee sessions.

Directors Smith, Tickemyer, Ybarra, Letulle and Valdivia had no report.

12. Topics for Future Agendas

No topics were discussed.

13. Announcements

President Valdivia reviewed the following announcements:

A. Finance & Budget Committee Meeting, November 20, 2025, at 3:00 p.m.

B. Office closed November 26-28, 2025, in observance of the Thanksgiving holiday.

C. Regular Board Meeting, December 1, 2025, at 1:30 p.m.

D. Association of California Water Agencies (ACWA) Fall Conference,
December 2-4, 2025.

14. Adjournment

There being no further business to discuss, President Valdivia adjourned the meeting at 10:53 p.m. The next regularly scheduled meeting is Monday, December 1, 2025, at 1:30 p.m.

Maricela V. Cabral, CMC, CPMC
Deputy Secretary of the Board

DRAFT

San Gorgonio Pass Water Agency

DATE: December 1, 2025
TO: Board of Directors
FROM: Lance Eckhart, General Manager
BY: Tom Todd, Jr., Chief Financial Officer
SUBJECT: Report from the Finance and Budget Committee

RECOMMENDATION

The Board ratify the actions of the Finance and Budget Committee as listed below.

PREVIOUS CONSIDERATION

The Finance and Budget Committee of the San Gorgonio Pass Water Agency met on November 20, 2025. During that meeting, the Committee took the following actions:

Accepted the following items:

Item 5A: Payments as listed in the Check History reports for Accounts Payable and Payroll for the month of October 2025.

Item 5B: The Bank Reconciliation for October 2025.

Item 5C: The Budget Report for October 2025.

Approved the following items:

Item 4A: Minutes of the September 23, 2025 meeting of the Committee.

Item 4B: Minutes of the October 23, 2025 meeting of the Committee.

Item 5D: Payment of the Legal Invoice for October 2025.

BACKGROUND

The Finance & Budget Committee reviewed the necessary financial material during this meeting and took the actions listed above.

ACTION

The Board ratify the actions of the Finance and Budget Committee as listed above.

ATTACHMENTS

Check History Report

Bank Reconciliation

Water Delivery Report

Budget Report

Pending Legal Invoice Report

Gap Funding Report and Heli-Hydrant Report

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue
Beaumont, California 92223
Minutes of the
Finance and Budget Committee
September 23, 2025

THIS MEETING WAS HELD IN PERSON AND VIA ZOOM.

Committee Members Present:

In person	Chander Letulle, Member
In person	Kevin Walton, Member
Via teleconference	Robert Ybarra, Chair

Staff Present:

In person	Tom Todd, Jr., Chief Financial Officer
	Lance Eckhart, General Manager

1. **Call to Order, Flag Salute, and Roll Call:** The San Gorgonio Pass Water Agency Finance and Budget Committee meeting was called to order by Director Chander Letulle at 10:02 a.m., September 23, 2025. Mr. Letulle led the Pledge of Allegiance. Ms. Maricela Cabral verified with Mr. Ybarra that the Brown Act requirements for a just-cause teleconference meeting were adhered to for his participation in the meeting. Mr. Letulle asked for a roll call. A quorum was present.
2. **Adjustment and/or Adoption of the Agenda.** The agenda was adopted as posted.
3. **Public Comment:** None.
4. **Approval of Minutes**
 - A. Approval of the Minutes of the Finance & Budget Committee Meeting, August 28, 2025.
Mr. Walton moved, seconded by Mr. Letulle, to approve the minutes of the Finance and Budget Committee meeting of August 28, 2025. Approved unanimously by roll call vote.
5. **New Business**
 - A. Ratification of Paid Invoices and Monthly Payroll for August 2025
 - B. Review of Bank Reconciliation for August 2025
 - C. Review of Budget Report for August 2025
After review and discussion, Mr. Ybarra moved, seconded by Mr. Walton, to accept Items 5A-C. Approved unanimously by roll call vote.
 - D. Review of Pending Legal Invoices for August 2025
After review and discussion, Mr. Walton moved, seconded by Mr. Letulle, to approve payment of the Legal Invoice. Approved unanimously by roll call vote.

E. Review of Gap Funding and Heli-Hydrant Funding Report
The Committee reviewed the Gap Funding Report and Heli-Hydrant Funding Report.

6. Committee Member Comments

There were no additional Committee comments.

7. Announcements

Mr. Letulle reviewed the announcements:

- A. SBVMWD State Water Project Tour, September 24-25, 2025
- B. Regular Board Meeting, October 6, 2025, 1:30 p.m.
- C. Regular Board Meeting, October 20, 2025, 6:00 p.m.
- D. Finance & Budget Committee Meeting, October 23, 2025, at 10:30 a.m.

8. Adjournment

The Finance and Budget Committee of the San Geronio Pass Water Agency was adjourned by Mr. Letulle at 10:50 a.m.

Draft - Subject to Committee Approval

Robert Ybarra, Committee Chair

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue
Beaumont, California 92223
Minutes of the
Finance and Budget Committee
October 23, 2025

THIS MEETING WAS HELD IN PERSON AND VIA ZOOM.

Committee Members Present:

In person Robert Ybarra, Chair
 Mickey Valdivia, Member

Committee Members Absent: Chander Letulle, Member

Staff Present:

In person Tom Todd, Jr., Chief Financial Officer
 Lance Eckhart, General Manager
 Matt Howard, Operations Manager

1. **Call to Order, Flag Salute, and Roll Call:** The San Gorgonio Pass Water Agency Finance and Budget Committee meeting was called to order by Chair Robert Ybarra at 10:30 a.m., October 23, 2025. Mr. Ybarra led the Pledge of Allegiance. Mr. Ybarra asked for a roll call. A quorum was present.
2. **Adjustment and/or Adoption of the Agenda.** The agenda was adopted as posted.
3. **Public Comment:** None.
4. **Approval of Minutes**
 - A. Approval of the Minutes of the Finance & Budget Committee Meeting, September 23, 2025.
Approval of the minutes was tabled to a future meeting. Mr. Ybarra was the only Committee member who was present at the September meeting and who was also present at the current meeting, so a second was not available.
5. **New Business**
 - A. Ratification of Paid Invoices and Monthly Payroll for September 2025
 - B. Review of Bank Reconciliation for September 2025
 - C. Review of Budget Report for September 2025
After review and discussion, Mr. Valdivia moved, seconded by Mr. Ybarra, to accept Items 5A-C. Approved unanimously by voice vote.
 - D. Review of Pending Legal Invoices for September 2025
After review and discussion, Mr. Valdivia moved, seconded by Mr. Ybarra, to approve payment of the Legal Invoice. Approved unanimously by voice vote.

E. Review of Gap Funding and Heli-Hydrant Funding Report

The Committee reviewed the Gap Funding Report and Heli-Hydrant Funding Report.

F. SAWPA Information

Mr. Matt Howard gave a verbal presentation about items of interest to the Committee regarding the Agency's relationship with SAWPA. The Committee discussed these matters, but took no action.

6. Committee Member Comments

There were no additional Committee comments.

7. Announcements

Mr. Ybarra reviewed the announcements:

- A. Regular Board Meeting, November 3, 2025, 1:30 p.m.
- B. The office will be closed in observance of Veterans Day, November 11, 2025
- C. Regular Board Meeting, November 17, 2025, 6:00 p.m.
- D. Finance & Budget Committee Meeting, November 20, 2025, at 3:00 p.m.

8. Adjournment

The Finance and Budget Committee of the San Geronio Pass Water Agency was adjourned by Mr. Ybarra at 11:05 a.m.

Draft - Subject to Committee Approval

Robert Ybarra, Committee Chair

San Gorgonio Pass Water Agency
Check History Report
October 1 through October 31, 2025

ACCOUNTS PAYABLE

Date	Number	Name	Amount
10/6/25	121959	ACWA BENEFITS	1,126.91
10/6/25	121960	BEACON ECONOMICS, LLC	29,425.00
10/6/25	121961	BEST BEST & KRIEGER	35,242.28
10/6/25	121962	CRIDER PUBLIC RELATIONS	2,040.00
10/6/25	121963	CALIFORNIA RURAL WATER ASSN	14,713.13
10/6/25	121964	GF ADVOCACY, LLC	2,500.00
10/6/25	121965	T. R. HOLLIMAN	5,595.00
10/6/25	121966	LAND ENGINEERING CONSULTANTS	14,100.70
10/6/25	121967	LENITY TECHNOLOGY	2,112.00
10/6/25	121968	MACRO COMMUNICATIONS	765.00
10/6/25	121969	PUBLIC AGENCY RETIREMENT SERVICES	1,926.00
10/6/25	121970	PROVOST & PRITCHARD	15,095.09
10/6/25	121971	RIVERSIDE COUNTY FLOOD CONTROL	1,000.00
10/6/25	121972	STANDARD INSURANCE COMPANY	1,188.17
10/6/25	121973	UNIVAR SOLUTIONS	5,955.14
10/6/25	121974	UNLIMITED SERVICES	407.00
10/6/25	121975	UNDERGROUND SERVICE ALERT	24.00
10/6/25	121976	VERIZON BUSINESS	80.04
10/6/25	121977	WATER RESOURCES ECONOMICS	1,720.00
10/6/25	121978	WASTE MGT CORPORATE SERVICES	138.46
10/13/25	121979	ASSOCIATION OF CALIFORNIA WATER AGENCIES	28,570.00
10/13/25	121980	ALBERT WEBB ASSOCIATES	25,043.50
10/13/25	121981	ERNST & YOUNG LLP	1,364.00
10/13/25	121982	HIGH VALLEYS WATER DISTRICT	240,000.00
10/13/25	121983	PROVOST & PRITCHARD	548.50
10/13/25	121984	RELIABLE FENCE	1,195.00
10/13/25	121985	SAN BERNARDINO VALLEY MUNI WATER DISTRICT	7,552.29
10/13/25	121986	WEX	210.00
10/13/25	121987	ZANJERO WATER CONSULTING	5,715.00
10/20/25	121988	ACWA JPIA	1,596.64
10/20/25	121989	FRONTIER COMMUNICATIONS	389.39
10/20/25	121990	MATTHEW PISTILLI LANDSCAPE SERVICES	350.00
10/20/25	121991	PUBLIC AGENCY RETIREMENT SERVICES	1,926.00
10/20/25	121992	PROVOST & PRITCHARD	6,457.50
10/20/25	121993	WELLS FARGO ELITE CREDIT CARD	11,522.13
10/2/25	901195	EMPLOYMENT DEVELOPMENT DEPARTMENT	3,032.03
10/2/25	901196	ELECTRONIC FEDERAL TAX PAYMENT SYSTEM	14,103.54
10/2/25	901197	CALPERS RETIREMENT	11,830.67
10/2/25	901198	CAL PERS RETIREMENT - SIP-457	4,559.00
10/2/25	901199	PAYCHEX	208.75
10/2/25	901200	LANCE E. ECKHART - REIMBURSEMENT	75.00
10/2/25	901201	MATTHEW E. HOWARD - REIMBURSEMENT	1,323.91
10/2/25	901202	THOMAS W. TODD, JR. - REIMBURSEMENT	2,524.54
10/2/25	901203	KEVIN D. WALTON - REIMBURSEMENT	3,826.19
10/17/25	901204	EMPLOYMENT DEVELOPMENT DEPARTMENT	2,833.68
10/17/25	901205	ELECTRONIC FEDERAL TAX PAYMENT SYSTEM	13,053.62
10/17/25	901206	CALPERS RETIREMENT	11,830.67
10/17/25	901207	CAL PERS RETIREMENT - SIP-457	4,559.00

San Gorgonio Pass Water Agency
Check History Report
October 1 through October 31, 2025

ACCOUNTS PAYABLE (CON'T)

Date	Number	Name	Amount
10/17/25	901208	PAYCHEX	274.25
10/17/25	901209	MARICELA V. CABRAL - REIMBURSEMENT	26.58
10/17/25	901210	LANCE E. ECKHART - REIMBURSEMENT	122.40
10/17/25	901211	LAWRENCE R. SMITH - REIMBURSEMENT	671.58
10/17/25	901212	SARAH C. WARGO - REIMBURSEMENT	238.37
10/20/25	901213	CALPERS HEALTH	13,332.54
10/23/25	901214	CITRUS ESCROW PURCHASE 1216 BEAUMONT AVE.	469,100.00
10/30/25	901215	DEPARTMENT OF WATER RESOURCES	1,315,804.00
TOTAL ACCOUNTS PAYABLE CHECKS			<u>2,340,924.19</u>

PAYROLL

Date	Number	Name	Amount
10/1/25	803039	MARICELA V. CABRAL	4,485.34
10/1/25	803040	EMMETT G. CAMPBELL	5,023.69
10/1/25	803041	LANCE E. ECKHART	7,994.39
10/1/25	803042	MATTHEW E. HOWARD	4,765.26
10/1/25	803043	LAWRENCE R. SMITH	2,935.04
10/1/25	803044	SCOTT W. TIRRELL	478.93
10/1/25	803045	THOMAS W. TODD, JR.	4,968.46
10/1/25	803046	MICHAEL R. VALDIVIA	2,674.24
10/1/25	803047	SARAH C. WARGO	2,877.56
10/16/25	803048	MARICELA V. CABRAL	4,485.34
10/16/25	803049	EMMETT G. CAMPBELL	5,023.69
10/16/25	803050	LANCE E. ECKHART	7,994.38
10/16/25	803051	MATTHEW E. HOWARD	4,765.25
10/16/25	803052	SCOTT W. TIRRELL	546.13
10/16/25	803053	THOMAS W. TODD, JR.	4,957.80
10/16/25	803054	ROBERT G. YBARRA	2,935.05
TOTAL PAYROLL			<u>66,910.55</u>
TOTAL DISBURSEMENTS FOR OCTOBER 2025			<u><u>2,407,834.74</u></u>

NOTES

*Reimbursements to Staff and Directors may include medical, wellness, travel or office expenditures.

Check and expenditure series numbers:

121xxx	Accounts payable checks
802xxx	Payroll direct deposits to employees
900xxx	Electronic Funds Transfers

SAN GORGONIO PASS WATER AGENCY
New Vendors List
November 2025

Vendor - Name and Address	Expenditure Type
---------------------------	------------------

No new vendors

SAN GORGONIO PASS WATER AGENCY
BANK RECONCILIATION
October 31, 2025

BANK STATEMENT BALANCE (CHECKING ACCOUNT) - October 31, 2025 \$ 1,031,001.72

LESS: OUTSTANDING CHECKS

<u>CHECK NUMBER</u>	<u>AMOUNT</u>	<u>CHECK NUMBER</u>	<u>AMOUNT</u>
None	-		
	<u>-</u>		<u>-</u>

TOTAL OUTSTANDING CHECKS -

ADJUSTED **BANK STATEMENT** BALANCE - October 31, 2025 \$ 1,031,001.72

BALANCE PER **GENERAL LEDGER** AT END OF PRIOR MONTH \$ 479,543.30

CASH RECEIPTS FOR CURRENT MONTH 2,459,293.16

CASH DISBURSEMENTS FOR CURRENT MONTH

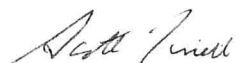
ACCOUNTS PAYABLE	Checks	(467,593.87)	
ACCOUNTS PAYABLE	ACHs	<u>(1,873,330.32)</u>	(2,340,924.19)
PAYROLL	Prior Month: 16th-EOM	(36,202.91)	
PAYROLL	This Month: 1st-15th	<u>(30,707.64)</u>	(66,910.55)

TRANSFERS

FROM LAIF TO CHECKING ACCT	500,000.00	
FROM CAMP TO CHECKING ACCT	<u>-</u>	500,000.00
FROM CHECKING ACCT TO LAIF	-	
FROM CHECKING ACCT TO CAMP	<u>-</u>	-

BALANCE PER **GENERAL LEDGER** - October 31, 2025 \$ 1,031,001.72

REPORT PREPARED BY:


 Scott Tirrell

11/3/2025
 Date

**SAN GORGONIO PASS WATER AGENCY
DEPOSIT RECAP
FOR THE MONTH OF OCTOBER 2025**

DATE	RECEIVED FROM	DESCRIPTION	AMOUNT
DEPOSIT TO CHECKING ACCOUNT			
10/7/25	BHMWC	CONSTRUCTION WATER METER REFUND	898.00
10/7/25	DWR	SGMA GRANT Q2-25	2,878.72
10/21/25	BCVWD	WATER SALES	627,627.00
10/22/25	RIVERSIDE COUNTY	PROPERTY TAXES - UNSECURED	1,727,879.21
10/29/23	BHMWC	GAP FUNDING PAYMENT	100,000.00
10/29/23	LANCE ECKHART	CC CHARGE REPAYMENT	10.23
TOTAL FOR OCTOBER 2025			2,459,293.16

SAN GORGONIO PASS WATER AGENCY

Local Water Purchases and Deliveries
Calendar Year 2025
DRAFT - Subject to Change
November 6, 2025

ORDERS (AF)					
City of Banning		BCVWD		YVWD	
Replenish	Pre-Stored	Replenish	Pre-Stored	Direct	Pre-Stored*
1,500	250	11,200	5,000	200	0

Delivery Point						Pre-Stored Water					
Month	Brookside East	LSGC	Noble Connect.	SBVMWD	Total	SGPWA Transfers-In	SGPWA Transfers-Out	SGPWA Balance	Banning Transfers-In	BCVWD Transfers-In	YVWD Transfers-In
Bal. Prior Year						Bal. Prior Year		1,595			
Jan	10		43		53	10		1,605			
Feb	397		637		1,034	397		2,002			
Mar	724		1,582	13	2,319	724		2,726			
Apr	572		1,401		1,973	572		3,298			
May	126		1,389		1,515	126		3,424			
Jun	1,056		996		2,052	1,056	3,250	1,230	750	2,500	
Jul	922		867		1,789	922		2,152			
Aug	820		1,312		2,132	820		2,972			
Sep	885		1,573		2,458	885		3,857			
Oct	633		1,393		2,026	633		4,490			
Nov			0		0						
Dec			0		0						
TOTALS	6,145	0	11,193	13	17,351	6,145	3,250		750	2,500	0

Billing Detail										
Month	City of Banning			BCVWD			YVWD			Totals
	Deliveries	Transfers-in	Total	Deliveries	Transfers-in	Total	Deliveries	Transfers-in	Total	
Jan			0	43		43			0	43
Feb			0	637		637			0	637
Mar			0	1,582		1,582	13		13	1,595
Apr			0	1,401		1,401			0	1,401
May			0	1,389		1,389			0	1,389
Jun		750	750	996	2,500	3,496			0	4,246
Jul			0	867		867			0	867
Aug			0	1,312		1,312			0	1,312
Sep			0	1,573		1,573			0	1,573
Oct			0	1,393		1,393			0	1,393
Nov			0			0			0	0
Dec			0			0			0	0
TOTALS	0	750	750	11,193	2,500	13,693	13	0	13	14,456

*Pre-stored water for YVWD will be delivered thru the Brookside East facility.

San Geronio Pass Water Agency
Budget Highlights

October 2025

Overall FY 2025-26

The first tax revenue was received this month. Other income is following the typical trend for the fiscal year except for interest, which continues to exceed expectations. Expenses by category are all well within budget.

General Fund (Green Bucket)

Income

The first tax revenue for the fiscal year was received this month. Worth noting is the Gap Funding payment received from BHMWC. Interest continues to exceed expectations.

Expenses

Previously mentioned:

- Payroll Services
- Dues and Assessments
- Office Expense
- LAFCO Cost Share
- Accounting and Auditing
- SAWPA Regional Projects

For the month of October, Legal Services is slightly over budget. Dues were paid to ACWA, which made this line item over-budget. Sponsorships also was over-budget.

Also, for the month of October, Retirement, Health Insurance and ACWA Benefits have come back into budget.

In the New Property line item, the property at 1216 Beaumont Ave was purchased. This was not previously budgeted for strategic reasons, so this budget item is over budget. A budget revision will be proposed at the mid-year review.

Consigned – SWP Support Fund (Orange Bucket)

No changes.

Debt Service Fund (Red Bucket)

Income

As mentioned in the General Fund, the first tax revenue for the fiscal year was received this month. Interest continues to exceed expectations for the Debt Service Fund.

Expenses

Previously mentioned:

- State Water Contract Dues
- State Water Contract Payments

Purchased water was slightly over-budget this month. Due to the large EBX payment made in September, the Debt Service Fund as a whole looks like it is over-budget, but this will resolve itself as the fiscal year progresses.

Funding Programs

Gap Funding Expenses

Previously mentioned:

- Banning Heights Mutual Water Company

Gap Funding Income

Banning Heights Mutual Water Company made a payment toward their outstanding Gap Funding balance of \$100,000.

Heli-Hydrant Funding Expenses

A distribution was made to High Valleys Water District of \$240,000. Their installations have now been fully funded.

SAN GORGONIO PASS WATER AGENCY
APPROVED BUDGET FOR FISCAL YEAR JULY 1, 2025 - JUNE 30, 2026
FOR THE FOUR MONTHS ENDING ON OCTOBER 31, 2025

			1	2	3	4	5
			ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	Over/Under Budget
GENERAL FUND							
		INCOME				% of Budget Year:	33.3%
							Over budget
							Under budget
1		WATER SALES	7,500,000		7,500,000	1,497,048.00	20.0%
2		OTHER WATER SALES	0		0	0.00	
3		TAX REVENUE	13,250,000		13,250,000	214,749.36	1.6%
4		INTEREST	600,000		600,000	406,545.09	67.8%
5		GOV'T CONTRIBUTIONS	320,000		320,000	0.00	0.0%
6		GRANT REVENUE	3,600,000		3,600,000	483,707.52	13.4%
7		OTHER MISCELLANEOUS INCOME	45,000		45,000	34,845.81	77.4%
8		TOTAL GENERAL FUND INCOME	25,315,000	0	25,315,000	2,636,895.78	10.4%
							Under budget
		EXPENSES					Over budget
		COMMODITY PURCHASE					
12		PURCHASED WATER FOR DELIVERY	2,700,000		2,700,000	0.00	0.0%
13		PURCHASED WATER FOR BANKING (FUTURE SALE)	1,000,000		1,000,000	0.00	0.0%
14		TOTAL COMMODITY PURCHASE	3,700,000	0	3,700,000	0.00	0.0%
		SALARIES AND EMPLOYEE BENEFITS					
17		SALARIES	800,000		800,000	213,359.79	26.7%
18		PAYROLL TAXES	73,000		73,000	14,278.91	19.6%
19		PAYROLL SERVICES	11,000		11,000	7,087.25	64.4%
20		RETIREMENT	350,000		350,000	83,633.40	23.9%
21		OTHER POST-EMPLOYMENT BENEFITS (OPEB)	200,000		200,000	36,790.91	18.4%
22		HEALTH INSURANCE	75,000		75,000	20,475.88	27.3%
23		ACWA BENEFITS	12,000		12,000	3,155.65	26.3%
24		DISABILITY INSURANCE	8,000		8,000	1,725.90	21.6%
25		WORKERS COMPENSATION INSURANCE	7,000		7,000	974.59	13.9%
26		SGPWA STAFF MEDICAL REIMBURSEMENT	22,000		22,000	3,192.40	14.5%
27		EMPLOYEE EDUCATION	7,000		7,000	0.00	0.0%
28		TOTAL SALARIES AND EMPLOYEE BENEFITS	1,565,000	0	1,565,000	384,674.68	24.6%

SAN GORGONIO PASS WATER AGENCY
APPROVED BUDGET FOR FISCAL YEAR JULY 1, 2025 - JUNE 30, 2026
FOR THE FOUR MONTHS ENDING ON OCTOBER 31, 2025

			1	2	3	4	5
			ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	Over/Under Budget
GENERAL FUND							
	EXPENSES					Remaining %	33.3%
	ADMINISTRATIVE AND PROFESSIONAL SERVICES						Under budget
	DIRECTOR EXPENDITURES						Over budget
33	DIRECTORS FEES		285,000		285,000	39,816.21	14.0%
34	DIRECTORS TRAVEL AND EDUCATION		80,000		80,000	9,525.37	11.9%
35	DIRECTORS MEDICAL		214,000		214,000	12,413.07	5.8%
	OFFICE EXPENDITURES						
37	OFFICE EXPENSE		40,000		40,000	20,510.01	51.3%
38	POSTAGE		1,000		1,000	234.55	23.5%
39	TELEPHONE		8,000		8,000	2,277.80	28.5%
40	UTILITIES		7,000		7,000	629.63	9.0%
	SERVICE EXPENDITURES						
42	COMPUTER, WEBSITE AND PHONE SUPPORT		75,000		75,000	12,349.92	16.5%
43	GENERAL MANAGER AND STAFF TRAVEL		50,000		50,000	10,857.10	21.7%
44	SUCCESSION PLANNING		65,000		65,000	0.00	0.0%
45	INSURANCE AND BONDS		70,000		70,000	7,394.02	10.6%
46	ACCOUNTING AND AUDITING		22,000		22,000	10,000.00	45.5%
47	LEGAL SERVICES		350,000		350,000	120,015.25	34.3%
48	DUES AND ASSESSMENTS		70,000		70,000	38,900.02	55.6%
49	OTHER PROFESSIONAL SERVICES		25,000		25,000	3,289.30	13.2%
50	BANK CHARGES		1,000		1,000	0.00	0.0%
51	MISCELLANEOUS EXPENSES		1,000		1,000	0.00	0.0%
	MAINTENANCE AND EQUIPMENT EXPENDITURES						
53	TOOLS PURCHASE AND MAINTENANCE		2,000		2,000	373.63	18.7%
54	MAINTENANCE AND REPAIRS - VEHICLE		30,000		30,000	2,548.94	8.5%
55	MAINTENANCE AND REPAIRS - BUILDING		50,000		50,000	5,413.68	10.8%
56	MAINTENANCE AND REPAIRS - FIELD		60,000		60,000	1,063.28	1.8%
	COUNTY EXPENDITURES						
58	LAFCO COST SHARE		10,000		10,000	10,915.52	109.2%
59	ELECTION EXPENSE		0		0	0.00	
60	TAX COLLECTION CHARGES		70,000		70,000	536.78	0.8%
61	TOTAL ADMINISTRATIVE AND PROFESSIONAL SERVICES		1,586,000	0	1,586,000	309,064.08	19.5%

SAN GORGONIO PASS WATER AGENCY
APPROVED BUDGET FOR FISCAL YEAR JULY 1, 2025 - JUNE 30, 2026
FOR THE FOUR MONTHS ENDING ON OCTOBER 31, 2025

				1	2	3	4	5
				ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	Over/Under Budget
GENERAL FUND								
		EXPENSES					Remaining %	33.3%
		CONSULTING AND ENGINEERING SERVICES						Under budget
		PLANS & CONSTRUCTION						Over budget
65		INFRASTRUCTURE PLAN - Phase 2		25,000		25,000	0.00	0.0%
66		BACKBONE INFRASTRUCTURE STUDY AND DESIGN		750,000		750,000	0.00	0.0%
67		BUNKER HILL BANKING AND RECOVERY PROGRAM		75,000		75,000	0.00	0.0%
68		COUNTY LINE RECHARGE		100,000		100,000	31,489.68	31.5%
69		SMALL SYSTEM ASSISTANCE PROGRAM		210,000		210,000	23,850.76	11.4%
70		SIGNAGE AND FRONTAGE BROOKSIDE EAST		75,000		75,000	0.00	0.0%
71		MONITORING WELL DRILLING		1,800,000		1,800,000	18,291.39	1.0%
72		HELI-HYDRANT		1,200,000		1,200,000	41,811.79	3.5%
		OTHER PROJECTS						
74		WATER BANKING INVESTIGATIONS		25,000		25,000	0.00	0.0%
75		SAN GORGONIO GSA		550,000		550,000	1,916.60	0.3%
76		YUCAIPA GSA VERBENIA GSA		50,000		50,000	7,552.29	15.1%
77		FLUME MONITORING AND SUPPORT		30,000		30,000	0.00	0.0%
		STUDIES AND REPORTS						
79		FINANCIAL MODELING + NEXUS RATE STUDY		55,000		55,000	8,409.43	15.3%
80		USGS STUDIES AND MONITORING		400,000		400,000	0.00	0.0%
81		LOCAL SUPPLIES		50,000		50,000	0.00	0.0%
82		LOCAL RECHARGE FEASIBILITY STUDIES		750,000		750,000	15,905.10	2.1%
83		UWMP SUPPORT AND ANNUAL REPORT COMPLETION		300,000		300,000	7,875.00	2.6%
		GENERAL ENGINEERING SERVICES						
85		ON-CALL ENGINEERING SERVICES		500,000		500,000	40,489.34	8.1%
86		GRANT SUPPORT SERVICES		50,000		50,000	0.00	0.0%
87		STATE + FEDERAL ADVOCACY		80,000		80,000	7,500.00	9.4%
88		SAWPA REGIONAL PROJECTS		15,000		15,000	9,889.00	65.9%
89		GENERAL ENGINEERING and ENVIRONMENTAL		50,000		50,000	1,247.50	2.5%
90		TOTAL CONSULTING AND ENGINEERING SERVICES		7,140,000	0	7,140,000	216,227.88	3.0%

SAN GORGONIO PASS WATER AGENCY
APPROVED BUDGET FOR FISCAL YEAR JULY 1, 2025 - JUNE 30, 2026
FOR THE FOUR MONTHS ENDING ON OCTOBER 31, 2025

			1	2	3	4	5
			ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	Over/Under Budget
GENERAL FUND							
		EXPENSES				Remaining %	33.3%
							Under budget
		CONSERVATION AND EDUCATION					Over budget
98		SCHOOL EDUCATION PROGRAMS	65,000		65,000	0.00	0.0%
99		PUBLIC INFORMATION AND EDUCATION	260,000		260,000	31,838.69	12.2%
100		SPONSORSHIPS	10,000		10,000	3,750.00	37.5%
101		TRANSFER TO PASS WATER AGENCY FOUNDATION	35,000		35,000	0.00	0.0%
102		65th ANNIVERSARY CELEBRATION	50,000		50,000	4,972.50	9.9%
103		TOTAL CONSERVATION AND EDUCATION	420,000	0	420,000	40,561.19	9.7%
		MAJOR AND CAPITAL EXPENDITURES					
		BUILDING AND EQUIPMENT					
107		BUILDING	50,000		50,000	0.00	0.0%
108		FRONT LANDSCAPING	0		0	0.00	
109		FURNITURE AND OFFICE EQUIPMENT	25,000		25,000	0.00	0.0%
110		OTHER EQUIPMENT	20,000		20,000	0.00	0.0%
111		VEHICLES	80,000		80,000	0.00	0.0%
		OTHER ITEMS					
113		SITES RESERVOIR	840,000		840,000	0.00	0.0%
114		NEW PROPERTY	50,000		50,000	473,720.00	947.4%
115		COUNTY LINE RECHARGE - CONSTRUCTION	6,500,000		6,500,000	0.00	0.0%
117		TOTAL MAJOR AND CAPITAL EXPENDITURES	7,565,000	0	7,565,000	473,720.00	6.3%
119		TRANSFERS TO OTHER FUNDS					
121		TOTAL GENERAL FUND EXPENSES	21,976,000	0	21,976,000	1,424,247.83	6.5%
123		GENERAL FUND NET INCOME YTD	3,339,000	0	3,339,000	1,212,647.95	

SAN GORGONIO PASS WATER AGENCY
APPROVED BUDGET FOR FISCAL YEAR JULY 1, 2025 - JUNE 30, 2026
FOR THE FOUR MONTHS ENDING ON OCTOBER 31, 2025

			1	2	3	4	5
			ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	Over/Under Budget
CONSIGNED - SWP SUPPORT FUND							
						Remaining %	33.3%
		INCOME					Over budget
							Under budget
		INCOME					
130		UNITARY TAX REVENUE ALLOCATED	9,100,000		9,100,000	0.00	0.0%
131		INTEREST	580,000		580,000	375,021.86	64.7%
132		OTHER INCOME	0		0		
133		TOTAL SWP SUPPORT FUND INCOME	9,680,000	0	9,680,000	375,021.86	3.9%
		EXPENSES					Under budget
							Over budget
		EXPENDITURES					
139		TAX COLLECTION CHARGES	24,000		24,000	0.00	0.0%
140		OTHER EXPENSES	0		0		
141		TOTAL SWP SUPPORT FUND EXPENSES	24,000	0	24,000	0.00	0.0%
143		TRANSFERS TO OTHER FUNDS					
145		CONSIGNED - SWP SUPPORT FUND NET INCOME YTD	9,656,000	0	9,656,000	375,021.86	

SAN GORGONIO PASS WATER AGENCY
APPROVED BUDGET FOR FISCAL YEAR JULY 1, 2025 - JUNE 30, 2026
FOR THE FOUR MONTHS ENDING ON OCTOBER 31, 2025

			1	2	3	4	5
			ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	Over/Under Budget
DEBT SERVICE FUND							
						Remaining %	33.3%
		INCOME					Over budget
							Under budget
153		TAX REVENUE	34,754,000		34,754,000	1,517,500.71	4.4%
154		INTEREST	2,000,000		2,000,000	1,214,323.27	60.7%
155		CONTRIBUTIONS - GOVERNMENT	0		0		
156		DWR CREDITS - BOND COVER, OTHER	3,550,000		3,550,000	0.00	0.0%
157		TOTAL DEBT SERVICE FUND INCOME	40,304,000	0	40,304,000	2,731,823.98	6.8%
							Under budget
		EXPENSES					Over budget
161		SWP PURCHASED WATER	4,800,000		4,800,000	1,940,897.00	40.4%
162		SALARIES	640,000		640,000	159,800.67	25.0%
163		PAYROLL TAXES	40,000		40,000	7,276.62	18.2%
164		BENEFITS	400,000		400,000	77,676.19	19.4%
165		SWP UTILITIES	12,000		12,000	1,575.71	13.1%
166		STATE WATER CONTRACT AUDIT	8,000		8,000	4,772.00	59.7%
167		STATE WATER CONTRACTOR DUES	45,000		45,000	47,973.00	106.6%
168		STATE WATER LEGAL SERVICES	1,000		1,000	0.00	0.0%
169		DELTA CONVEYANCE FINANCING AUTHORITY	30,000		30,000	0.00	0.0%
170		WATER TREATMENT EXPENSE	100,000		100,000	17,865.42	17.9%
171		EBX CONTRACT OPERATIONS	400,000		400,000	0.00	0.0%
172		SWP ENGINEERING AND MAINTENANCE	2,400,000		2,400,000	3,837.94	0.2%
173		WATER TRANSFERS	2,700,000		2,700,000	0.00	0.0%
174		STATE WATER CONTRACT PAYMENTS	26,000,000		26,000,000	13,514,415.00	52.0%
175		TAX COLLECTION CHARGES	170,000		170,000	3,793.74	2.2%
176		TOTAL DEBT SERVICE FUND EXPENSES	37,746,000	0	37,746,000	15,779,883.29	41.8%
178		TRANSFERS FROM RESERVES			0.00	0.00	
180		DEBT SERVICE NET INCOME YTD	2,558,000	0	2,558,000	-13,048,059.31	

SAN GORGONIO PASS WATER AGENCY
APPROVED BUDGET FOR FISCAL YEAR JULY 1, 2025 - JUNE 30, 2026
FOR THE FOUR MONTHS ENDING ON OCTOBER 31, 2025

			1	2	3	4	5
			ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	Over/Under Budget
		FUNDING PROGRAMS					
		GAP FUNDING PROGRAM				Remaining %	33.3%
		INCOME					Over budget
							Under budget
185		CABAZON WATER DISTRICT	0		0	0.00	
186		SOUTH MESA WATER COMPANY	600,000		600,000	0.00	0.0%
187		HIGH VALLEYS WATER DISTRICT	2,000,000		2,000,000	0.00	0.0%
188		BANNING HEIGHTS MUTUAL WATER CO.	0		0	100,000.00	
191		TOTAL INCOME	2,600,000	0	2,600,000	100,000.00	3.8%
		EXPENSES					Under budget
							Over budget
194		CABAZON WATER DISTRICT	0		0	0.00	
195		SOUTH MESA WATER COMPANY	1,100,000		1,100,000	0.00	0.0%
196		HIGH VALLEYS WATER DISTRICT	1,000,000		1,000,000	0.00	0.0%
197		BANNING HEIGHTS MUTUAL WATER CO.	900,000		900,000	331,868.25	36.9%
198		TOTAL EXPENSE	3,000,000	0	3,000,000	331,868.25	11.1%
202		GAP FUNDING PROGRAM NET BALANCE YTD	-400,000	0	-400,000	-231,868.25	
		HELI-HYDRNAT FUNDING PROGRAM					
		INCOME					
208		CABAZON WATER DISTRICT			0	480,000.00	
210		SOUTH MESA WATER COMPANY			0	0.00	
212		HIGH VALLEYS WATER DISTRICT			0	0.00	
214		BANNING HEIGHTS MUTUAL WATER CO.			0	0.00	
216		TOTAL INCOME	0	0	0	480,000.00	
		EXPENSES					
222		SOUTH MESA WATER COMPANY			0	0.00	
224		HIGH VALLEYS WATER DISTRICT			0	360,000.00	
226		BANNING HEIGHTS MUTUAL WATER CO.			0	0.00	
228		TOTAL EXPENSE	0	0	0	360,000.00	
232		HELI-HYDRANT FUNDING PROGRAM NET BALANCE YTD	32	0	0	120,000.00	

San Gorgonio Pass Water Agency

List of Some Acronyms and Vendors and Their Functions

Acronym	Name	Function and Information
ACWA	Association of California Water Agencies	Affinity organization that provides conferences, training, lobbying and insurance services for water agencies in California
ACWA JPIA	ACWA Joint Powers Insurance Agency	Designation for payments made for property, liability and workers compensation insurance
ACWABE	ACWA Benefits	Designation for dental, vision and life insurance
ALWEAS	Albert Webb Associates	Provides engineering consulting services
ARPA	American Rescue Plan Act	Grants from the Federal Government, channeled to counties, to fund specific projects.
AVEK	Antelope Valley-East Kern Water Agency	State Water Contractor
BBK	Best Best & Krieger	Provides legal counsel
BCVWD	Beaumont-Cherry Valley Water District	Provides retail water service in Beaumont
BHMWC	Banning Heights Mutual Water Company	Mutual water company within Agency boundaries
CalPERS	California Public Employees Retirement System	Provides retirement and health insurance services for public agencies in California
CAMP	California Asset Management Plan	Financial entity that advises and manages investments for public agencies in California
COBRA	Consolidated Omnibus Budget Reconciliation Act	Designation for continued health coverage
CONTEM	Control Temp, Inc.	Provides building maintenance for heating and air conditioning
CWD	Cabazon Water District	Retail water agency within Agency boundaries
CY	Calendar Year	12-month reporting period that coincides with the calendar year
DUCCLE	Ducking Clean	Provides building maintenance for outside cleaning - gutters and solar panels
DWR	Department of Water Resources	Branch of the California government that is responsible for managing the SWP
EBE	East Branch Enlargement	Construction projects along the East Branch of the SWP to increase capacity
EBX	East Branch Extension	Infrastructure from East Branch of SWP to SGPWA service area
EDD	Employee Development Department	State of California department for collection of employment taxes
EFTPS	Electronic Federal Tax Payment System	Federal system for collection of employment taxes
ERSC	Engineering Services of Southern California	Provides engineering consulting services
ESRI	ESRI	Provides mapping services
FSA	Flexible Spending Account	Pre-tax deduction for health and dependent-care expenses
FY	Fiscal Year	12-month accounting cycle used for financial reporting
GSA	Groundwater Sustainability Act	or Groundwater Sustainability Agency; required under SGMA to manage groundwater
GSP	Groundwater Sustainability Plan	Plan required under SGMA to manage groundwater assets
HCN	HCN Bank	Local regional bank; formerly the Bank of Hemet
HdL Coren & Cone		Provide tax revenue consulting services

San Gorgonio Pass Water Agency

List of Some Acronyms and Vendors and Their Functions

Acronym	Name	Function and Information
HOX	Homeowners Exemption	Exemption for homeowners; also a tax revenue income received by the Agency
HVWD	High Valleys Water District	Mutual water company within Agency boundaries
IERCD	Inland Empire Resources Conservation District	Special District that provides conservation education
LAFCO	Local Agency Formation Commission	Branch of Riverside County government; reviews district and agency formation
LAIF	Local Agency Investment Fund	Financial organization sponsored by the state California for public agencies to investment surplus money on a short-term basis
LAMMA	Local Agency Money Market Account	Investment account provided by HCN for local agencies
LEC	Land Engineering Consultants	Consulting firm based in Calimesa that provides engineering services to the Agency.
MAPILA	Matthew Pistilli Landscape Services	Provides landscape and gardening services
OAP	Off-Aqueduct Power	DWR invoice for specific facilities that are not directly part of the SWP aqueduct
OPEB	Other Post-Employment Benefits	
PARS	Public Agency Retirement Services	Provider of defined contribution plans, of which the Agency participates
PPIC	Public Policy Institute of California	Think tank on issues in California
PROPRI	Provost & Pritchard	Provides engineering and other consulting services
RC	Riverside County	
RDV	Redevelopment	
RPTTF	Redevelopment Property Tax Trust Fund	Proceeds of redevelopment properties that are sold and distributed to County entities.
SAWPA	Santa Ana Watershed Project Authority	Coordinates activities to protect the Santa Ana watershed
SBE	State Board of Equalization	AKA Unitary taxes
SBVMWD	San Bernardino Valley Municipal Water District	State Water Contractor in San Bernardino County and a partner with EBX
SCADA	Supervisory Control and Data Acquisition	Electronic monitoring and control system used by DWR and other water purveyors
SCWC	Southern California Water Coalition	
SGMA	Sustainable Groundwater Management Act	A legislative package that requires local agencies to form GSAs and develop GSPs.
SMIF	Surplus Money Investment Fund	State of California depository for government funds that are not currently needed
SMWC	South Mesa Water Company	Retail water agency within Agency boundaries
SRJP	Sites Reservoir Joint Powers Authority	Joint powers authority formed to construct and manage Sites Reservoir
STAINS	Standard Insurance Company	Disability insurance provider
SWC	State Water Contractors	Professional organization representing districts and agencies that have a water supply contract with the state of California
SWP	State Water Project	System of reservoirs, aqueducts, and pump stations that distributes water throughout

San Gorgonio Pass Water Agency

List of Some Acronyms and Vendors and Their Functions

Acronym	Name	Function and Information
SWP	State Water Project	the state of California; governed by agreements called water supply contracts
TSAB	Tehachapi Second After-Bay	A DWR facility that SGPWA participates in
UNIVAR	Univar Solutions, Inc.	Provides EarthTec copper sulfite solution for water treatment
USGS	U.S. Geological Survey	Federal agency that provides groundwater data and modeling
UWMP	Urban Water Management Plan	
WEF	Water Education Foundation	
Weka, Inc.	Construction firm	Bid approved to construct County Line Recharge facility
WSRB	Water System Revenue Bonds	Bonds sold by the state of California to pay for SWP construction
YTD	Year to Date	
YVWD	Yucaipa Valley Water District	Retail water district with part of its service area within Agency boundaries
		Version 251106

SAN GORGONIO PASS WATER AGENCY

**LEGAL INVOICES
ACCOUNTS PAYABLE INVOICE LISTING**

<u>VENDOR</u>	<u>INVOICE NBR</u>	<u>COMMENT</u>	<u>AMOUNT</u>
BEST, BEST & KRIEGER	251031	LEGAL SERVICES OCTOBER 2025	35,535.48

TOTAL PENDING INVOICES FOR APPROVAL NOVEMBER 2025

35,535.48

San Geronio Pass Water Agency
Gap Funding Program
Summary Report
Report Date: November 6, 2025

OVERALL Current Balance: 7,588,924.61

(Owed to Agency)

Cabazon Water District	(CWD owes us) - Current Balance: 34,370.00
Gap Funding Maximum: 1,300,000	
Approximate Project Cost: 1,700,000.00	Approximate Gap Funding Available: 1,265,630.00
Payments Made to CWD: 1,576,885.54	Payments Received from CWD: 1,542,515.54
	9/10/25 258,294.18

South Mesa Water Company	(SMWC owes us) - Current Balance: 5,847,530.11
Gap Funding Maximum: 7,000,000	
Approximate Project Cost: 10,300,000.00	Approximate Gap Funding Available: 1,152,469.89
Payments Made to SMWC: 6,325,017.13	Payments Received from SMWC: 477,487.02
1/14/25	2,097,743.37

High Valleys Water District	(HVWD owes us) - Current Balance: 908,627.50
Gap Funding Maximum: 1,000,000	
Approximate Project Cost: 1,000,000.00	Approximate Gap Funding Available: 91,372.50
Payments Made to HVWD: 908,627.50	Payments Received from HVWD: 0.00
4/28/25	520,695.00
5/28/25	387,932.50

Banning Heights Mutual Water Co.	(BHMWC owes us) - Current Balance: 798,397.00
Gap Funding Maximum: 1,500,000	
Approximate Project Cost: 3,756,000.00	Approximate Gap Funding Available: 701,603.00
Payments Made to BHMWC: 898,397.00	Payments Received from BHMWC: 100,000.00
3/27/25	331,036.75
7/15/25	331,868.25
	10/29/25 100,000.00

San Gorgonio Pass Water Agency
Heli-Hydrant Funding Program
Summary Report
Report Date: November 6, 2025

OVERALL Current Balance: 600,000.00

(Owed to Agency)

Cabazon Water District	(Owed to us) - Current Balance: 0.00
-------------------------------	---

Heli-Hydrant Maximum: 600,000

Heli-Hydrant Funding Available: 600,000.00

Payments Made to CWD: 600,000.00

Payments Received: 600,000.00

3/11/25	120,000.00
4/29/25	360,000.00
5/28/25	120,000.00

5/29/25	120,000.00
9/22/25	480,000.00

South Mesa Water Company	(Owed to us) - Current Balance: 0.00
---------------------------------	---

Heli-Hydrant Maximum: 300,000

Heli-Hydrant Funding Available: 300,000.00

Payments Made to SMWC: 0.00

Payments Received: 0.00

High Valleys Water District	(Owed to us) - Current Balance: 600,000.00
------------------------------------	---

Heli-Hydrant Maximum: 600,000

Heli-Hydrant Funding Available: 0.00

Payments Made to HVWD: 600,000.00

Payments Received: 0.00

8/18/25	120,000.00
10/13/25	240,000.00
11/3/25	240,000.00

Banning Heights Mutual Water Co.	(Owed to us) - Current Balance: 0.00
---	---

Heli-Hydrant Maximum: 300,000

Heli-Hydrant Funding Available: 300,000.00

Payments Made to BHMWC: 0.00

Payments Received: 0.00



Cabazon Area Enhanced Infrastructure Financing District (EIFD)

*San Geronio Pass Water Agency
Board of Directors Meeting
December 1, 2025*

Today's Presentation

1. What is an Enhanced Infrastructure Financing District (EIFD)?

- Background/Structure
- Eligible Projects
- Examples of Other CA EIFDs
- Funding

2. EIFD Benefits

3. Cabazon EIFD Details and Infrastructure Financing Plan (IFP)

4. Complimentary County Economic Development Initiatives

5. Ongoing Participation & Feedback

What is an Enhanced Infrastructure Financing District (EIFD)?

2014 – State of CA Passes/Signs EIFD Law (SB 628)

Goal: Create vehicle for development to occur, through public infrastructure, where it might not have otherwise

EIFD Law – Government Code Secs. 53398.50 – 53398.88

EIFD Term – 45 Years from Date of Establishment

Primary Function: Generate & Allocate Revenue to Public Infrastructure (Does Not Own or Operate)

Governance: A Public Finance Authority (PFA) oversees all EIFD financing and activities. The PFA develops & implements an Infrastructure Finance Plan (IFP), which is the investment plan of the EIFD

Affected Agency and Public Review/Input Opportunities:

- Webpage, Mailings to Area Property Owners
- Ongoing Noticed Meetings of the PFA throughout EIFD term



Eligible Projects/Infrastructure

Any Public Improvements with a Useful Life of 15+ Years that Provide Community Benefit and/or Lead to Growth, Including but not Limited to:



**Water/Wastewater
Infrastructure**



Roads, Bridges



**Park, Trails, Open
Space**



Civic Infrastructure



**Affordable
Housing/Mixed Use**

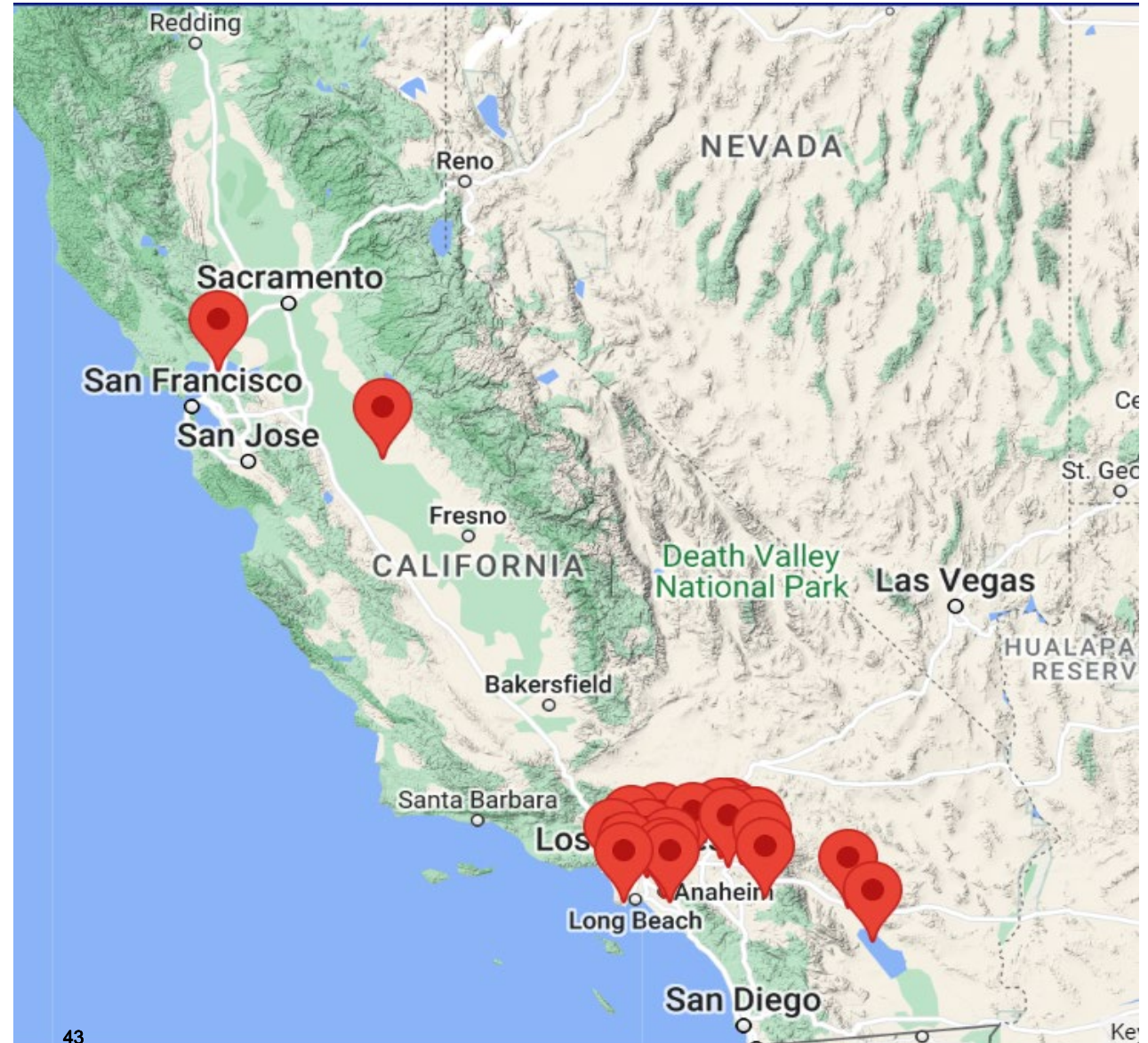
Examples of Other California EIFDs

Riverside County EIFDs:

Eastern Coachella Valley, Temecula Valley Wine Country, Highway 74

Other EIFDs Statewide: Atwater, Benicia, Beaumont, Carson, Coachella, Garden Grove, Grand Terrace, La Verne, Los Angeles (LAX), Los Angeles (NELARC), Ontario, Placentia, Redlands, Rialto, San Bernardino, San Diego (Otay Mesa), San Jacinto, San Pedro, Santa Ana, Santa Fe Springs, West Covina, West Sacramento, Yucaipa

Source: Kosmont Companies

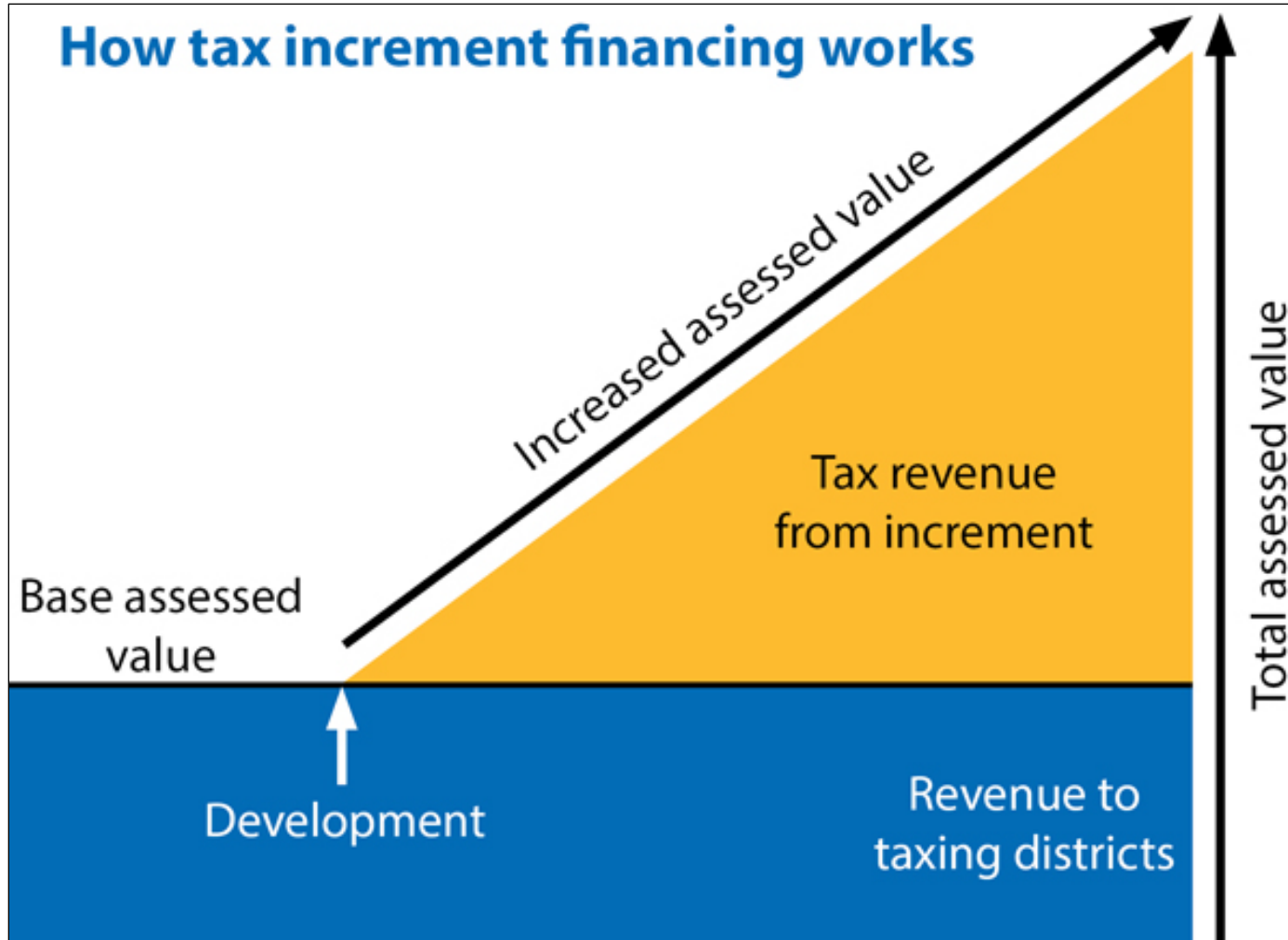


Enhanced Infrastructure Financing District Funding

EIFDs Generate Revenue from Increment in Existing Property Taxes:

- Tax Increment Revenues are the Same Property Taxes that are Already Being Paid by Property Owners = **No Additional Property Taxes Paid by Property Owners**
- EIFDs Can Only use County's Portion of Increment from Ad Valorem Property Tax – **Does Not Use Property Tax Increment from Other Government Agencies**

EIFDs Utilize Tax Increment Financing



1) No New Taxes or Fees

2) No Increases in Existing Local Property Taxes

3) Uses County Property Tax Increment Only

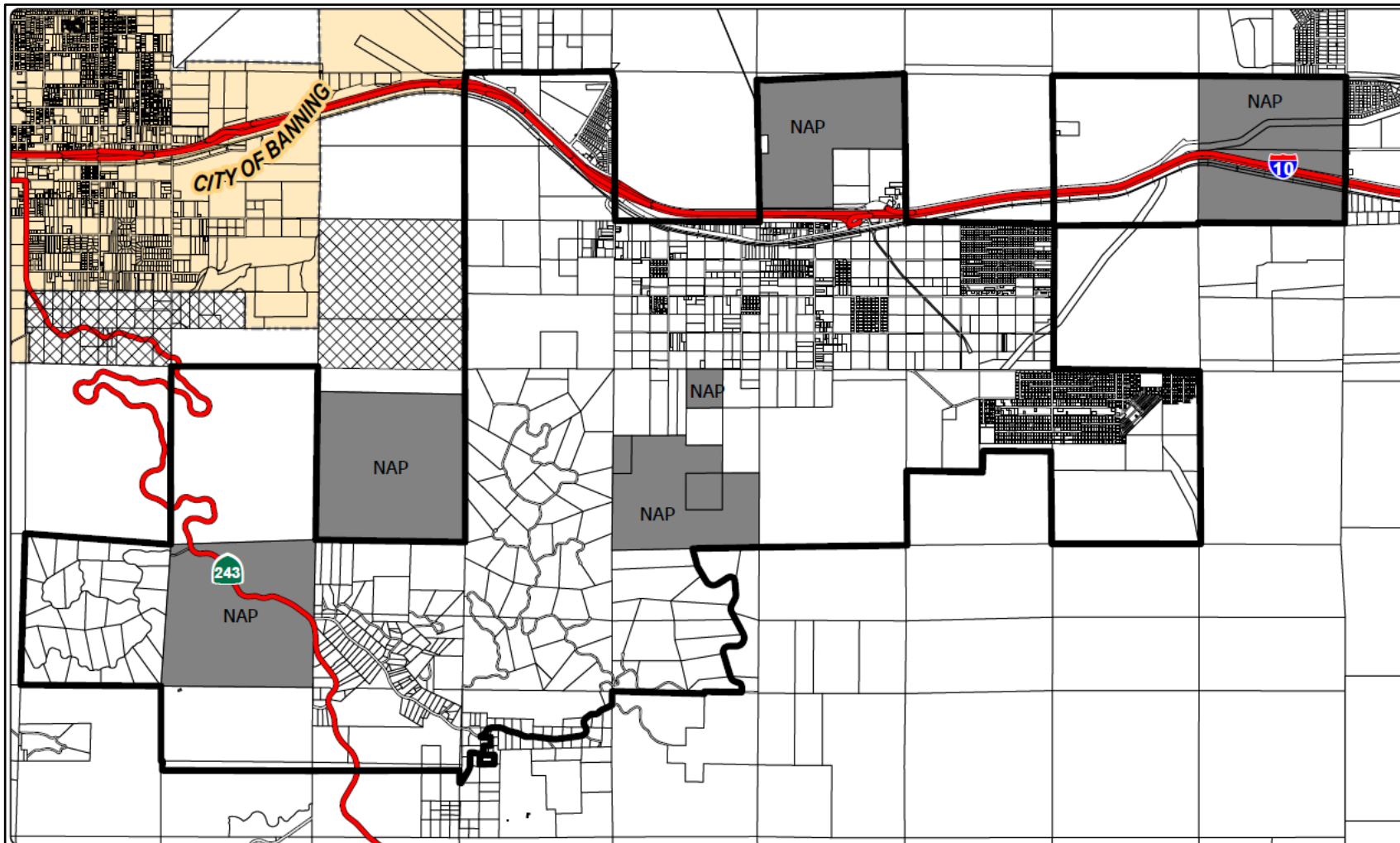
EIFD Benefits

Dedicated Funding Source to Reinvest in the Community: Government revenues collected in the area can be dedicated to infrastructure improvements within that same area

Attract & Bundle Additional Funds: Other government revenues, such as federal and state grants, can be combined to produce maximum effect

Return on Investment: Private sector investment can be induced by EIFD and essential infrastructure improvements

Cabazon EIFD Details



NAP = Not a Part

DISCLAIMER: On October 7, 2003, the County of Riverside adopted a new General Plan providing new land use designations for unincorporated Riverside County parcels. The new General Plan may contain different type of land use than is provided for under existing zoning. For further information, please contact the Riverside County Planning Department offices in Riverside at (951)951-2000 (Western County) or in Palm Desert at (760)865-8277 (Eastern County) or Website <http://planning.rivco.org>

Boundary:
Approx. 3,970 Parcels

**Disadvantaged
Unincorporated
Community Areas**

**Total Area Population
(Landowners and
Residents):
6,034**



Cabazon EIFD Infrastructure Financing Plan (IFP)

Infrastructure Facility Types and Revenue Estimates

Table 2: EIFD Infrastructure Costs

Item	EIFD-Funded Improvements	Priority Program Project Percentages ¹	Estimated Cost ²
1	Water/Wastewater Facilities	30%	\$74,694,971
2	Flood Control Facilities	30%	\$74,694,971
3	Transportation Improvements	30%	\$74,694,971
4	Fire Suppression Improvements	10%	\$24,898,324
TOTAL			\$248,983,237

Note:

1. Revenue allocated to the EIFD will be used to fund the specified improvements according to the Priority Program Project Percentages above.
2. The total does not sum due to rounding.

Cabazon EIFD Infrastructure Financing Plan (IFP)

- Approved by County Board of Supervisors: **September 9, 2025**
- Adopted by Cabazon EIFD Public Finance Authority: **October 7, 2025**
- Package Sent to State Board of Equalization: **November 2025**
- Cabazon EIFD Base Year: **FY25/26**
- Allocation of First Cabazon EIFD Revenues: **January 2027**

Complimentary County Economic Development Initiatives

Cabazon Community Plan

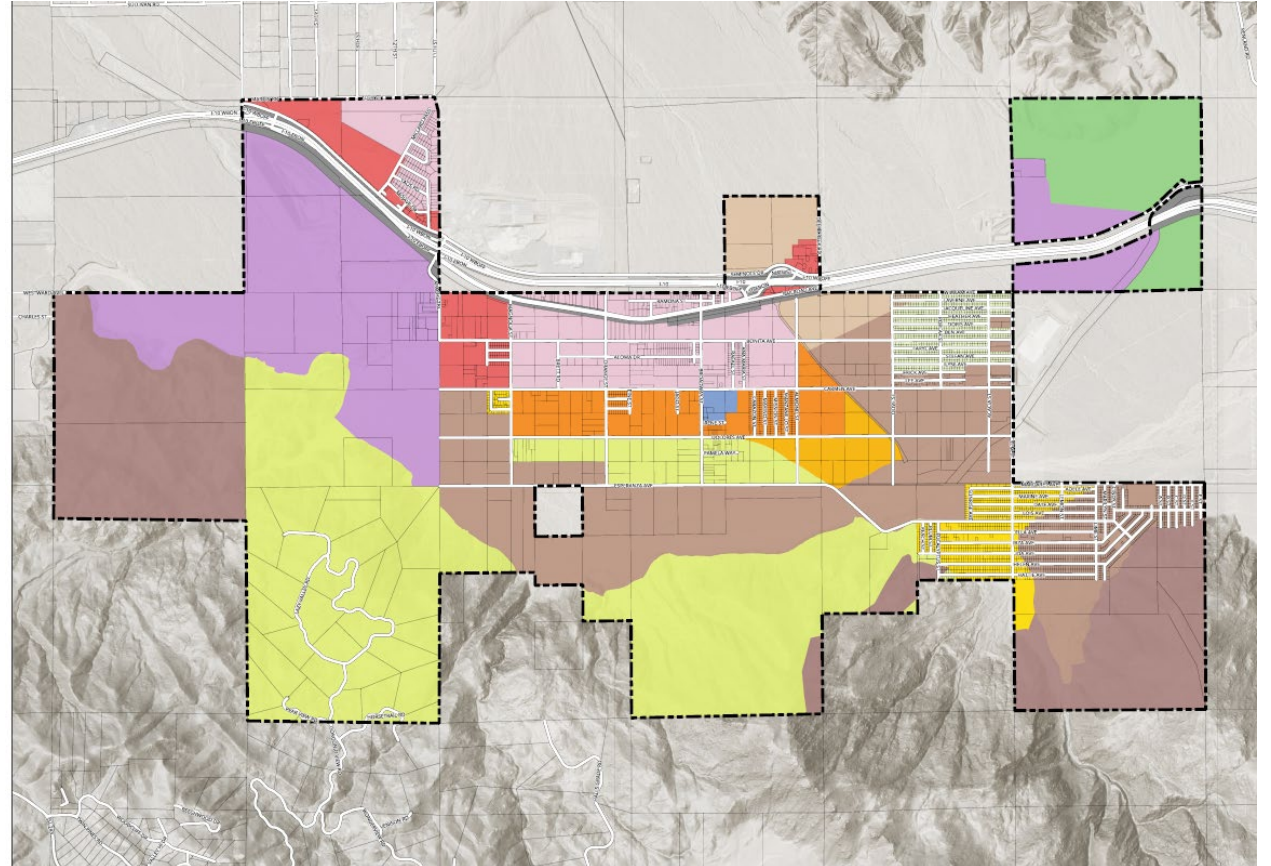
- Targeted Completion:
End of 2026

Cabazon Infrastructure Plan

- Targeted Completion:
July 2026

Programmatic EIR

- Targeted Completion:
September 2026



EIFD: Ongoing Participation & Feedback

- **Adopted Infrastructure Finance Plan** Posted on Cabazon EIFD Webpage at: <https://rivco.org/cabazon-eifd>
- **Ask Questions and/or Provide Feedback:**
 - On the Cabazon EIFD Webpage (see above)
 - Via Email at: eifd@rivco.org
 - By phone: **(951) 955-3200**
 - At Meetings/Public Hearings of the Public Finance Authority

(All Meeting Information Posted in Advance on the Cabazon EIFD Webpage; Notices Mailed to Affected Agencies and Property Owners and Published in Local Paper)

Questions

For Further Inquiries Please Contact:
Scott Bruckner – Riverside County Planning Department
sbruckner@rivco.org

San Geronio Pass Water Agency: Regional Outlook

Justin Niakamal

Research Manager, Beacon Economics

December 2025

beaconecon.com

Today's Talk

- Long-range population forecast done earlier this year for several water agencies: San Gorgonio Pass Water Agency, South Mesa Water Company (Riverside), South Mesa Water Company (San Bernardino), Yucaipa Valley Water District (Riverside), Yucaipa Valley Water District (San Bernardino), Beaumont Cherry Valley Water District, City of Banning Water District, San Gorgonio Pass Groundwater Sustainability Plan area.
- Over the last decade, employment in the SGPWA service area grew substantially more than double the national rate, with Logistics, Government, and Leisure & Hospitality leading job gains.
- The region is highly specialized in Retail Trade and Government, and Logistics has emerged from an under-representation to parity with the nation, reflecting rapid warehouse and distribution growth.
- New Amazon fulfillment centers in Beaumont have sharply boosted Logistics jobs and tripled local taxable sales over just a few quarters.



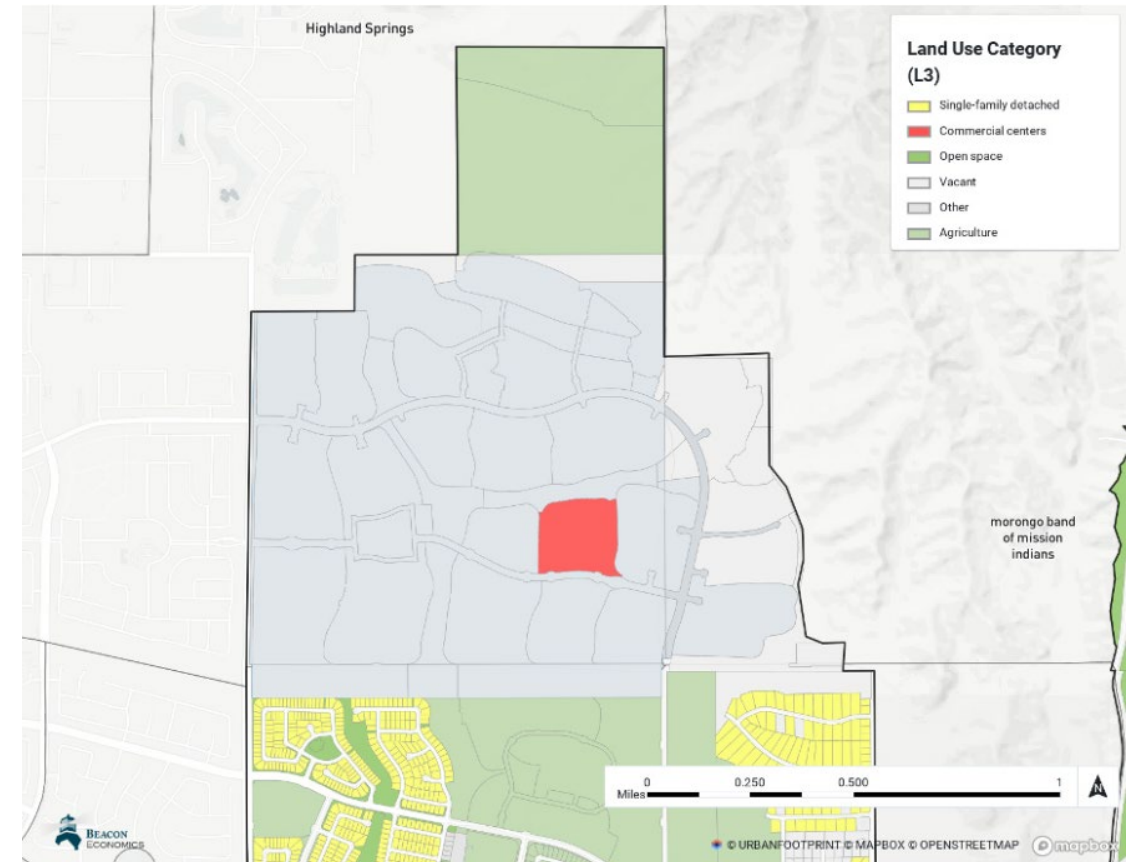
Historical Perspective

Population Growth Period	San Geronio Pass Water Agency	South Mesa Water Company (Riverside)	South Mesa Water Company (San Bernardino)	Yucaipa Valley Water District (Riverside)	Yucaipa Valley Water District (San Bernardino)	Beaumont Cherry Valley Water District	City of Banning Water District	San Geronio Pass Groundwater Sustainability Plan area
90s	13.0%	17.4%	27.5%	7.3%	31.6%	7.8%	14.4%	10.0%
00s	61.7%	-1.2%	9.2%	18.3%	25.0%	152.1%	26.1%	21.3%
10s	22.1%	12.4%	8.1%	21.2%	5.9%	36.3%	-0.3%	5.8%



Forecast Context

- Forecasts anchored to county-level forecasts starting from the block-based annual population series for each service area.
- Considered population and housing trends plus the availability of developable residential land (e.g., more optimistic for Beaumont Cherry Valley, more modest where build-out is further along).
- Use vacant-land “guardrails.” A vacant-land capacity analysis provides an upper bound, ensuring the long-run scenarios don’t imply more people than the land-use and infrastructure assumptions can plausibly accommodate.



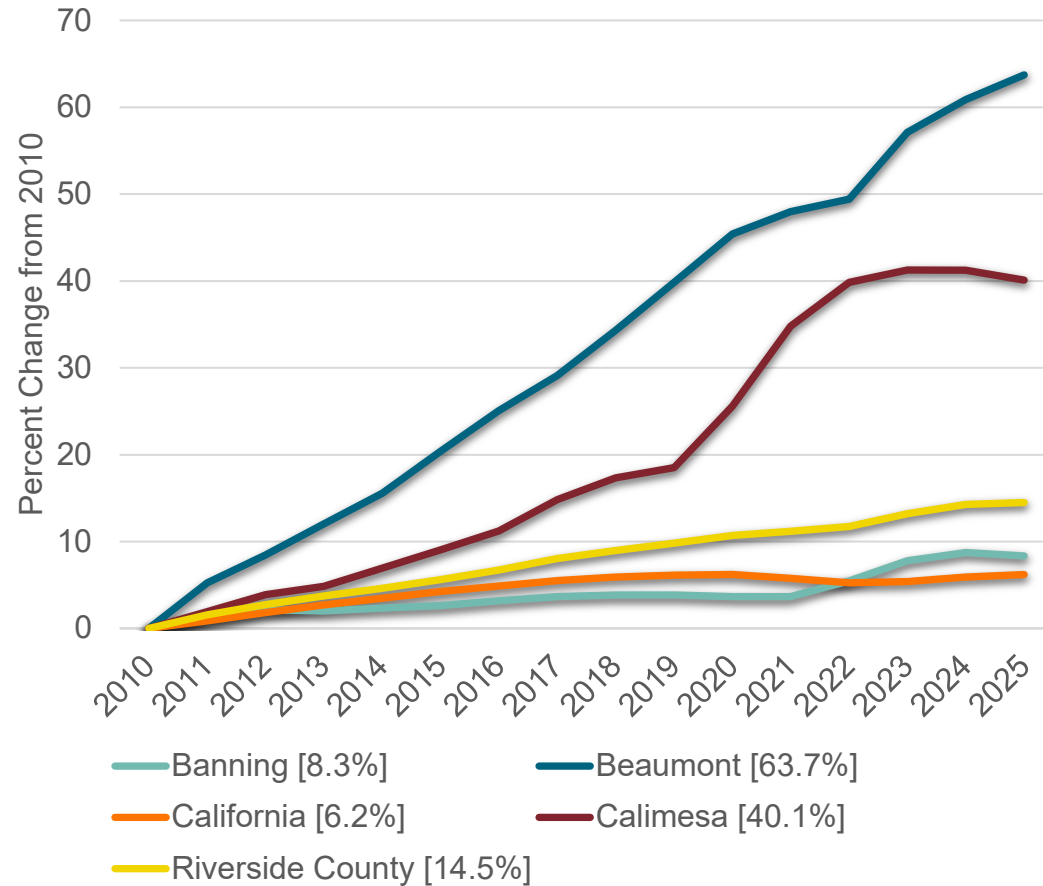
Current Trends

- Population growth has closely followed housing construction: since 2010, Beaumont's housing stock is up 48.7% and Calimesa's 25.8%, far outpacing Banning (3.2%) and the state.
- The market is constrained by low resale inventory and a “lock-in” effect: many owners hold ultra-low sub-3% mortgages while new buyers face rates near 7%, keeping sales subdued despite demand.
- New construction remains overwhelmingly single-family: over the past decade, only about 50 multifamily units have been permitted compared with more than 7,200 single-family units, and nearly all of the multifamily development has been concentrated in Beaumont.
- Housing and jobs are deeply interlinked in a two-way causal relationship. A lack of housing can constrain a region's ability to attract and retain workers. Conversely, increases in employment fuels demand for housing.

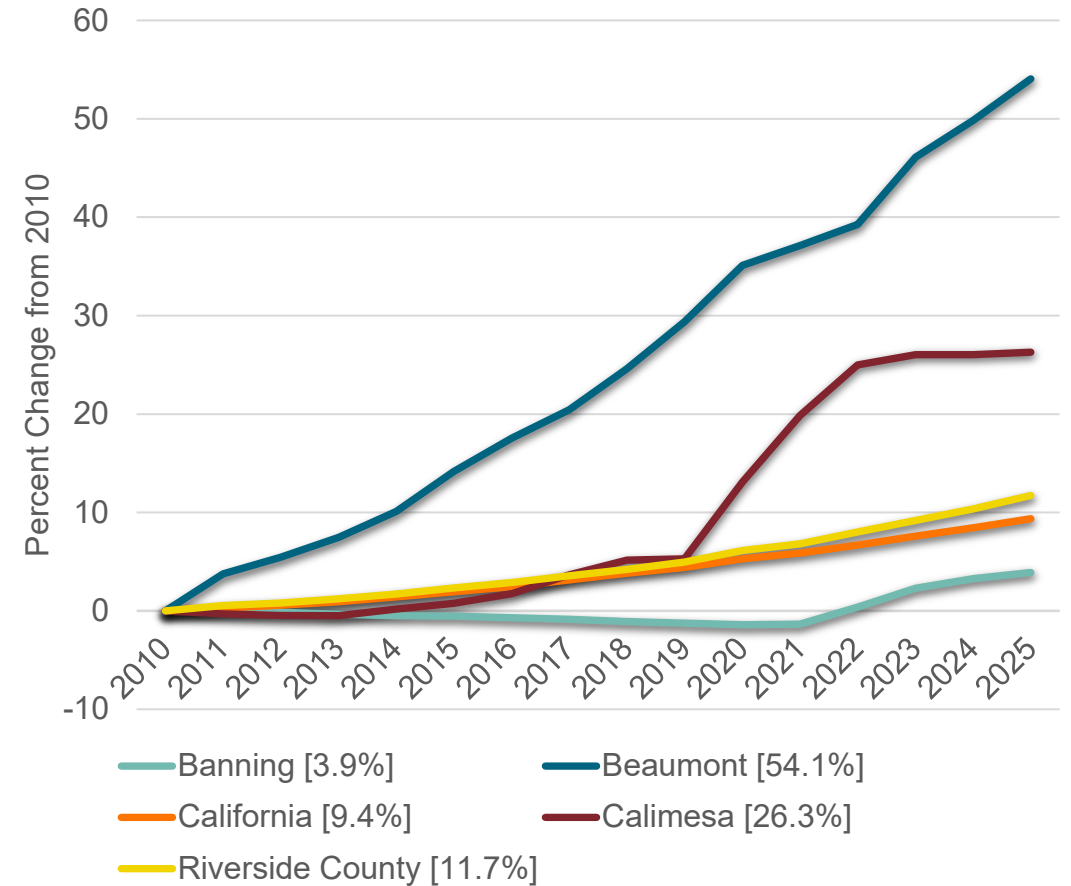


Housing and Population

Population Growth



Housing Stock Growth

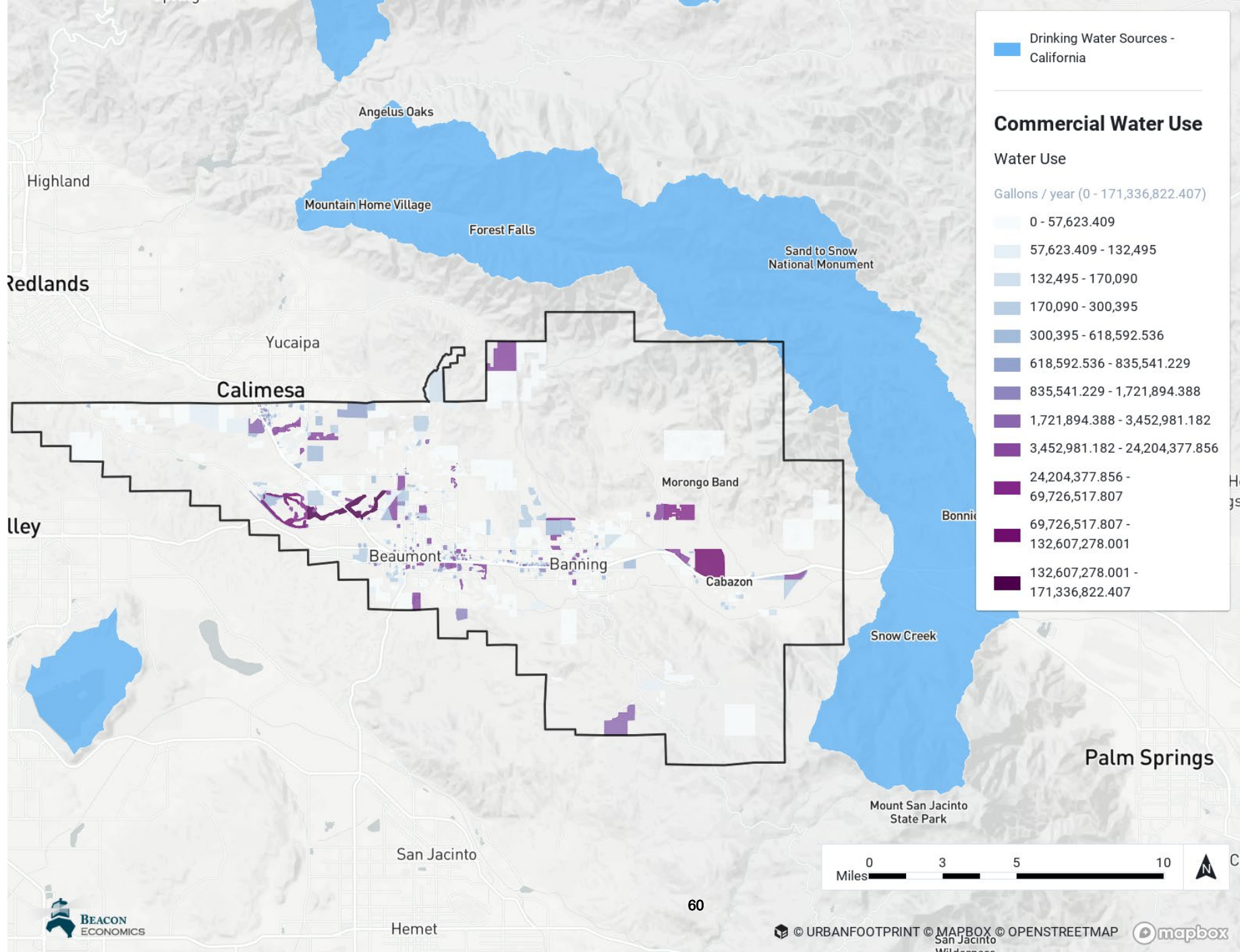


Local Water Usage

- Residential users dominate total demand.
- Outdoor and low-density development patterns drive higher per-capita use.
- Commercial users have high water intensity per employee, even though their total volume is smaller than residential.

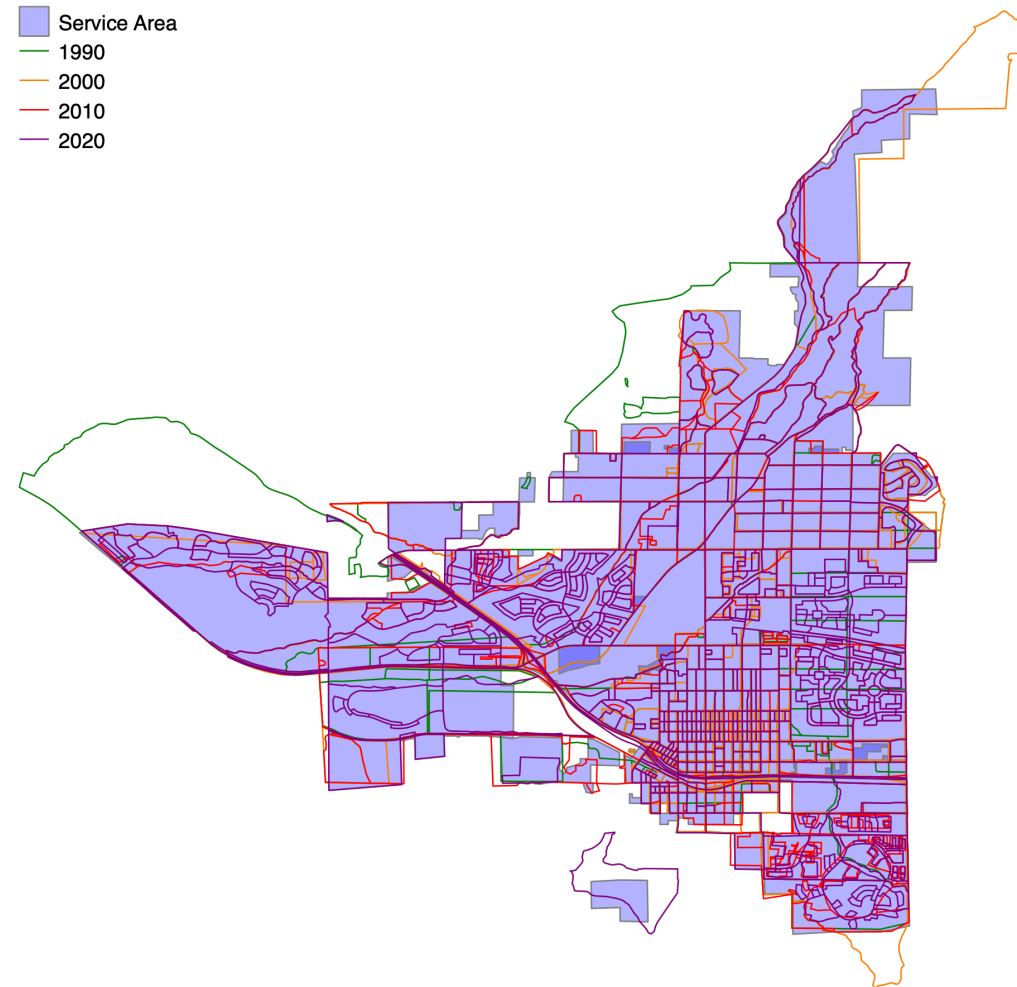
Total Annual Water Use (Gallons)	
Residential	4.876 B
Commercial	1.665 B
Per Capita Annual Water Use	
Residential	42,481
Commercial	76,963
Per Household Annual Water Use	
Indoor	60,559
Outdoor	69,313
Per Capita Res. Use by Land Development	
Urban	16,972
Compact	30,786
Standard	40,468
Rural	33,540





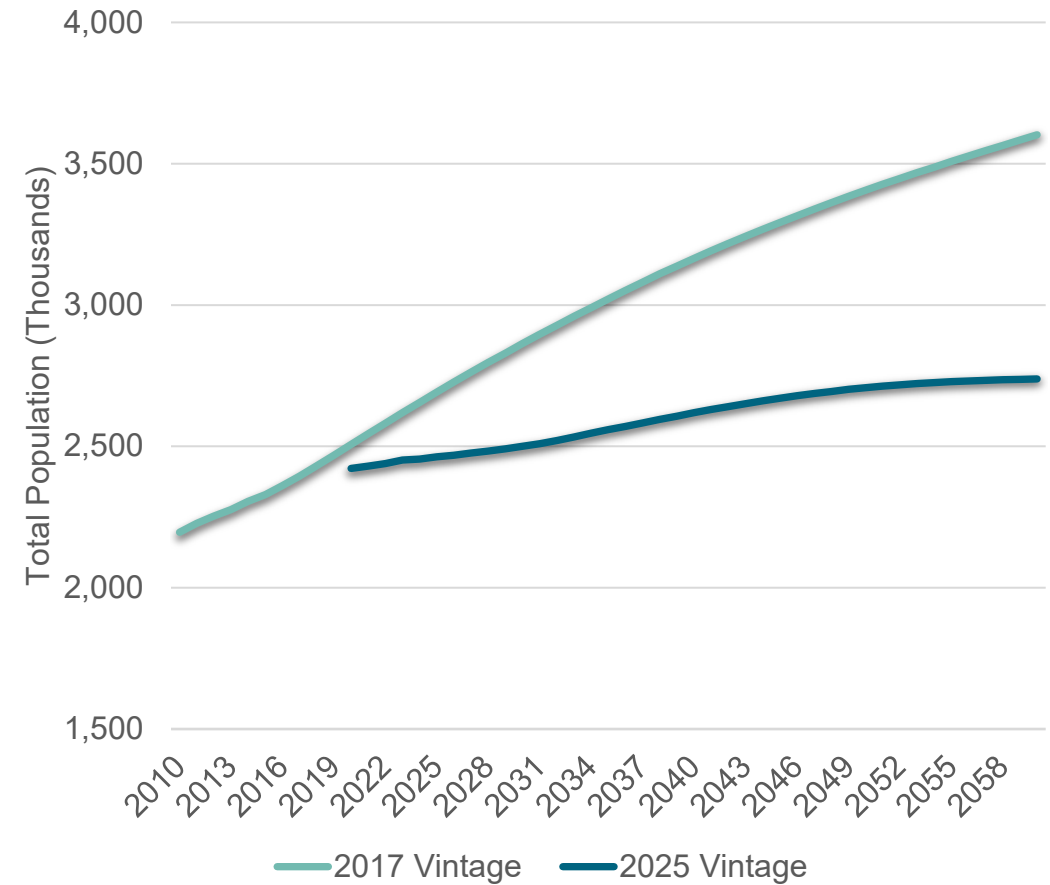
Building the Counts

- Assign Census Blocks to each service area
- Decennial Census (1990, 2000, 2010, 2020)
- Map to a service area if the block centroid fell inside that service area boundary.
- NHGIS harmonized blocks as a gut check on the method
- Interpolate between Censuses.
- Aggregate time series.

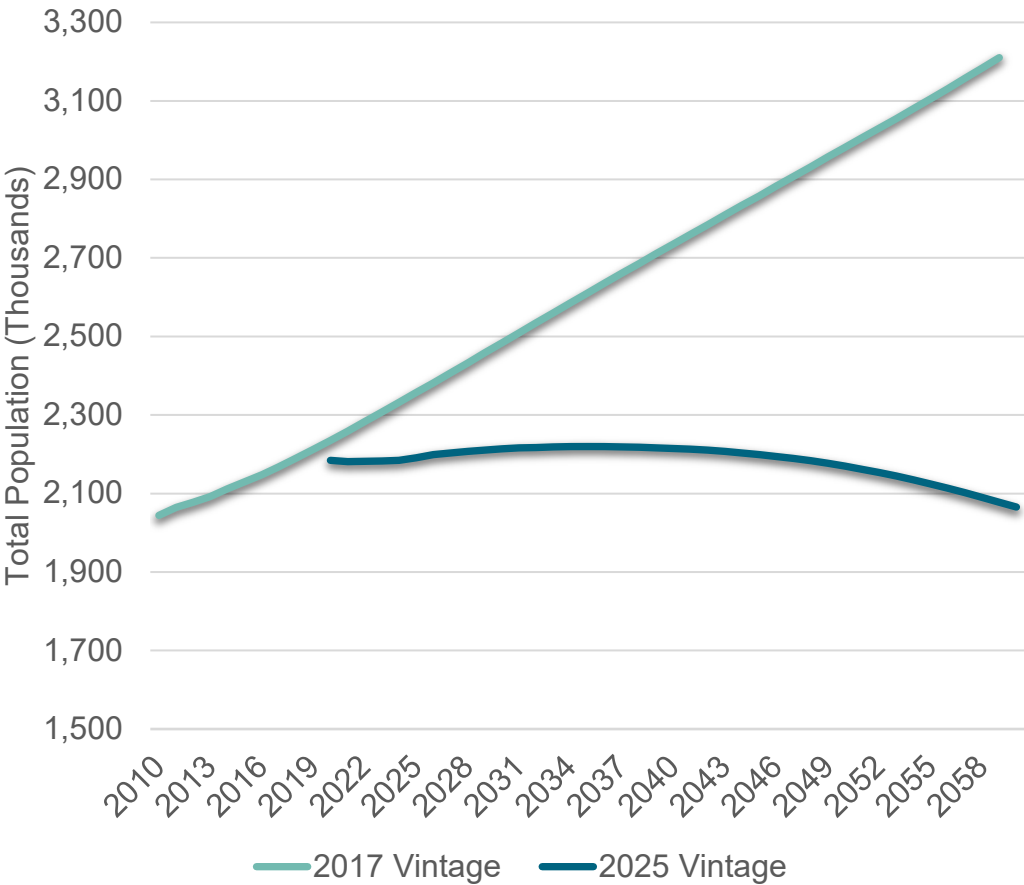


Revisions are Part of the Game

Riverside



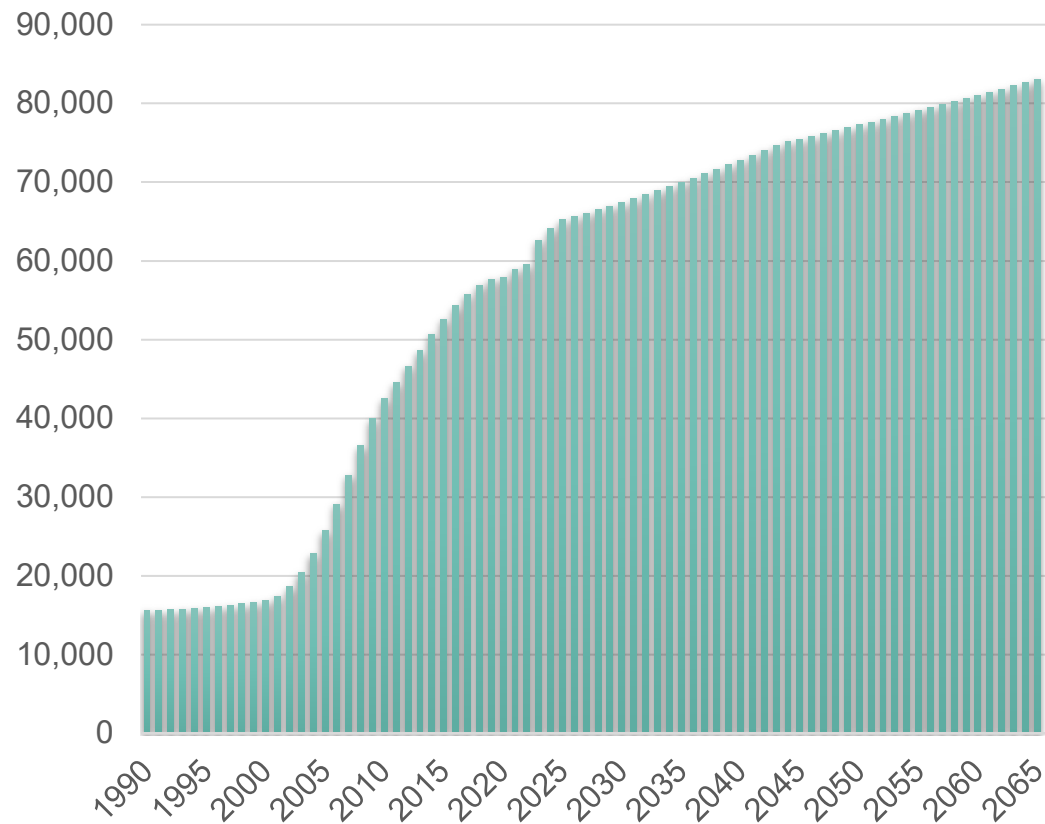
San Bernardino



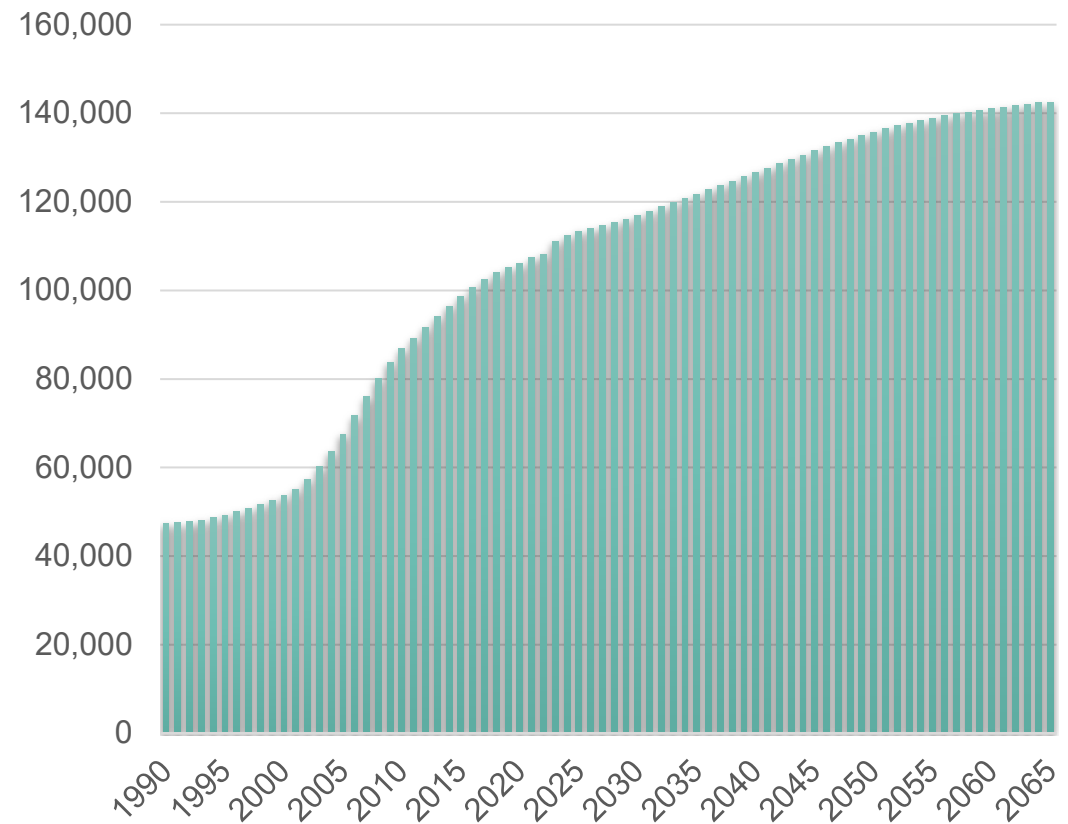
Revised Projections



Beaumont Cherry Valley Water District



San Geronio Pass Water Agency



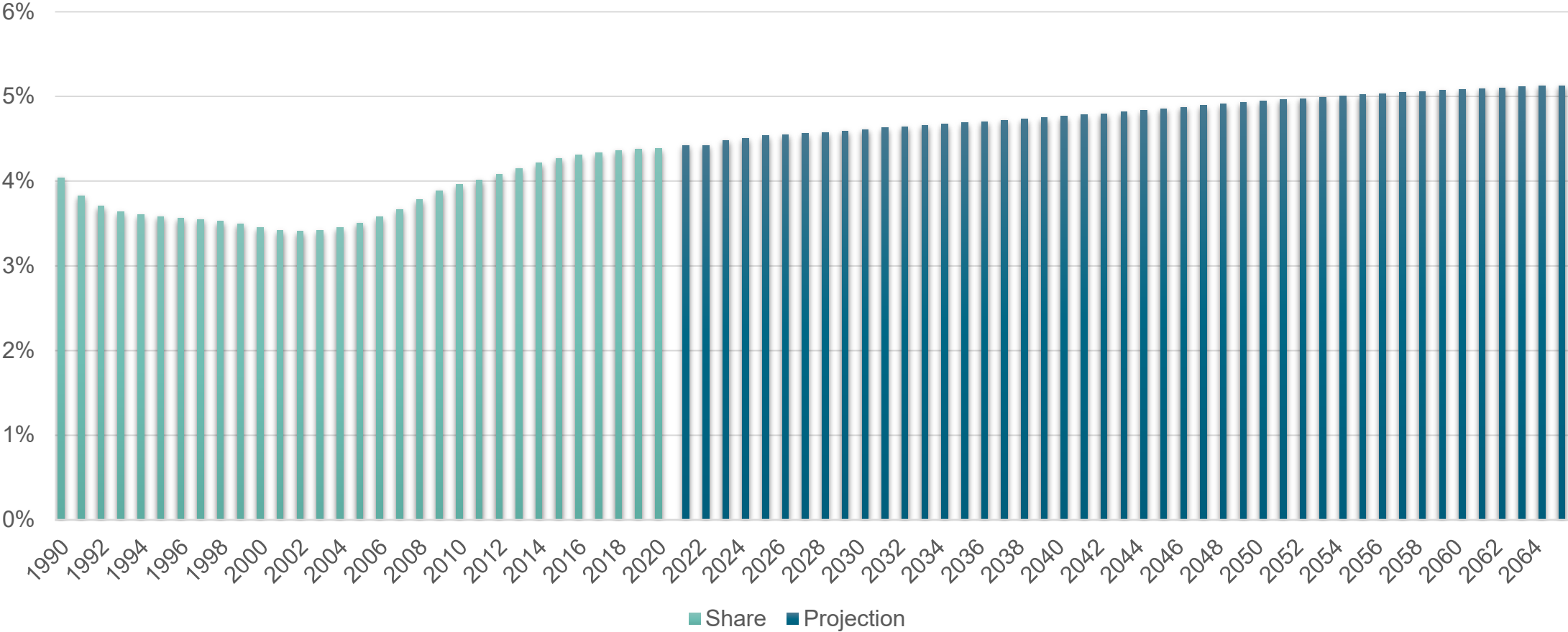
Forecast Summary

	San Gorgonio Pass Water Agency	South Mesa Water Company (Riverside)	South Mesa Water Company (San Bernardino)	Yucaipa Valley Water District (Riverside)	Yucaipa Valley Water District (San Bernardino)	Beaumont Cherry Valley Water District	City of Banning Water District	San Gorgonio Pass Groundwater Sustainability Plan area
1990	47,476	3,693	4,945	5,699	31,107	15,646	20,525	21,854
2000	53,661	4,335	6,307	6,116	40,927	16,860	23,485	24,048
2010	86,779	4,282	6,887	7,233	51,159	42,498	29,605	29,160
2020	105,997	4,811	7,445	8,768	54,179	57,930	29,521	30,850
2030	116,929	5,209	7,883	9,991	55,605	67,394	29,707	31,363
2040	126,658	5,514	8,284	11,337	58,128	72,811	30,435	32,248
2050	135,738	5,722	8,622	12,904	60,124	77,260	31,376	33,306
2065	142,366	5,842	8,955	15,790	61,546	83,039	32,945	35,066
2065-2020								
Growth	34.3%	21.4%	20.3%	80.1%	13.6%	43.3%	11.6%	13.7%
Change	36,369	1,031	1,510	7,022	7,367	25,109	3,424	4,216



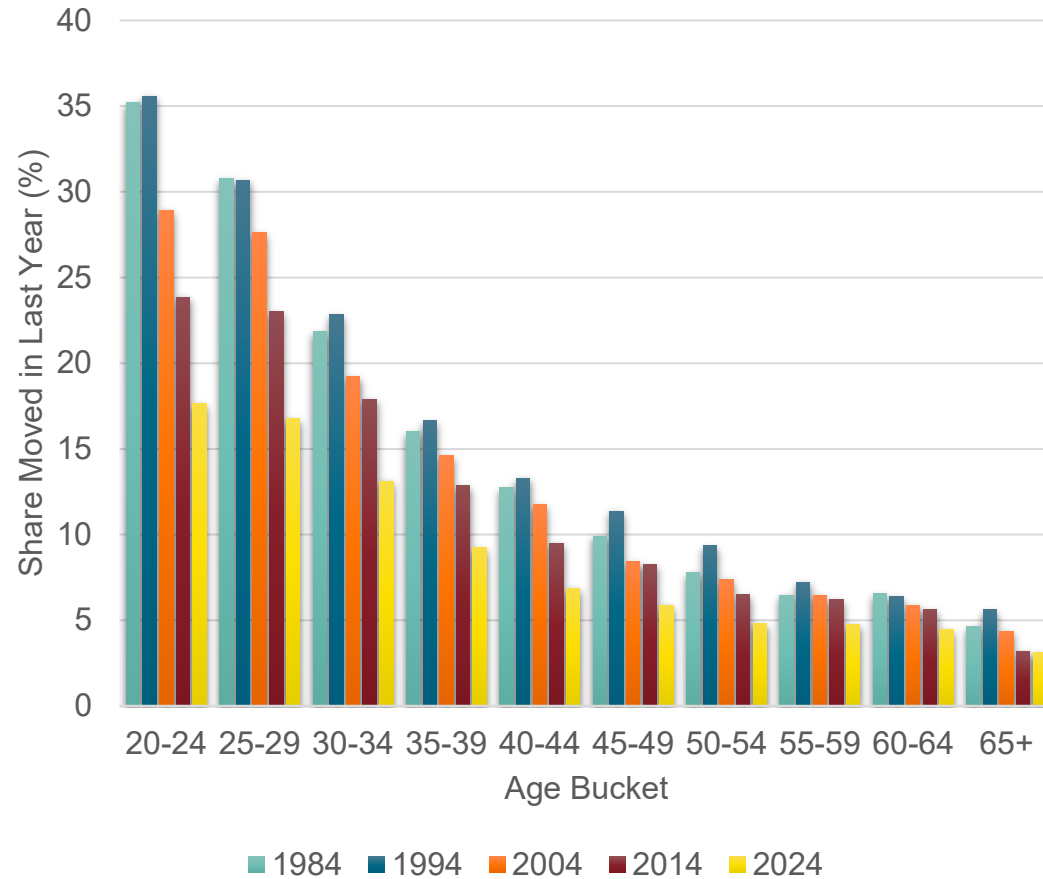
Structural Stability

San Geronio Share of Riverside

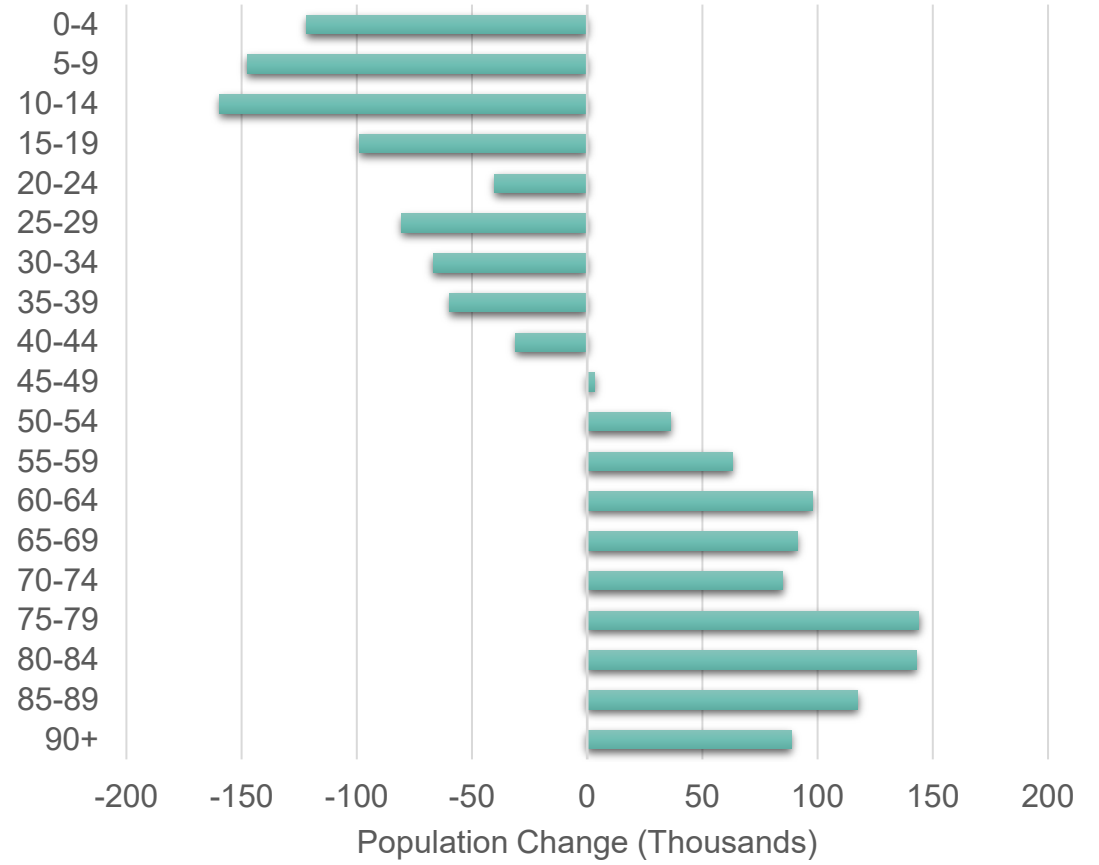


Secular Headwinds

National Mobility



Inland Empire: 2020-2070



Pandemic Shift, Q1-20 to Q1-25

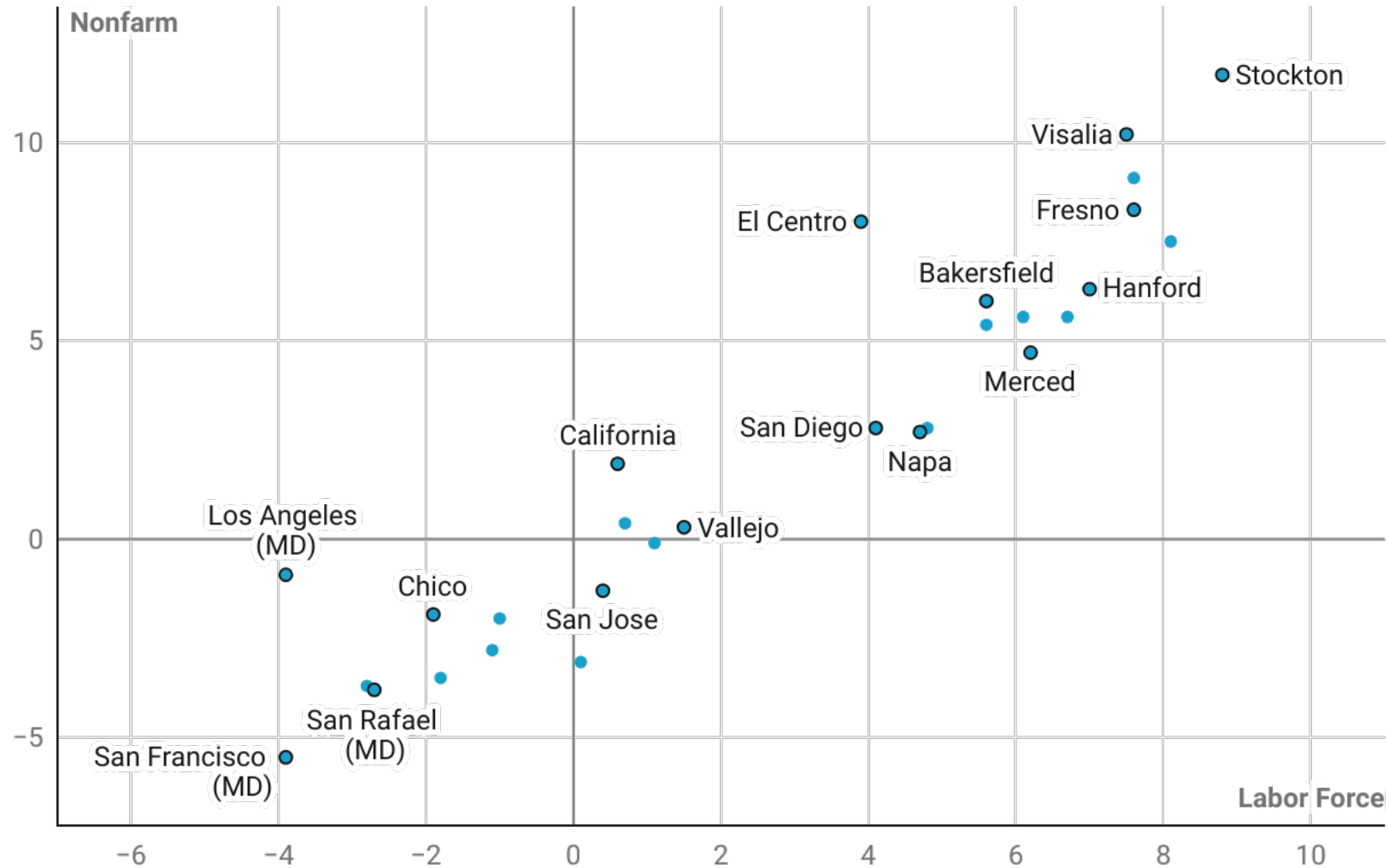


County	Growth	Jobs Added
Alpine	41.83	314
San Joaquin	10.58	27,868
Riverside	9.53	73,791
Madera	9.47	4,945
Yuba	8.06	1,586
Placer	7.35	12,814
San Bernardino	7.09	56,040
Imperial	6.31	4,008
Nevada	6.25	2,045
Fresno	6.12	24,666

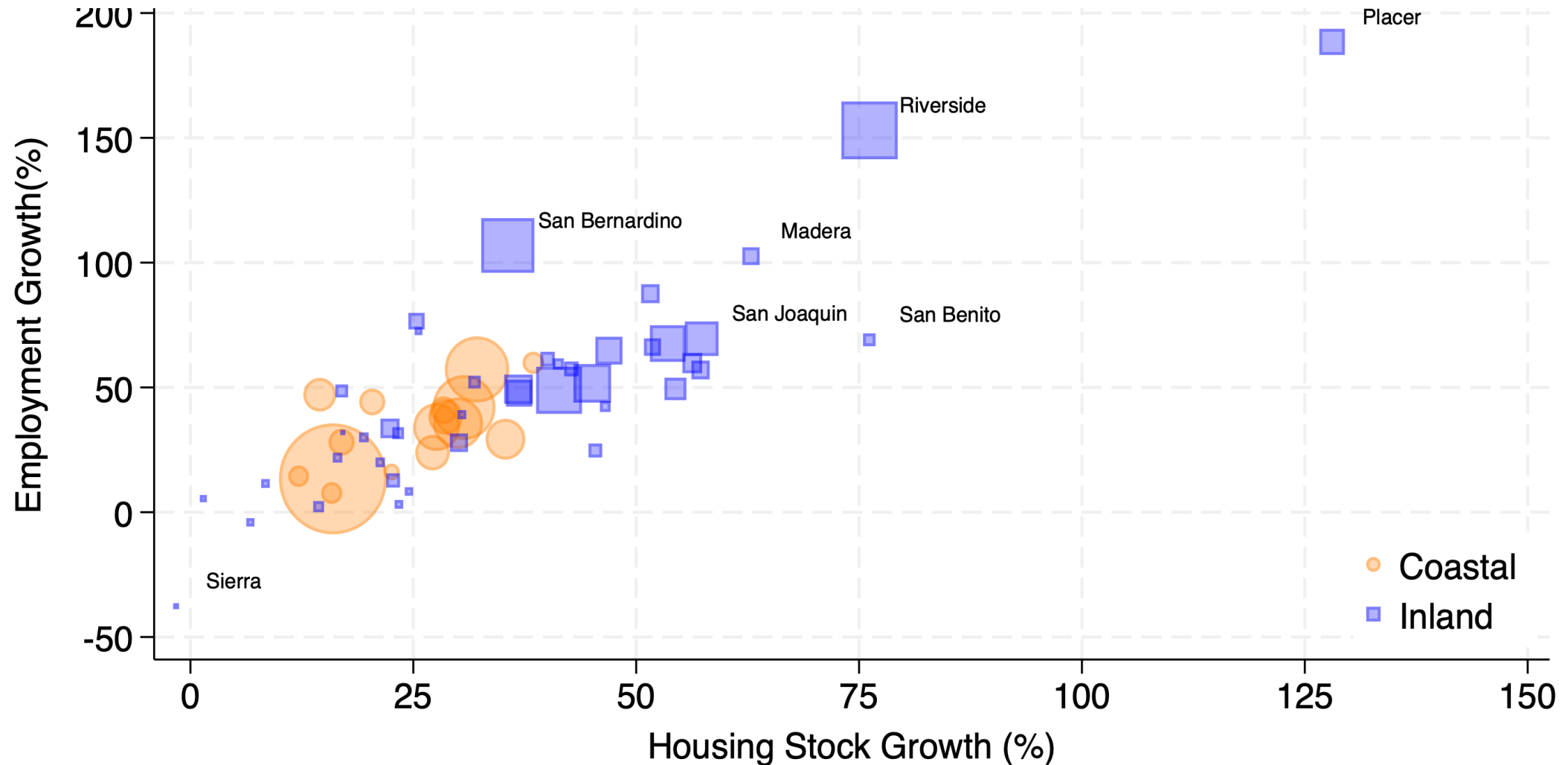
County	Growth	Jobs Lost
Colusa	-1.36	(127)
Santa Clara	-1.38	(15,601)
San Mateo	-2.27	(9,575)
Mendocino	-2.57	(845)
Santa Cruz	-2.62	(2,796)
Amador	-2.78	(353)
Sonoma	-3.05	(6,491)
Butte	-4.02	(3,273)
Marin	-5.09	(5,923)
San Francisco	-8.62	(65,992)
Lassen	-8.69	(833)



Statewide Pandemic Shift

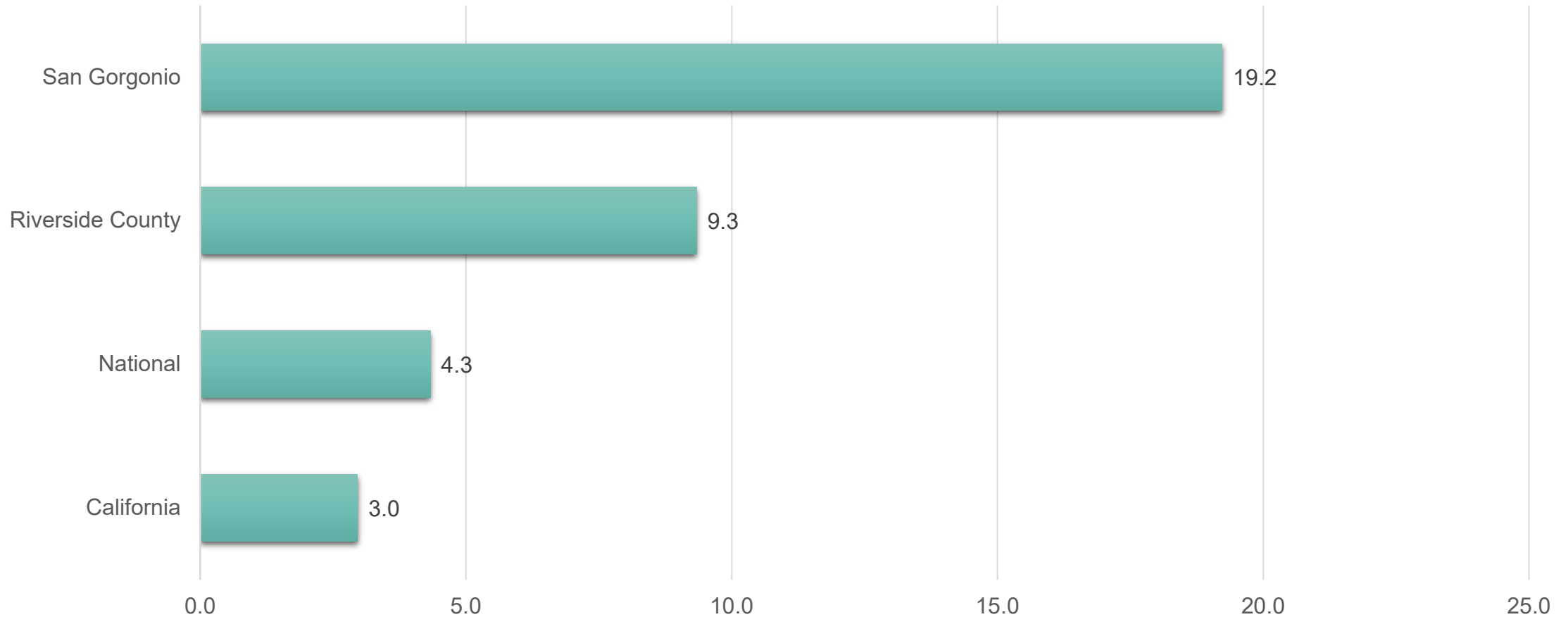


Housing and Employment Growth

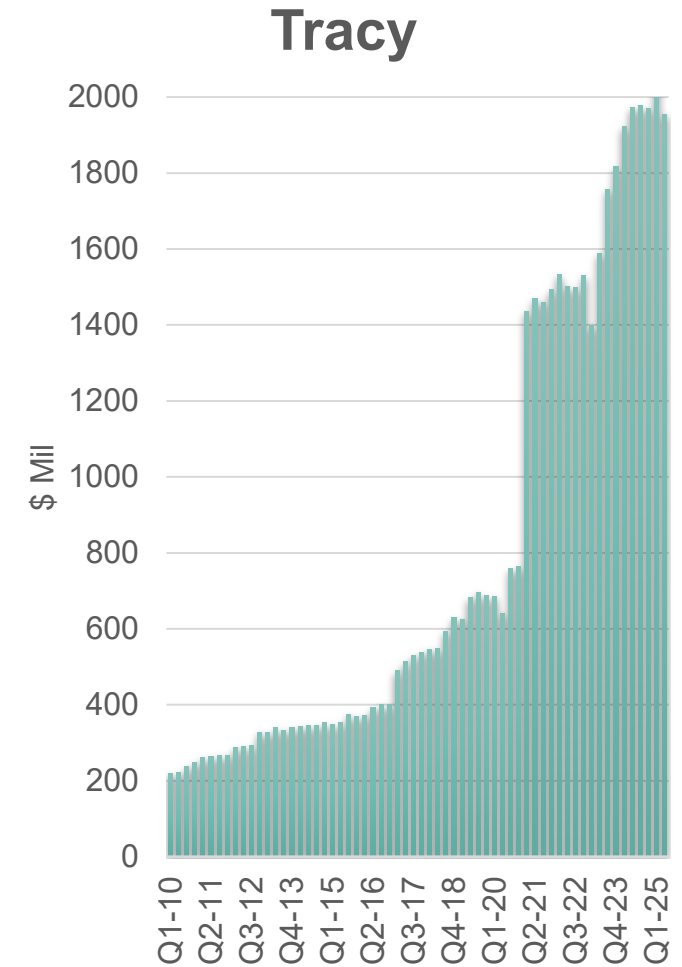
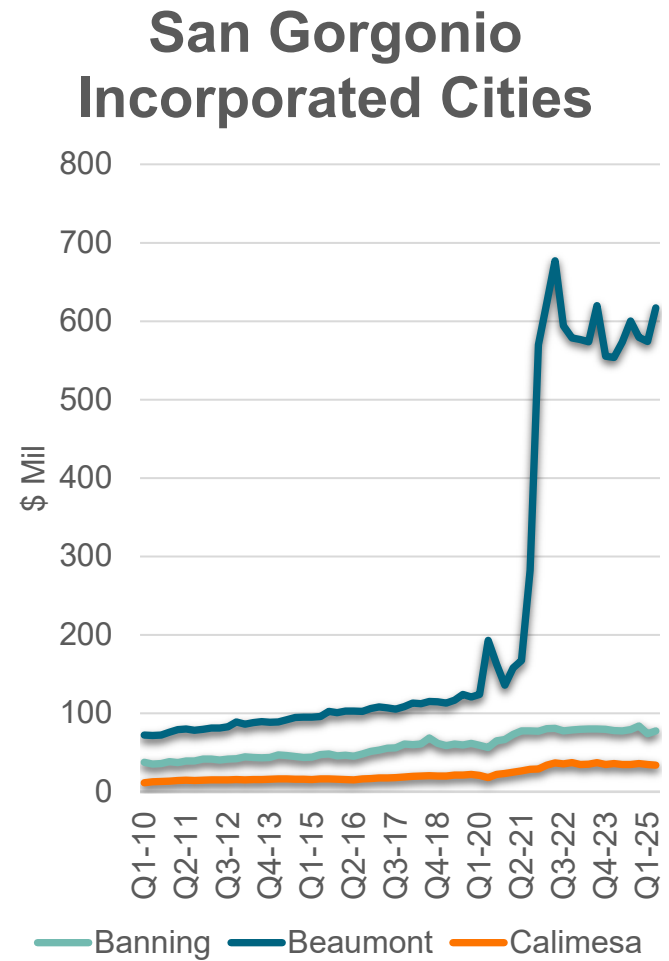
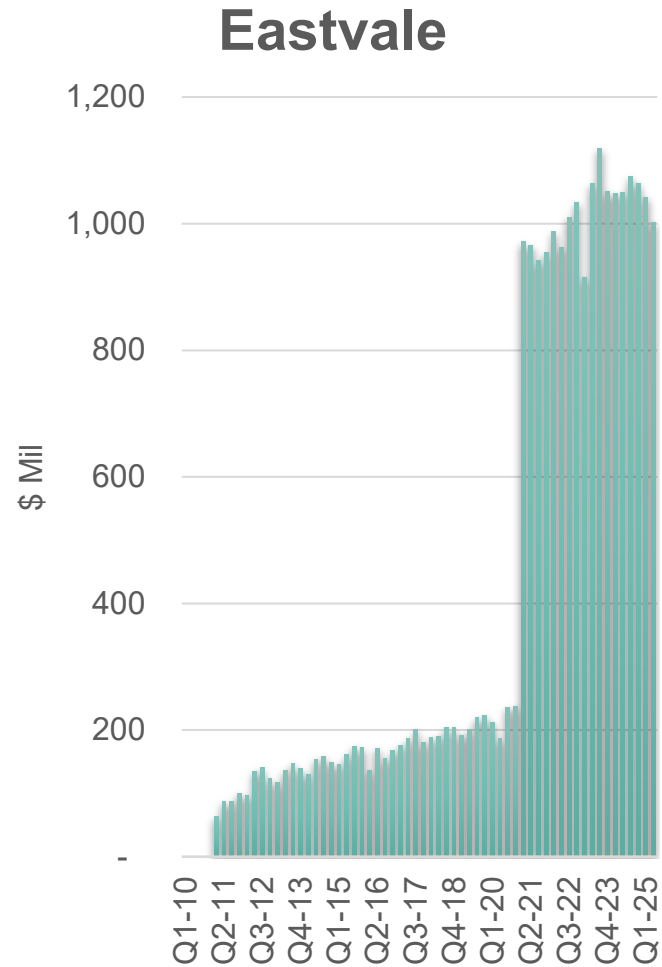


Regional Growth Patterns

Percent Change in Employment: Pre-Pandemic to Q4-2024



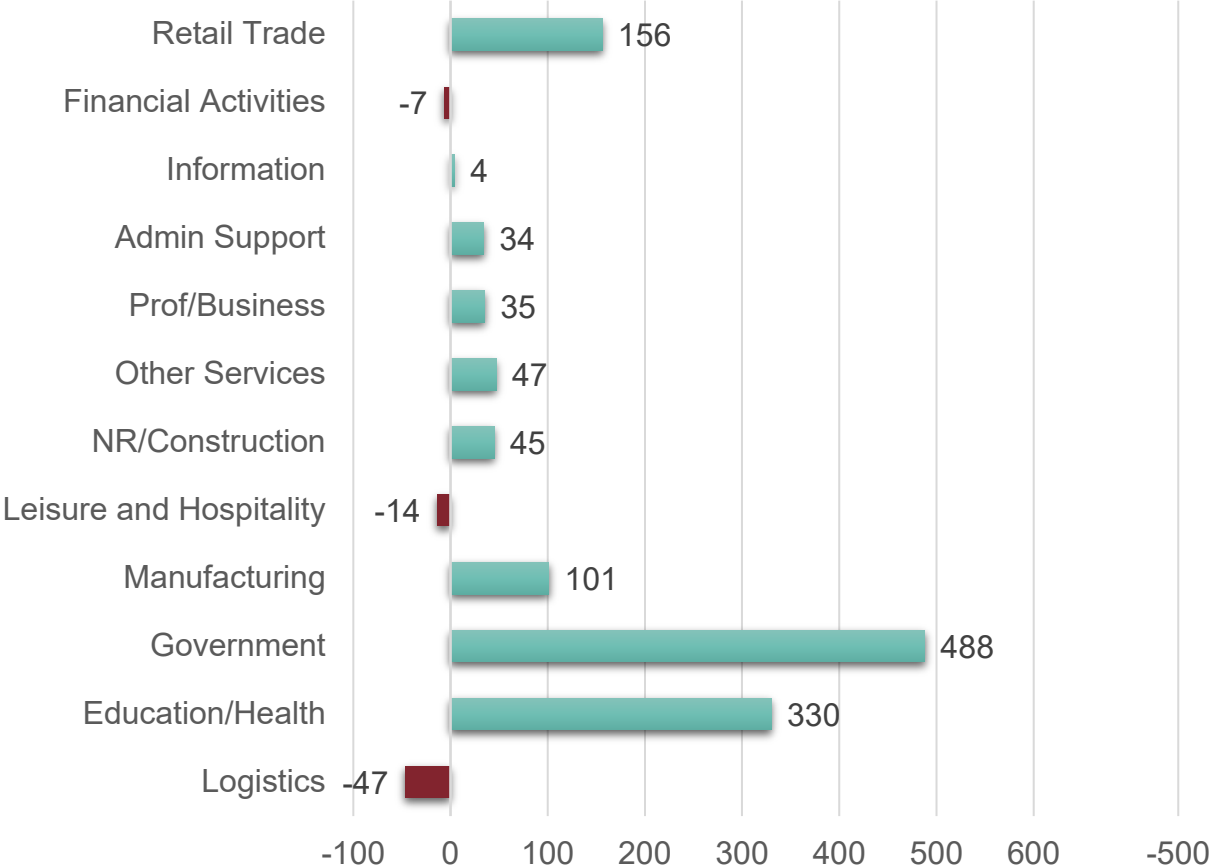
Industrial Booms and Taxable Sales



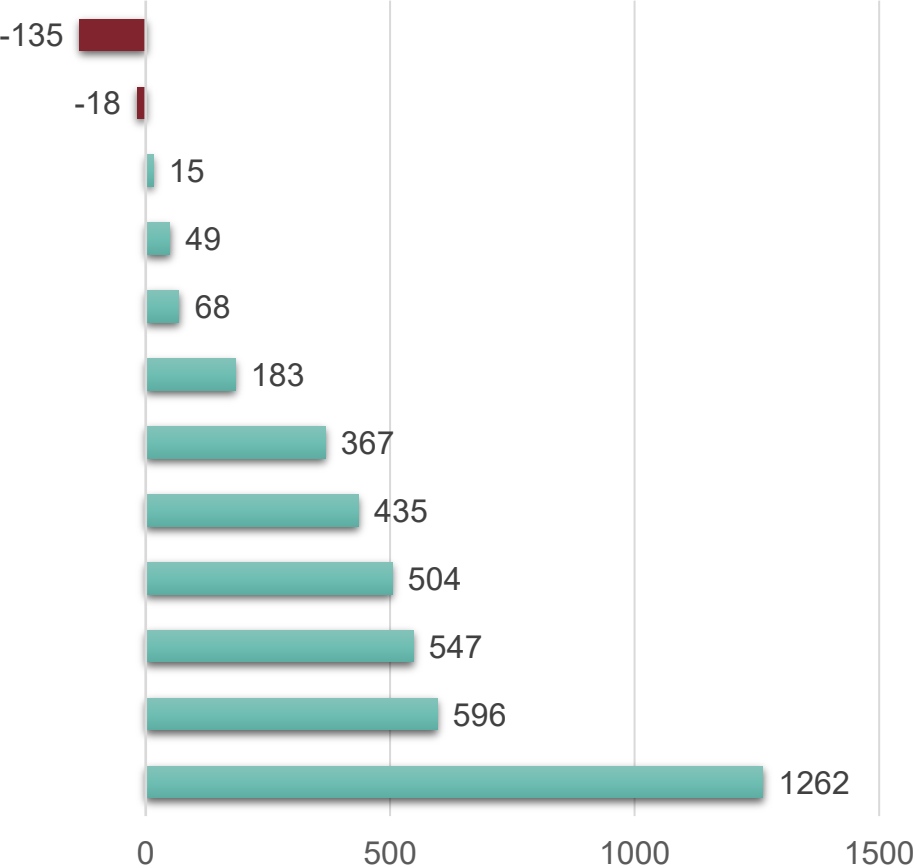
Job Churn in San Gorgonio



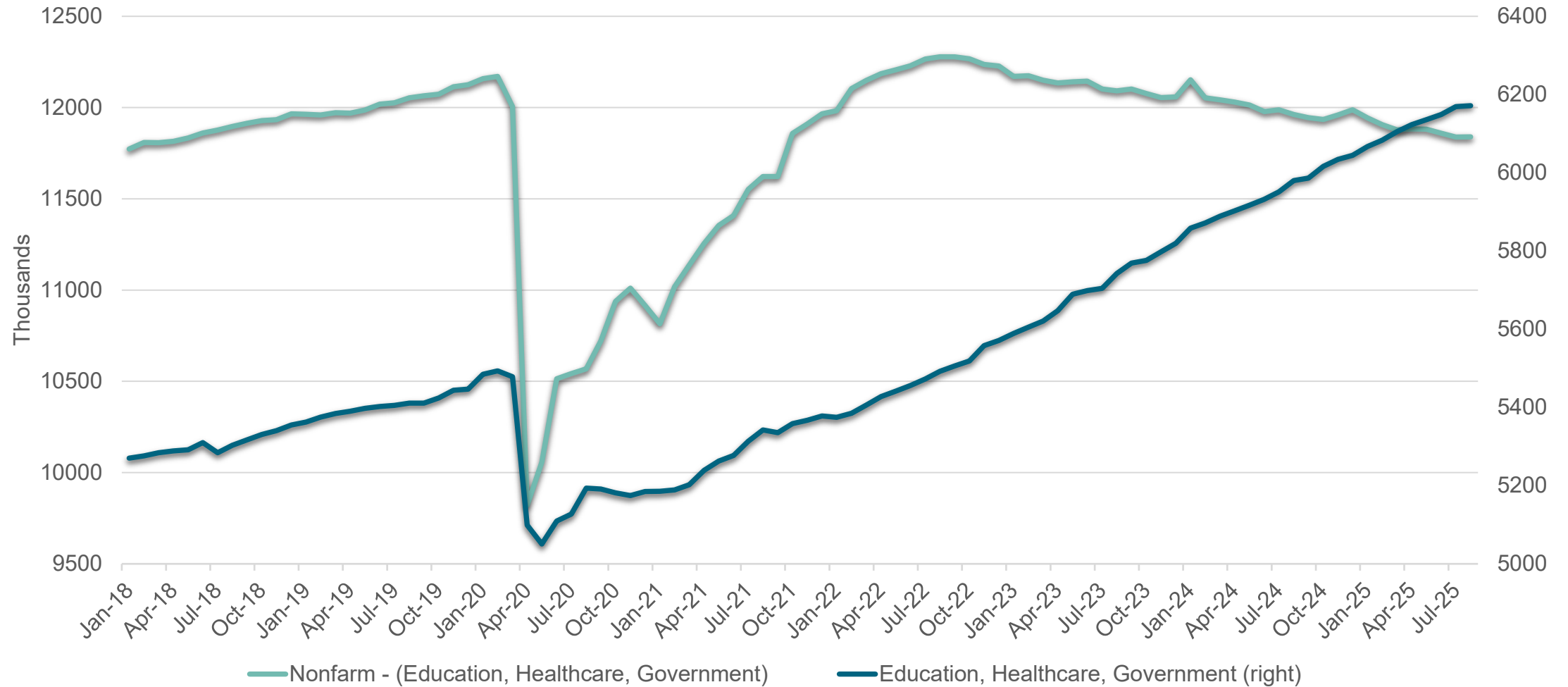
1-Yr Absolute Change



5-Year Absolute Change



California Current Employment Picture



Industry Strengths

Industry	NAICS	LQ	LQ Growth
Building equipment contractors	2382	1.0307	2.2
Personal care services	8121	1.1309	17.8
Business, professional, labor, political, and similar organizations	8139	1.2013	3.0
Residential building construction	2361	1.4784	8.0
Grocery and convenience retailers	4451	1.6518	10.5
Gasoline stations	4571	1.6888	7.5
General freight trucking	4841	2.0678	203.8



Weaknesses

Industry	NAICS	LQ	LQ Growth
Agencies and Brokerages	5242	0.1103	-42.8
Legal services	5411	0.1877	-28.6
Accounting and Payroll	5412	0.2332	-17.9
Offices of physicians	6211	0.2938	-32.5
Depository credit intermediation	5221	0.3693	-33.7
Lessors of real estate	5311	0.7382	-39.3
Full-service restaurants	7221	0.8878	-10.6



Opportunities

Industry	NAICS	LQ	LQ Growth
Management, scientific, and technical consulting services	5416	0.3121	67.9
Services to buildings and dwellings	5617	0.5862	11.4
Other specialty trade contractors	2389	0.7568	3.7
Traveler accommodation	7211	0.8511	39.5
Residential Behavioral Health Facilities	6232	0.8720	10.6
Management, scientific, and technical consulting services	5416	0.3121	67.9
Services to buildings and dwellings	5617	0.5862	11.4



Threats

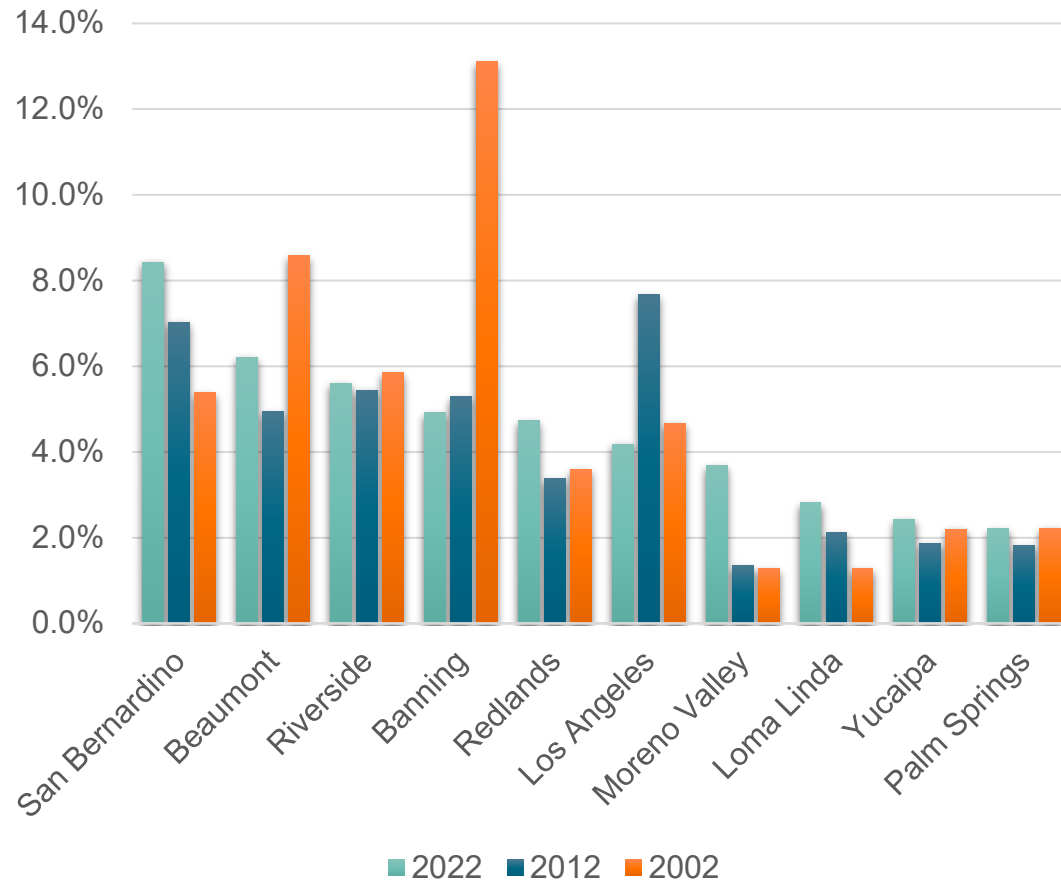
Industry	NAICS	LQ	LQ Growth
Beer, wine, and liquor retailers	4453	1.2178	-22.7
Automotive repair and maintenance	8111	1.5193	-21.9
Automotive parts, accessories, and tire retailers	4413	1.5674	-9.8
Building material and supplies dealers	4441	1.5684	-8.1
Building foundation and exterior contractors	2381	2.7350	-27.0
Limited-service eating places	7222	2.8285	-4.0
Other motor vehicle dealers	4412	3.2547	-39.0



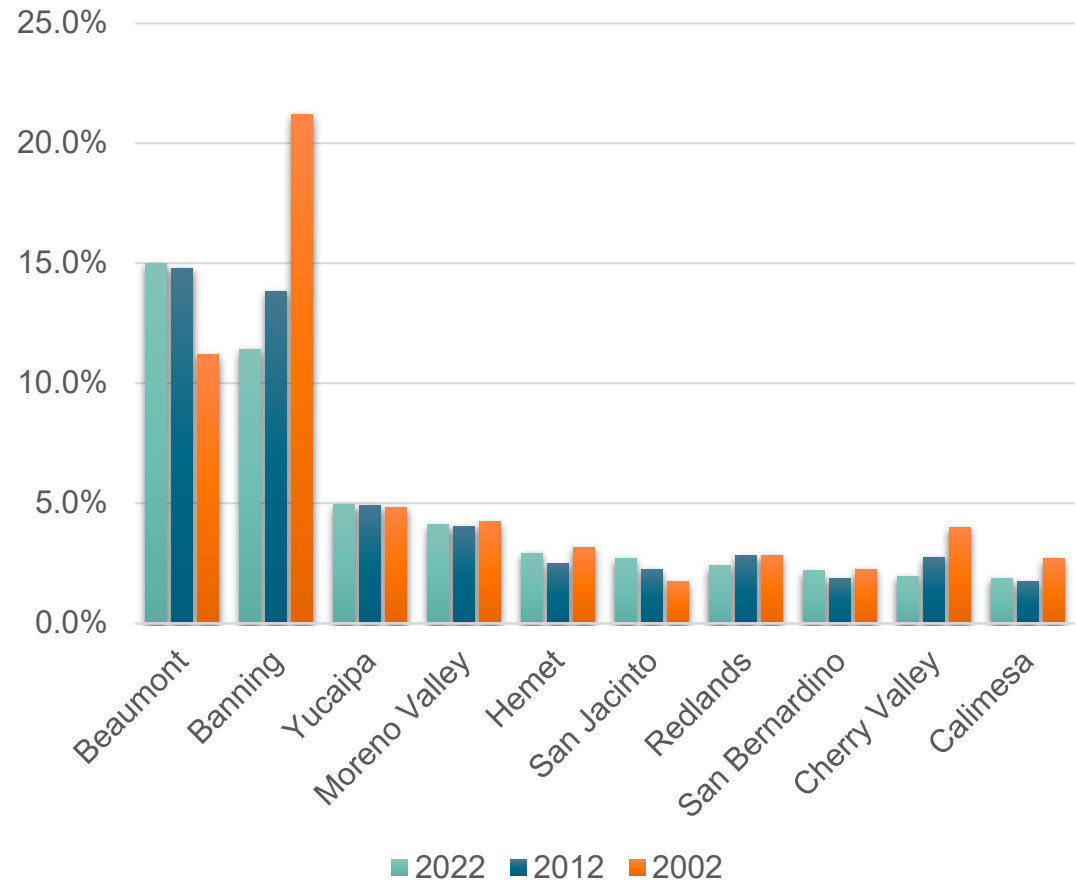
Commuter Trends (cont'd)



Where Residents Work



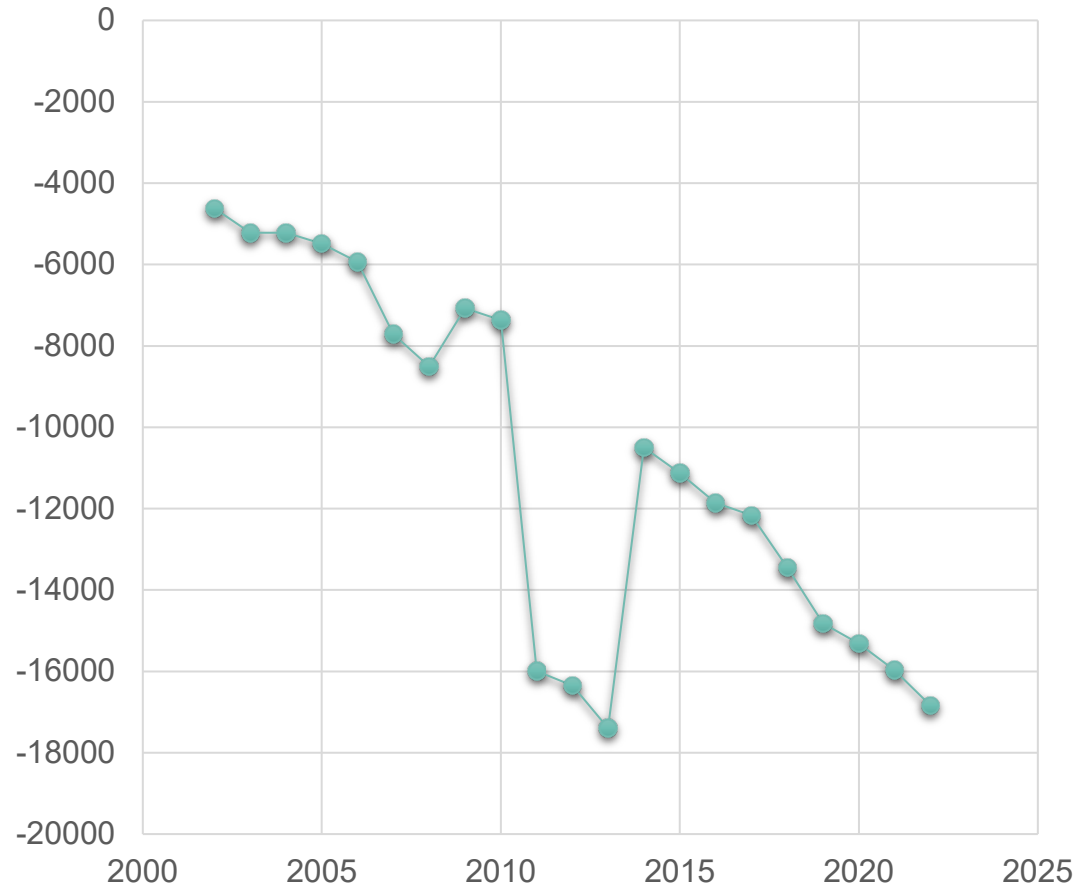
Where Workers Live



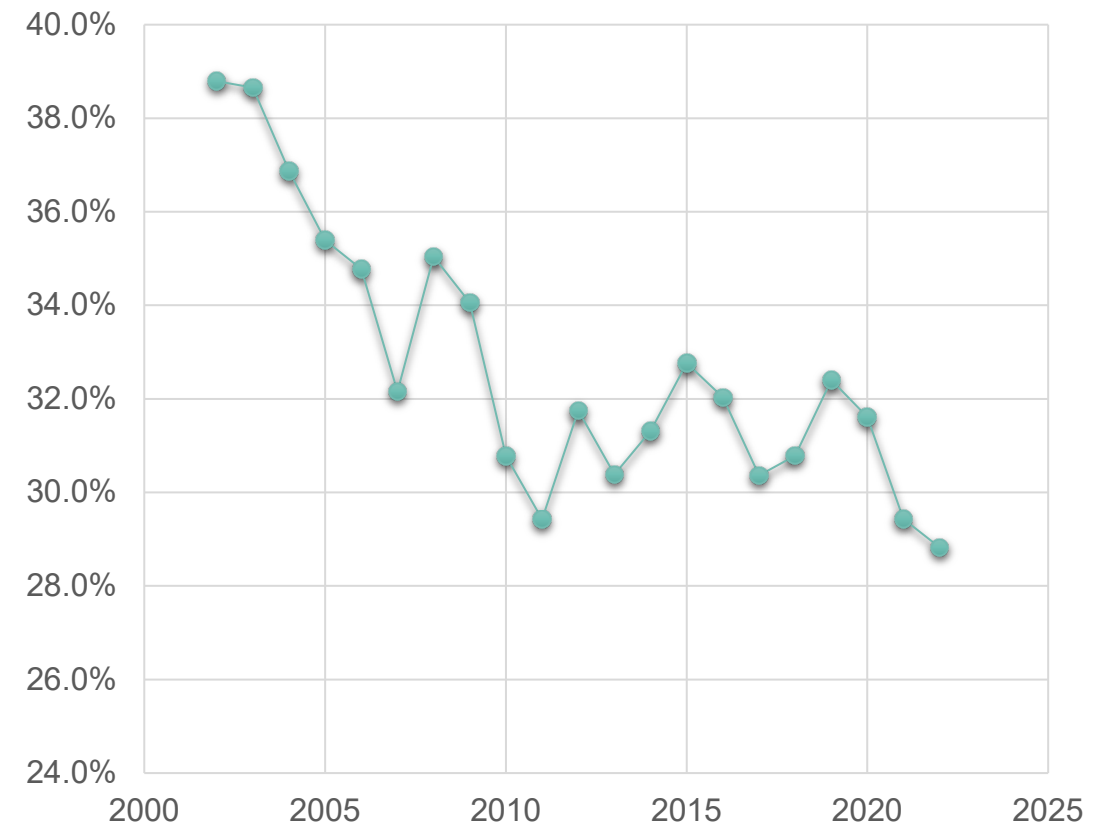
Commuter Trends in the Region



Net Outflow of Workers

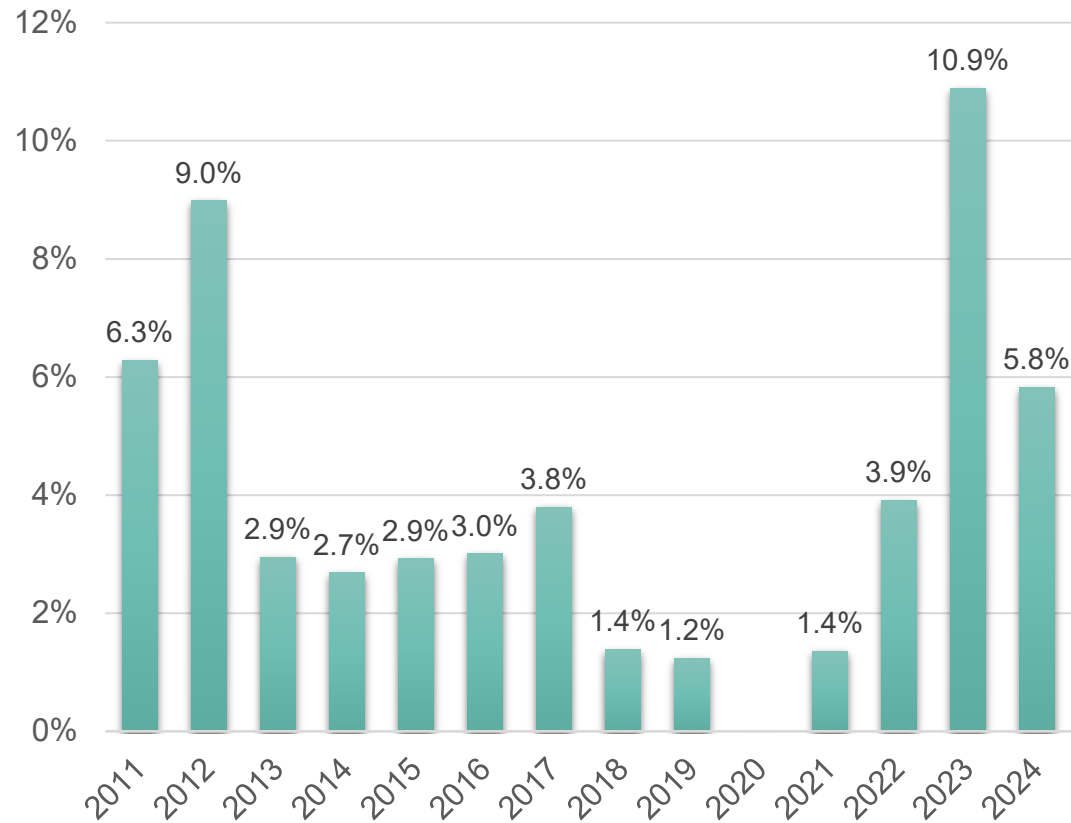


In-Area Employment: Working and Living

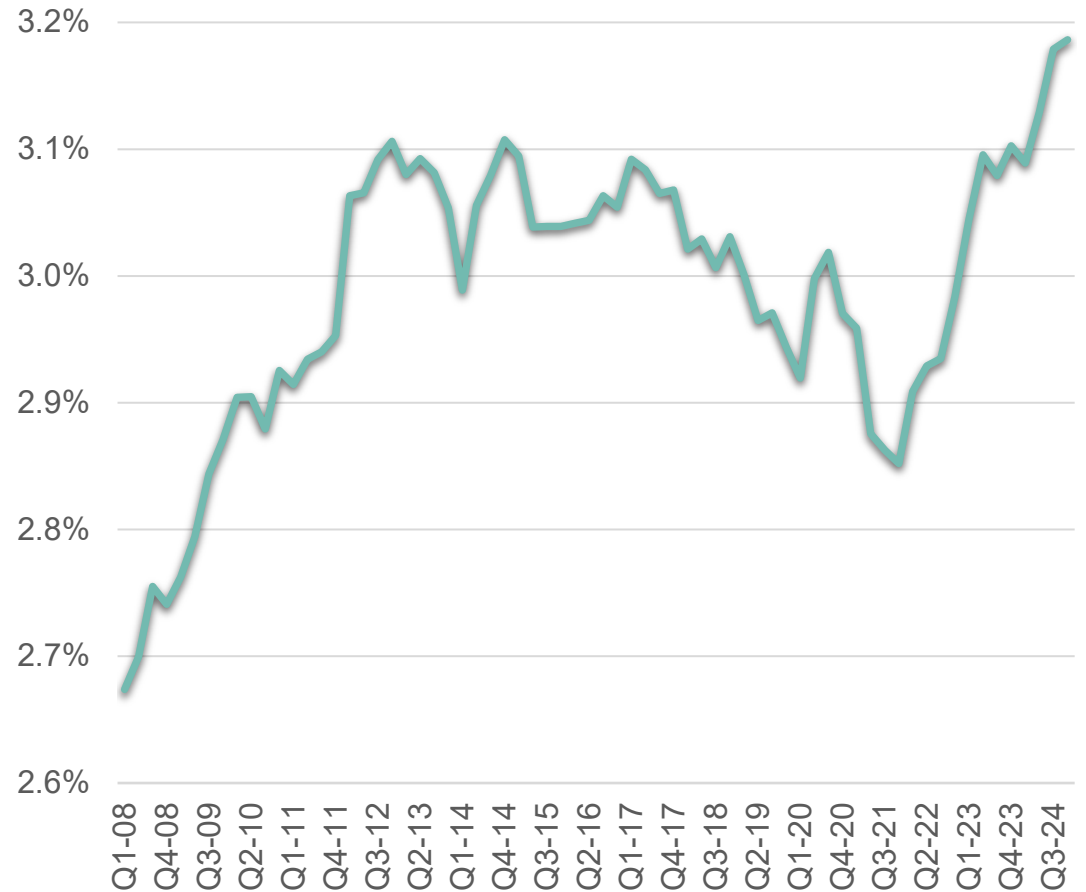


Regional Employment

Share of Riverside County Job Gains

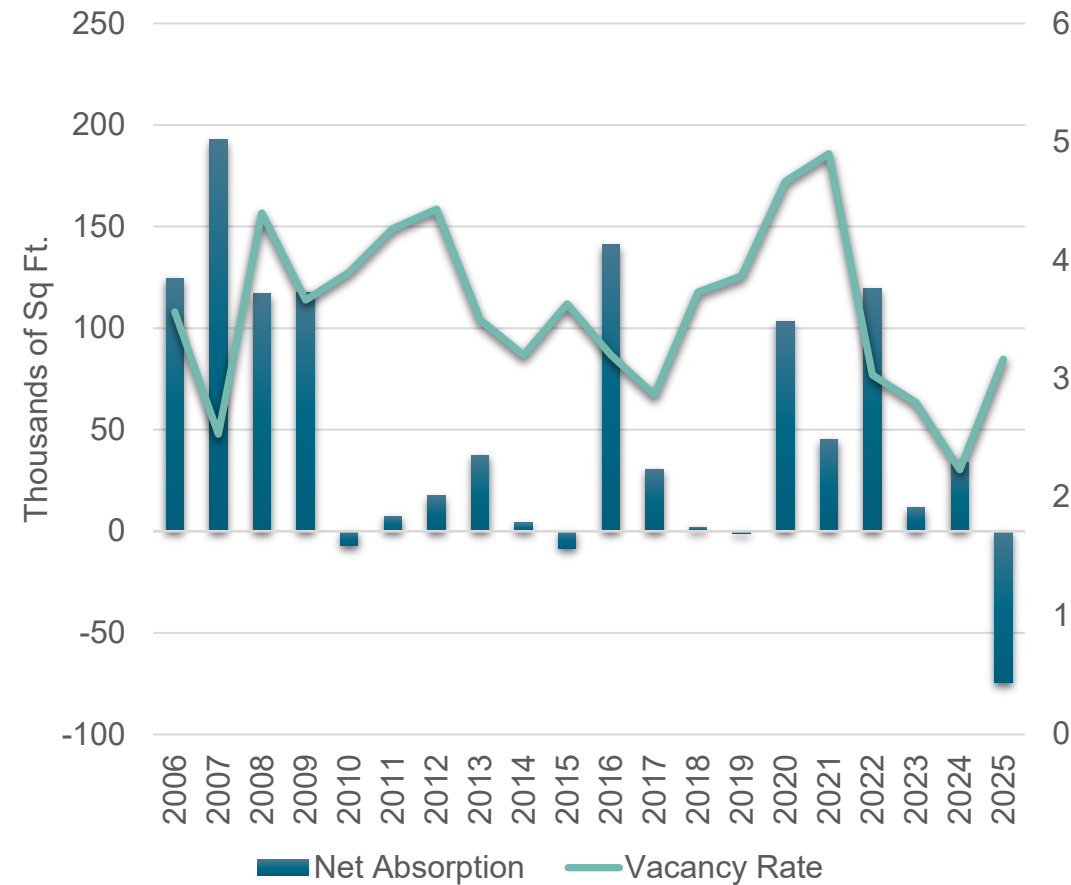


Share of County Employment

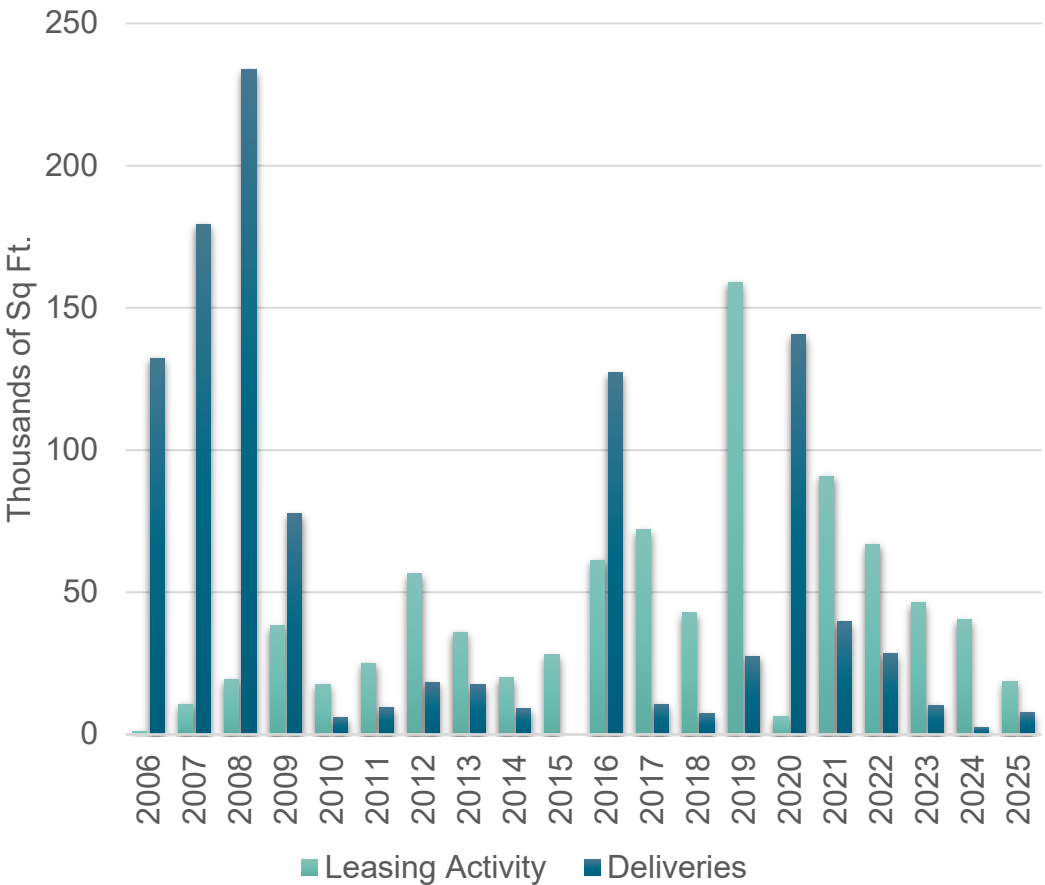


Commercial Activity - Retail

Absorption

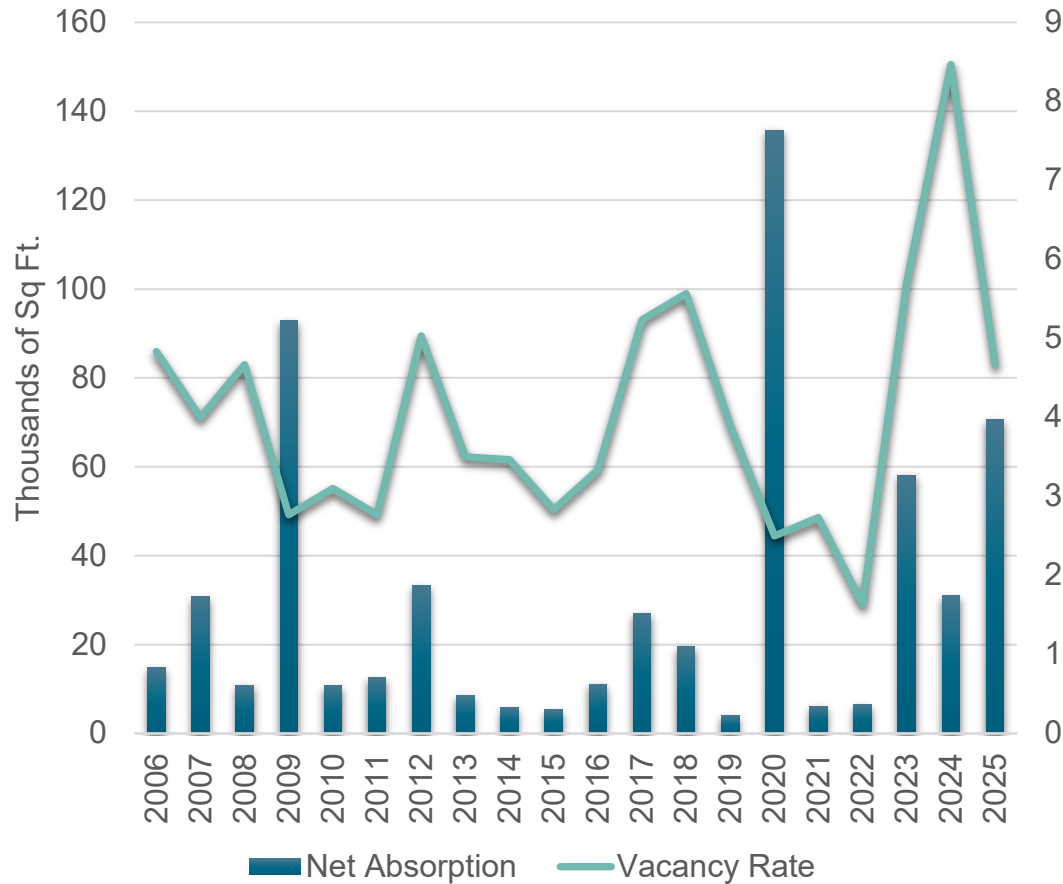


Stock Churn

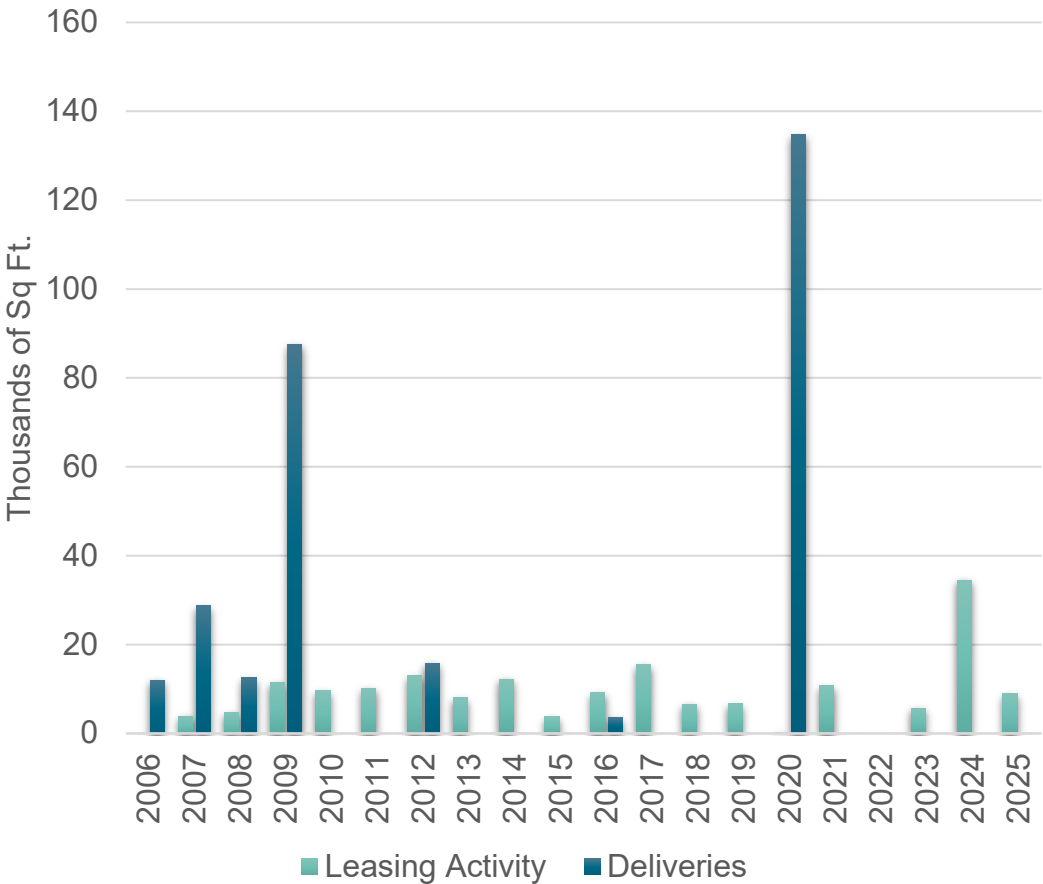


Commercial Activity - Office

Absorption

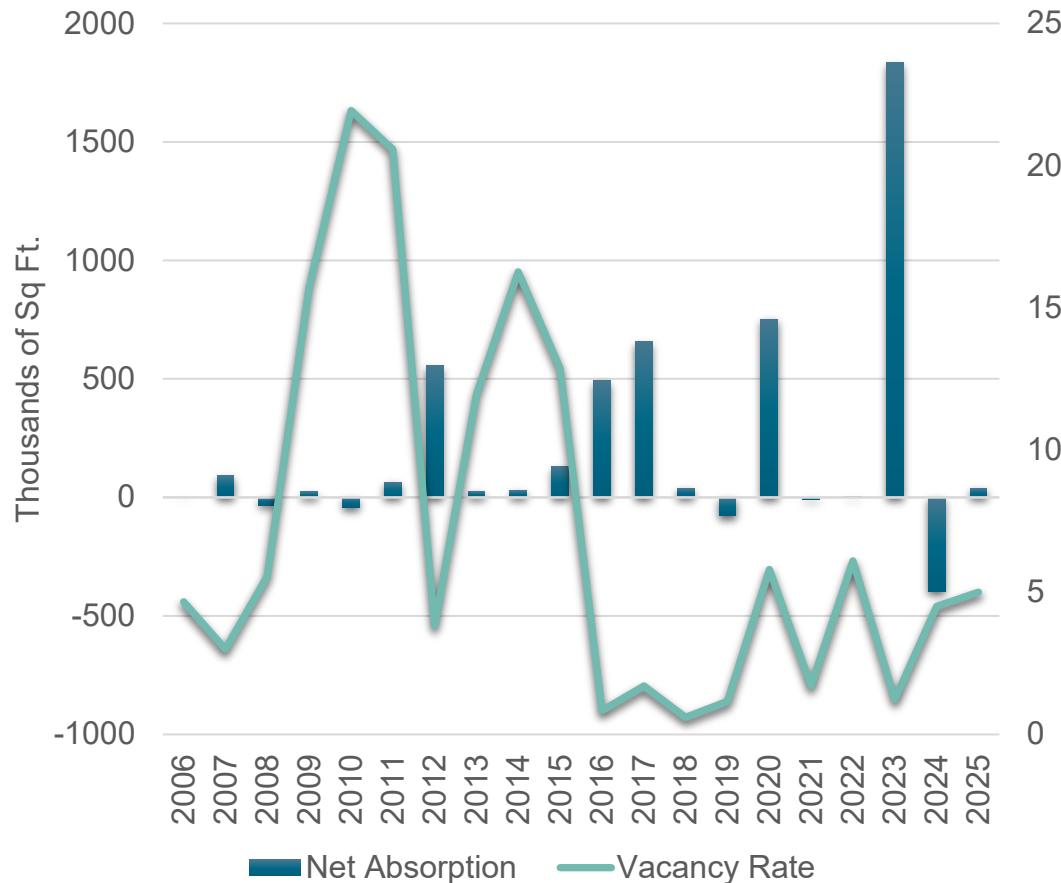


Stock Churn

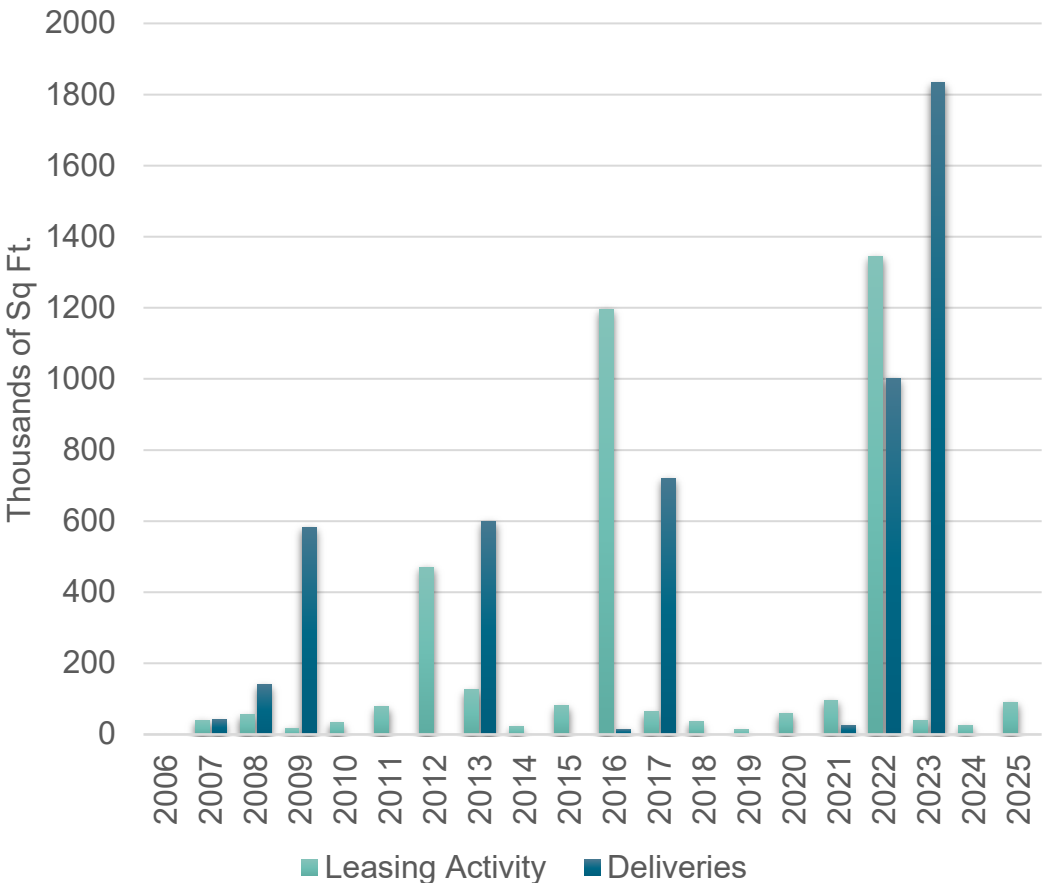


Commercial Activity - Industrial

Absorption



Stock Churn



Commercial Pipeline

Property Address	Property Type	Building Class	RBA	City
Moreno Valley Fwy	Industrial	A	5000000	Beaumont
NE of N Hathaway St and Nicolet St	Industrial	A	1422012	Banning
SEC of Wilson Drive & O'Donnell Street	Industrial		1320128	Banning
Singleton Rd	Industrial	A	707783	Calimesa
Singleton Rd	Industrial	B	500000	Calimesa
35020 Singleton Rd	Industrial	A	500000	Calimesa
Singleton Rd	Industrial	A	493000	Calimesa
1022 Prosperity Way	Industrial	B	449590	Beaumont
Oak Valley Pky	Retail	B	230104	Beaumont
1 Charles St	Industrial	A	186690	Banning



Parting Thoughts

- Housing-led growth depends on water capacity. Recent job and population gains have been driven by rapid housing construction in places like Beaumont and Calimesa.
- Strategic choices by water agencies and local governments make possible how much of the region's economic potential is unlocked.
- **Forthcoming Beacon Study on The Economic Impact of Investing in Water Infrastructure** - quantifying the development and economic activity that secure water supplies make possible and by estimating the economic value of water reliability to households, businesses, and agriculture.
- The results will provide a clear assessment of how secured water contributes to economic growth and fiscal sustainability.
- Translating supply into development potential. Using water demand factors and local planning data, we can measure the additional housing, commercial/industrial space, and agricultural activity supported by secure water.





Thank You!

Sources

California
Employment
Development
Department
HdL Companies
U.S. Census Bureau



BEACON ECONOMICS

Justin@BeaconEcon.com
beaconecon.com

The background of the slide features a large, faded seal of the Oregon Water Resources Institute. The seal is circular with a blue border containing the text "OREGON WATER RESOURCES INSTITUTE" in a serif font. Inside the border is a stylized landscape with dark blue mountains, a large green water droplet in the center, and wavy green lines representing water at the bottom.

2025 Retrospective

Board of Directors
December 1, 2025

An aerial photograph of a city, likely Denver, with a large reservoir in the foreground. The city is nestled at the foot of a range of snow-capped mountains under a blue sky with scattered clouds. The reservoir is a large, dark blue body of water with a sandy or light-colored shoreline. A road or path runs along the edge of the reservoir. The city below is densely packed with buildings and green spaces.

Brief Accounting of Accomplishments & Initiatives 2025

Broken Into 4 major Categories:

Operations & Agency Business

Agency Initiatives

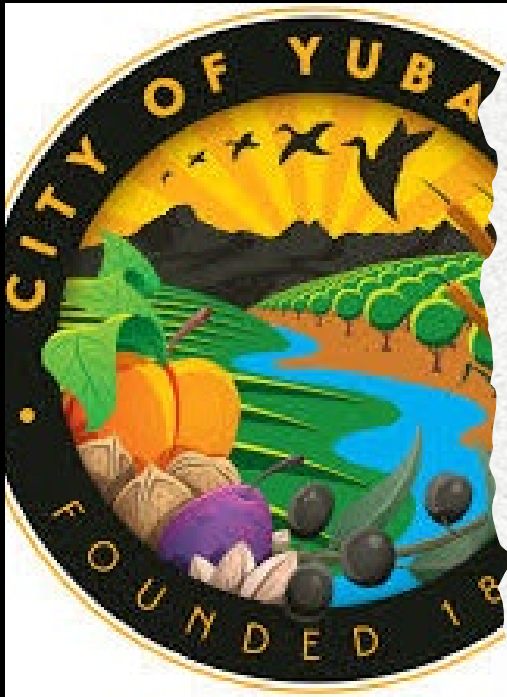
Local Engagement

Partnerships



Gorgonio Pass Wat

APPROVED BUD



A REGIONAL WATER AGENCY
SINCE 1954

Operations & Agency Business

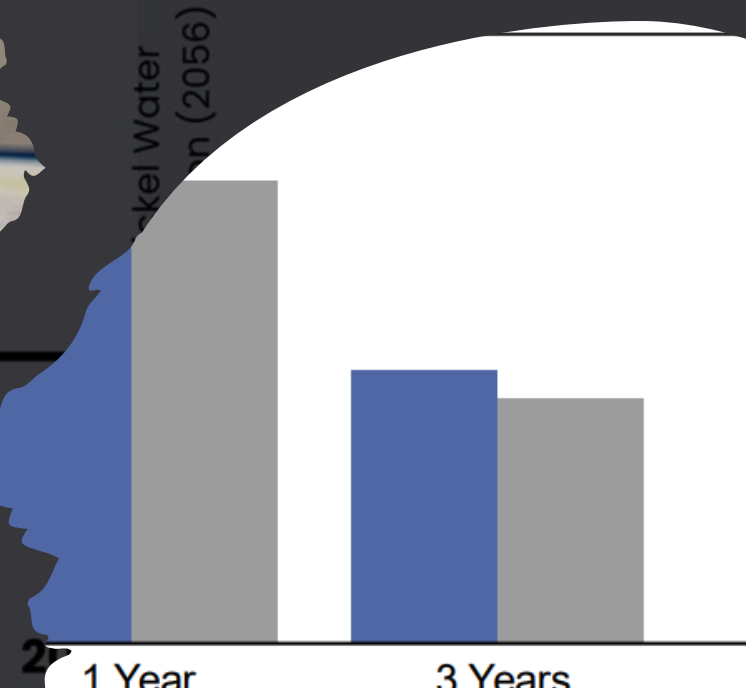
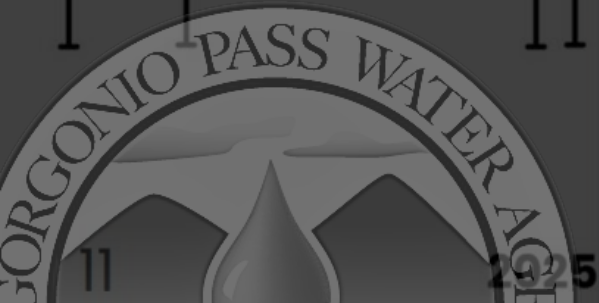
- Budget Mid-Year review
- ~19,000 AF recharged in 2025
- 3,000 AF Transferred (City of Yuba City)
- 5,000 AF Purchased (Valley)
- 600 AF back to CLAWA
- >200,000 AF Recharged
- Ventura through 2042



TIMELINE

Operations & Agency Business

- Director Exits, Director Enters
- Water Portfolio Strategic Program
- Investments Beating Benchmarks





SAN GORGONIO PASS SUBBASIN WY 2024 ANNUAL REPORT



MARCH 2025

Prepared for:

San Gorgonio Pass
Groundwater Sustainability Agency

Prepared by:

FINAL

Annual Report

Yucaipa Subbasin Groundwater Sustainability Plan 2024 Water Year

MARCH 31, 2025

Prepared for:

YUCAIPA GROUNDWATER SUSTAINABILITY AGENCY

c/o Western Heights Water Company

32352 Avenue D

Yucaipa, California 92399-1801

Contact: Mark Iverson, President

Prepared by:

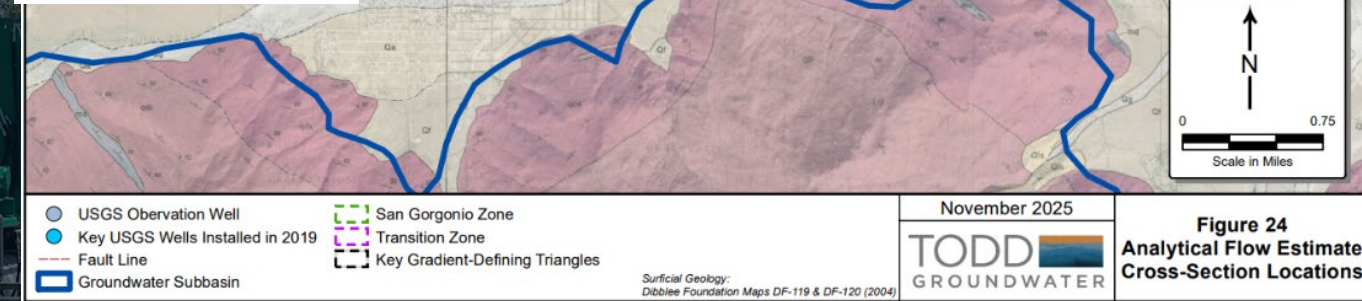
DUDEK

Operations & Agency Business



- GSP 5-year updates
- Headquarters Expansion?
- Delta Conveyance CPOD Hearing Testimony
- Regional UWMP working with BCVWD

Operations & Agency Business



- 3 of 4 (8 casings) USGS Monitoring Wells Installed
- Flow from Cabazon to Low Desert

Review of Funds

“The Bucket List”

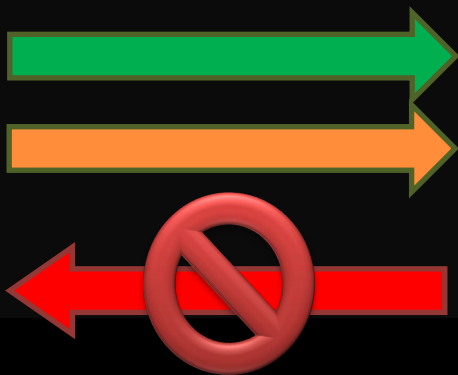
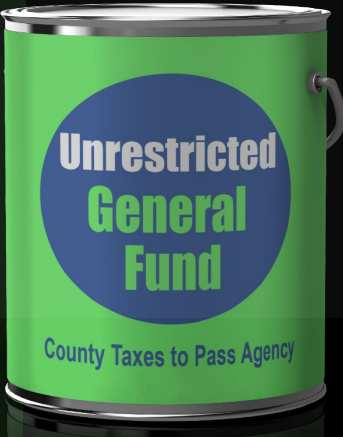
Other Funds

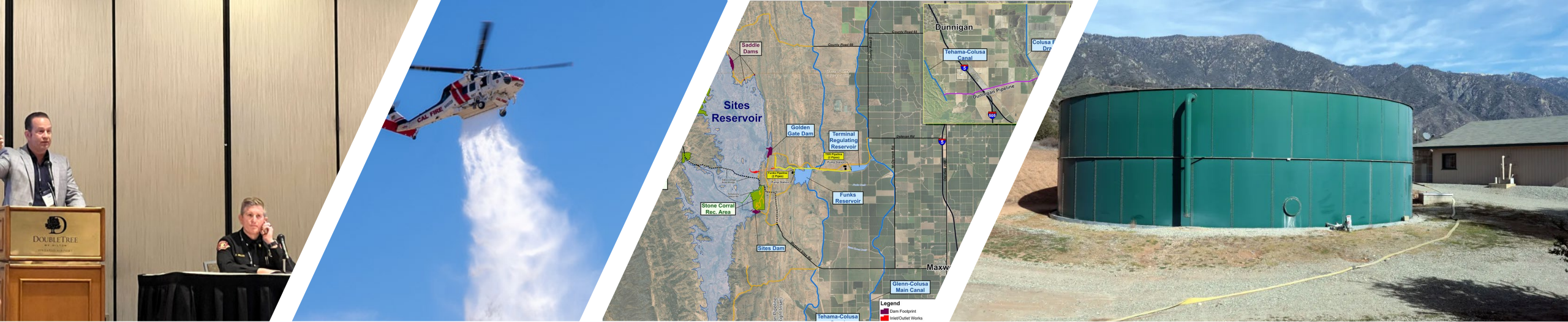
Unrestricted
Unitary Tax

Debt Service

SGPWA Special Tax
17.5 Cents/\$100 Assessed Value

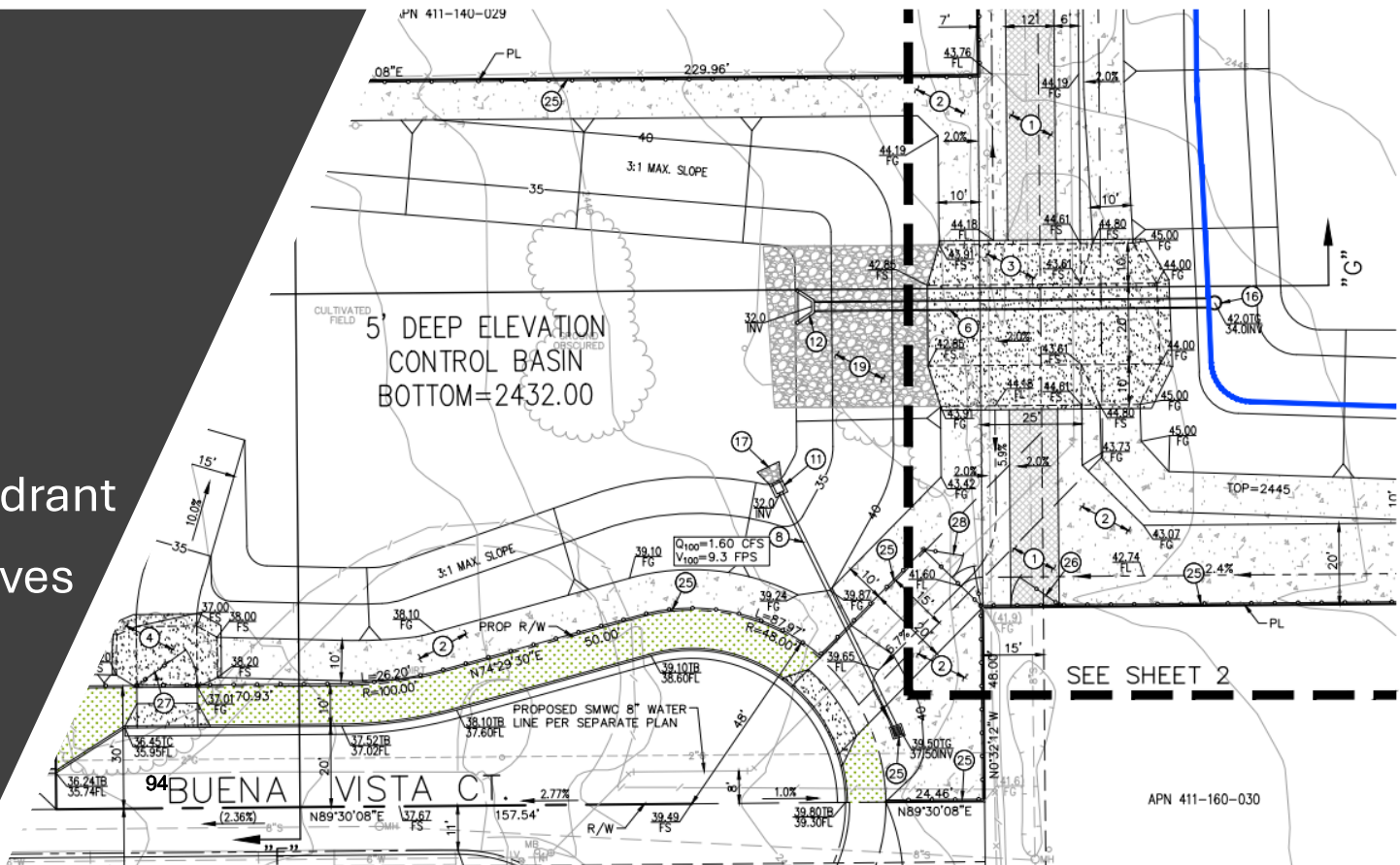
We Control Income
We DON'T Control Income
We DON'T Control Income





Agency Initiatives

- BIA talk
- ARPA Funding
 - County Line Recharge – In progress
 - Regional Heli-Hydrant Program 4 of 6
- \$300K from County Flood for BHMWC Heli-Hydrant
- Public information push – Generational Initiatives
- Sites Reservoir – Progress, setting up for 2026



Agency Initiatives

- Agency History Project
- Resolution Supporting POTUS and Gov.
- Strategic Plan Update 2025



PRESIDENTIAL ACTIONS

EMERGENCY MEASURES TO PROVIDE WATER RESOURCES IN CALIFORNIA AND IMPROVE DISASTER RESPONSE IN CERTAIN AREAS

The White House

January 24, 2025

Planning today for a reliable future

Five-Year Strategic Plan - 2025 Update



sgpwa.com

The San Bernardino area CFC in a joint campaign with Arrowhead United Fund last fall raised \$118,342 among 8,381 federal civilian and military employees at Norton Air Force Base, post offices and other federal installations. This represents per capita giving of \$13.20, as compared with \$9.37 per person in the uncoordinated fund-raising efforts of the previous year. AUF officials said negotiations are now under way with representatives of federal employees for a similar combined

W. E. Silverwood Dies at 84 Was Authority on Conservation

A memorial service for W. E. (Ted) Silverwood of Redlands, a leading authority on California water and soil conservation, will be held at 11 a.m. Monday at the First Presbyterian Church of Redlands.

Mr. Silverwood, 84, died Thursday at a Redlands hospital after a brief respiratory ailment.

Private graveside services will be held at 12:30 p.m. Monday at Mt. View Cemetery, Beaumont, with the Rev. Dr. Mark Andrews, pastor of the First Presbyterian Church of Redlands, officiating.

Born Oct. 28, 1901, in Port Angeles, Wash., Mr. Silverwood moved to California in 1910 and attended school in Riverside County.

A charter member of the Feather River Project Assn., and a member of its board of directors, he also served two terms on the State Conservation Commission starting in 1952. He was a past president of the State Assn. of Soil Conservation Districts and was president of the Redlands - Highland Soil Conservation District.

Silverwood Lake, to be created at Cedar Springs in the San Bernardino Mountains as part of the Feather River Project, will be named for the Red-

lands conservationist. Silverwood's family recognizes his long life of promoting water conservation and to bring it to the state senate.

Silverwood's family recognizes his long life of promoting water conservation and to bring it to the state senate.

He was a member of the San Bernardino County Board of Supervisors and a member of the Rotary Club of Redlands.

He was a member of the San Bernardino County Board of Supervisors and a member of the Rotary Club of Redlands.

Survivors include his wife, Constance Silverwood, and three children: Mark T. (Paul) Silverwood, a member of the San Bernardino County Board of Supervisors, and Mrs. Spencer of P.

Services will be held for Mr. Silverwood at the Weaver's Chapel, Redlands.

The family who so desired contributions to the Church of Redlands in the paign.



W. E. (TED) SILVERWOOD
... Conservationist dies

San Gorgonio

Agency Initiatives



- Legislative Support and Walking Halls
- Pass/Valley Surplus and Long-Term Transfer
- San Gorgonio Economic Outlook and Forecast

Local Engagement

- SoCal STEAM Challenge
- IERCD programs/workshops
 - Multi-year Contract with IERCD
- Local Events & Workshops
- Gap Funding





A REGIONAL WATER AGENCY
SINCE 1954



WESTSIDE
WATER AUTHORITY



Partnerships - MOU's

- Kern County Water Agency
- Antelope East Valley Water District
- Metropolitan Water District
- San Bernardino Valley Water District
- *Westside**



South Mesa Ribbon Cutting 2025

High Valleys Ribbon Cutting 2025





Cabazon Heli-Hydrant Ribbon Cutting





County Line Recharge Groundbreaking



The background of the slide features a large, circular logo for the San Geronimo Water Agency. The logo is rendered in a light blue, semi-transparent style. It contains a central graphic of a large water droplet, with stylized mountains on either side and wavy lines representing water at the bottom. The words "SAN GERONIMO" are written in a circular path on the left, and "WATER AGENCY" is on the right.

Discussion

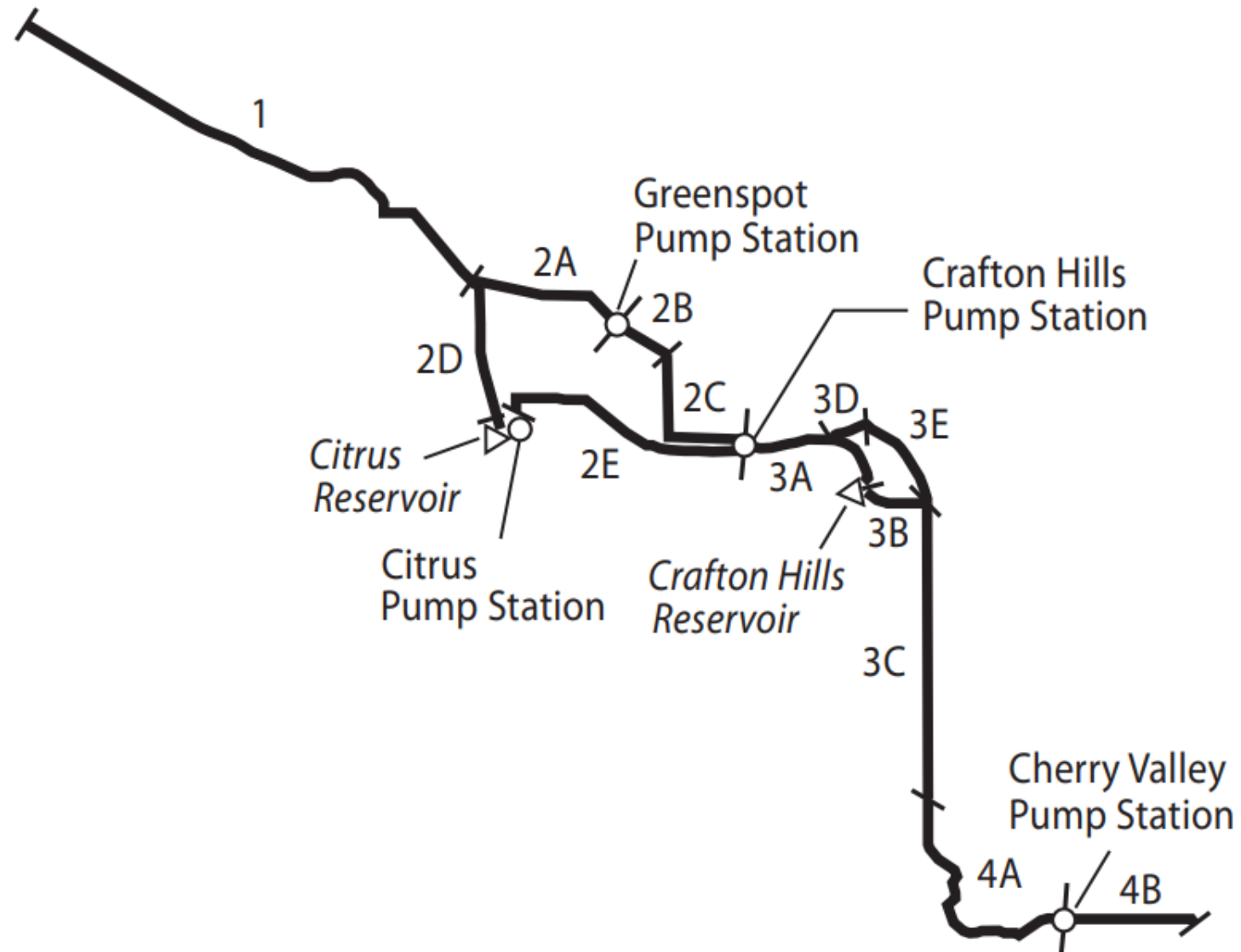


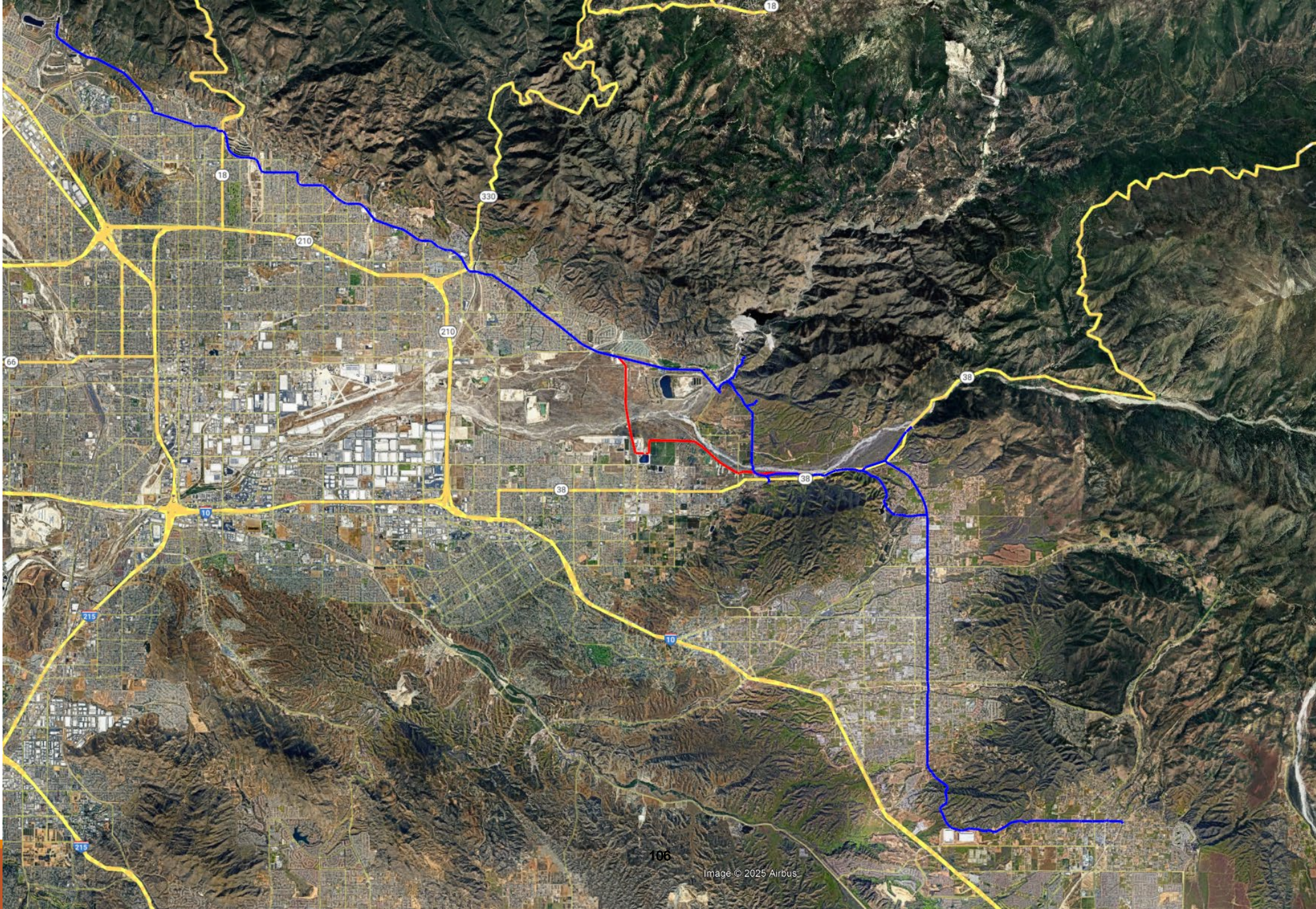
Greenspot PS Buyback and Facilities Transfer

BOARD OF DIRECTORS

DECEMBER 1, 2025

East Branch Extension



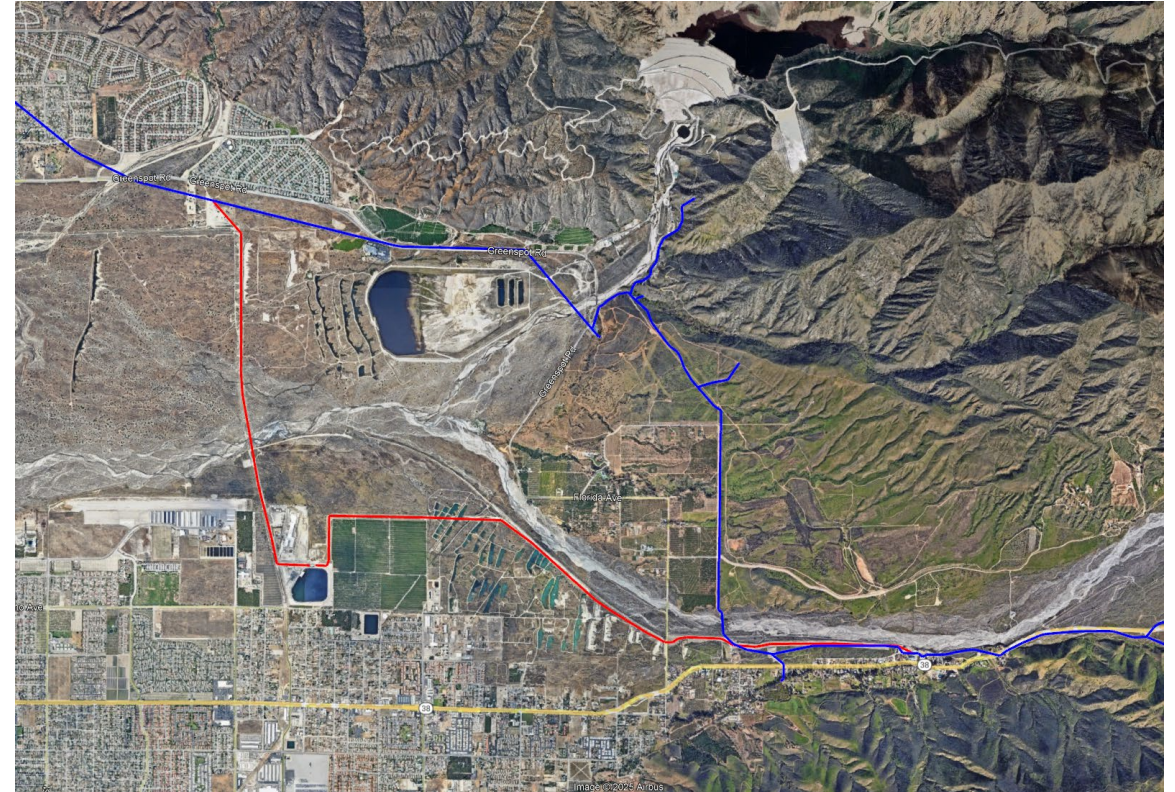


The East Branch Extension Was Constructed in Two Phases

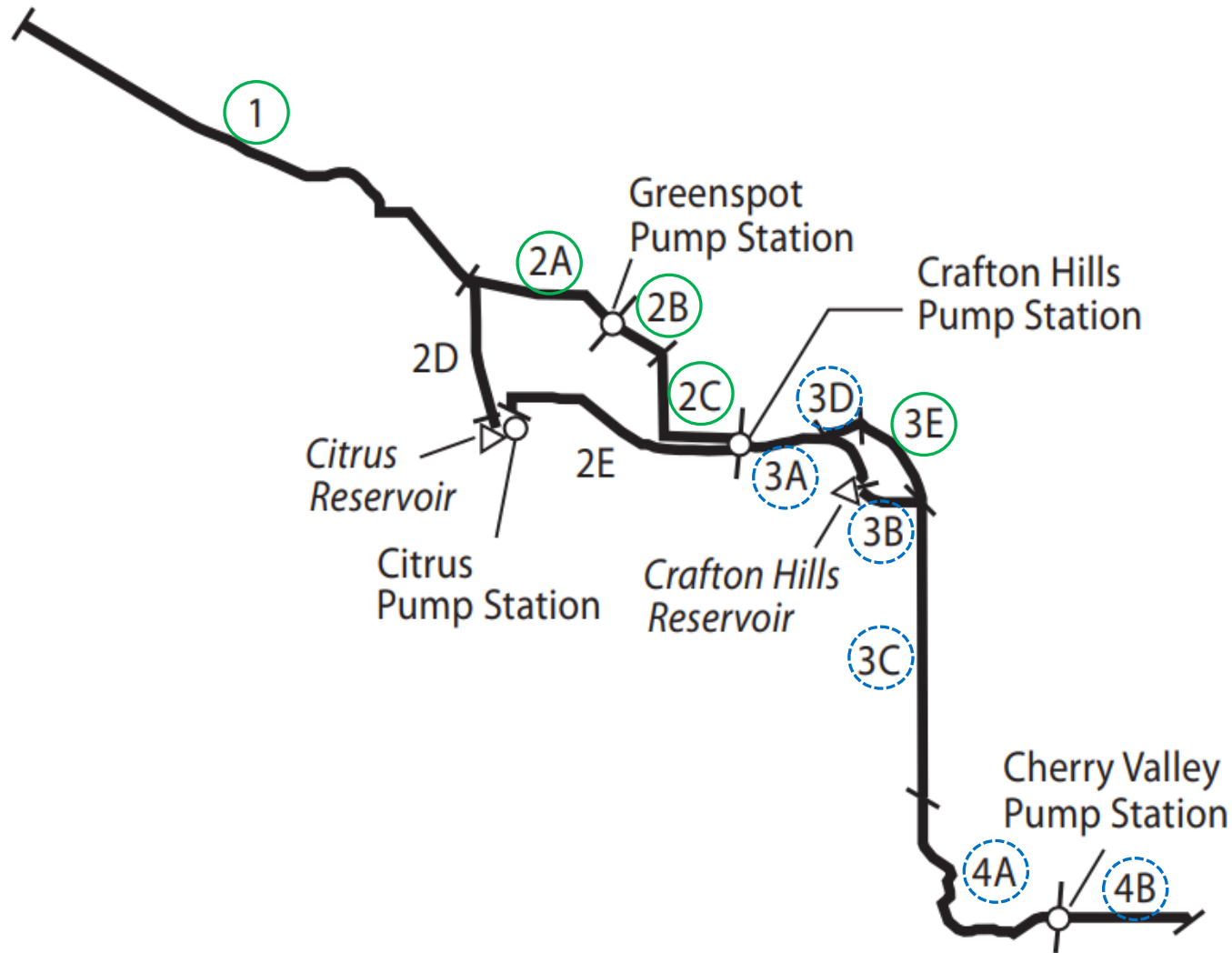
PHASE I





PHASE II



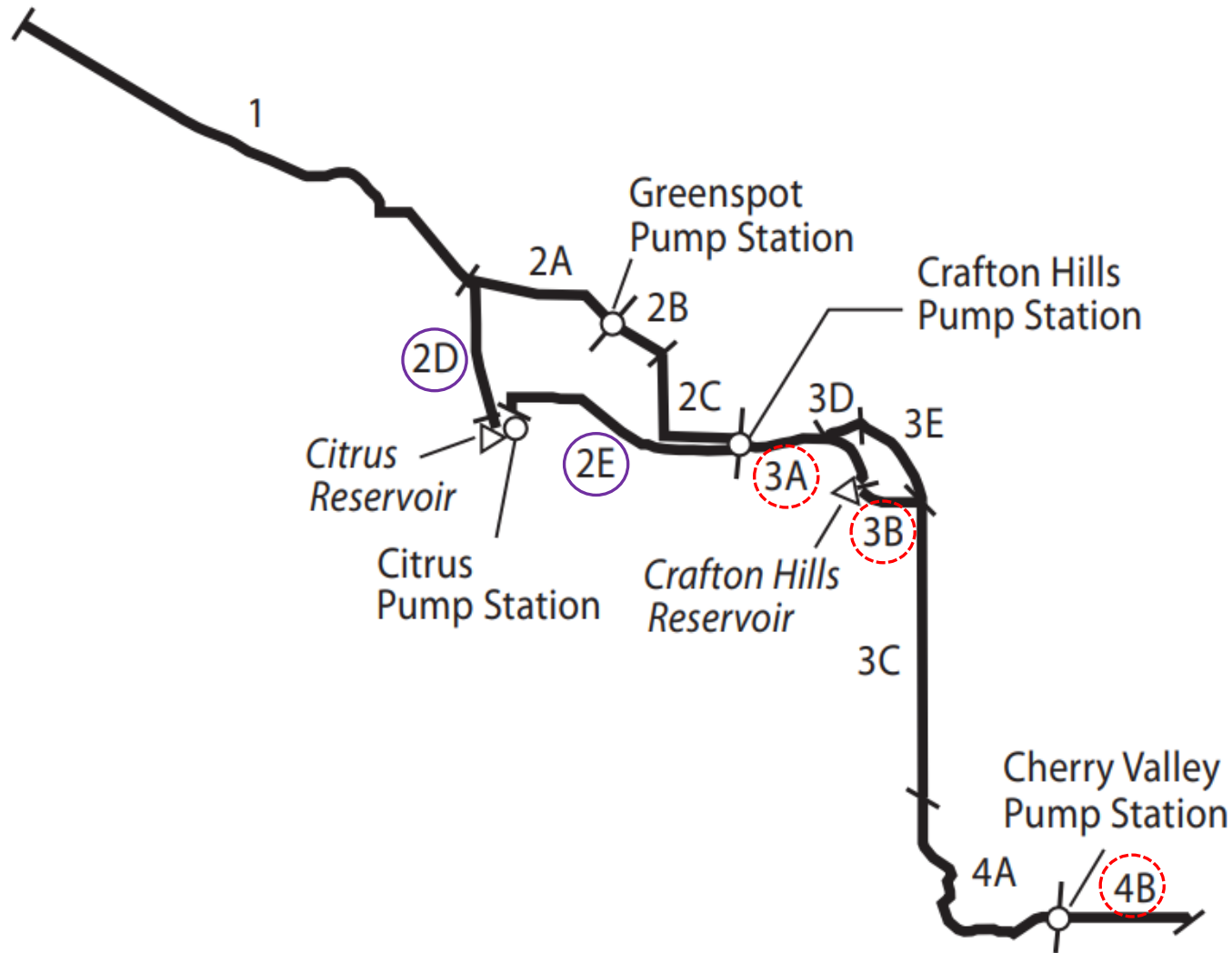
East Branch Extension



The EBX-I required existing facilities to be transferred to DWR while new facilities were constructed or upgraded with the anticipation of transferring back to SBMWD upon completion of construction

-  SBVMWD Existing Facilities Transferred
-  New or Upgraded EBX Phase I Facilities

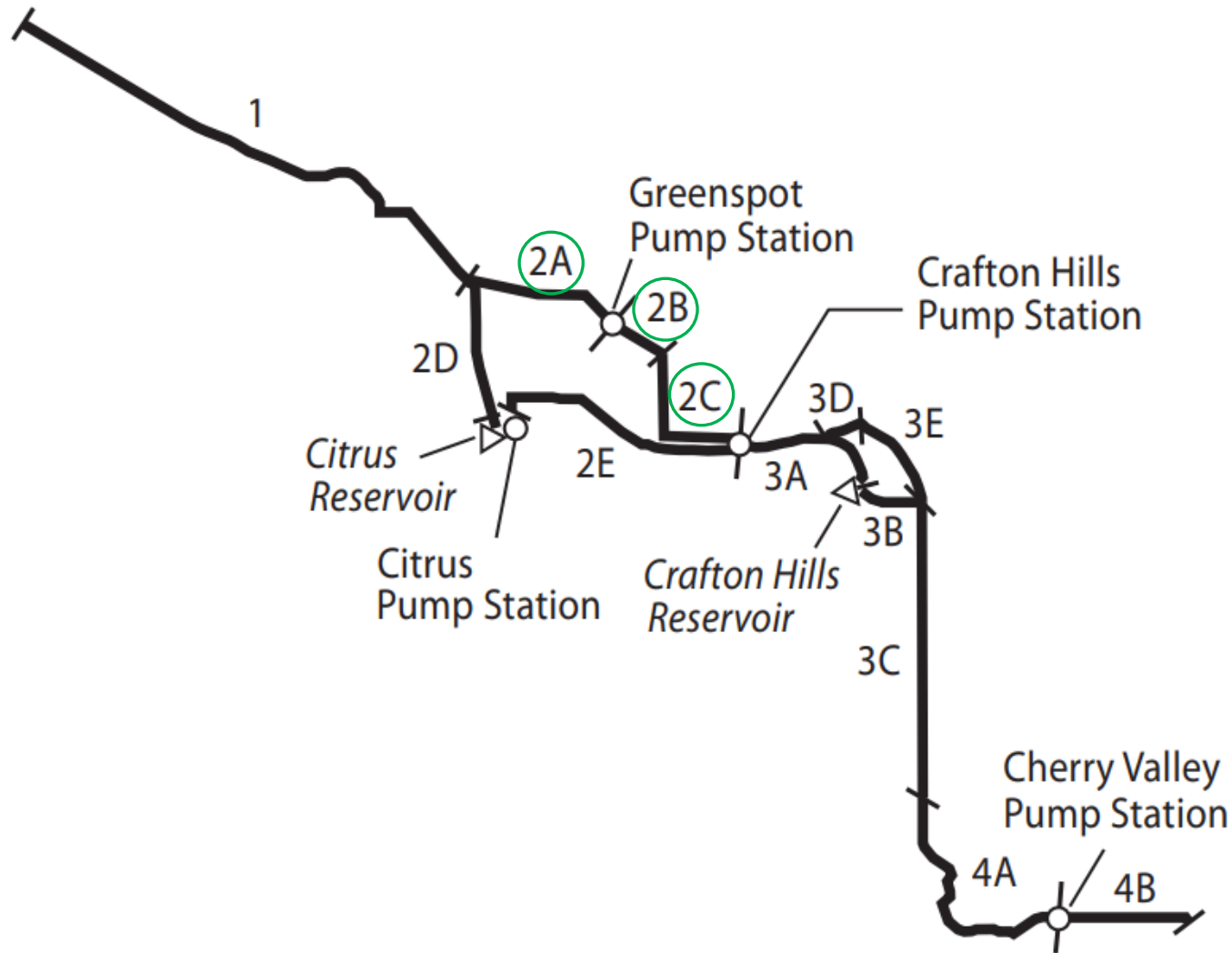
East Branch Extension



The EBX Phase II created dedicated facilities to deliver water SGPWA

- EBX Phase II New Facility
- EBX Phase II Upgraded Facility

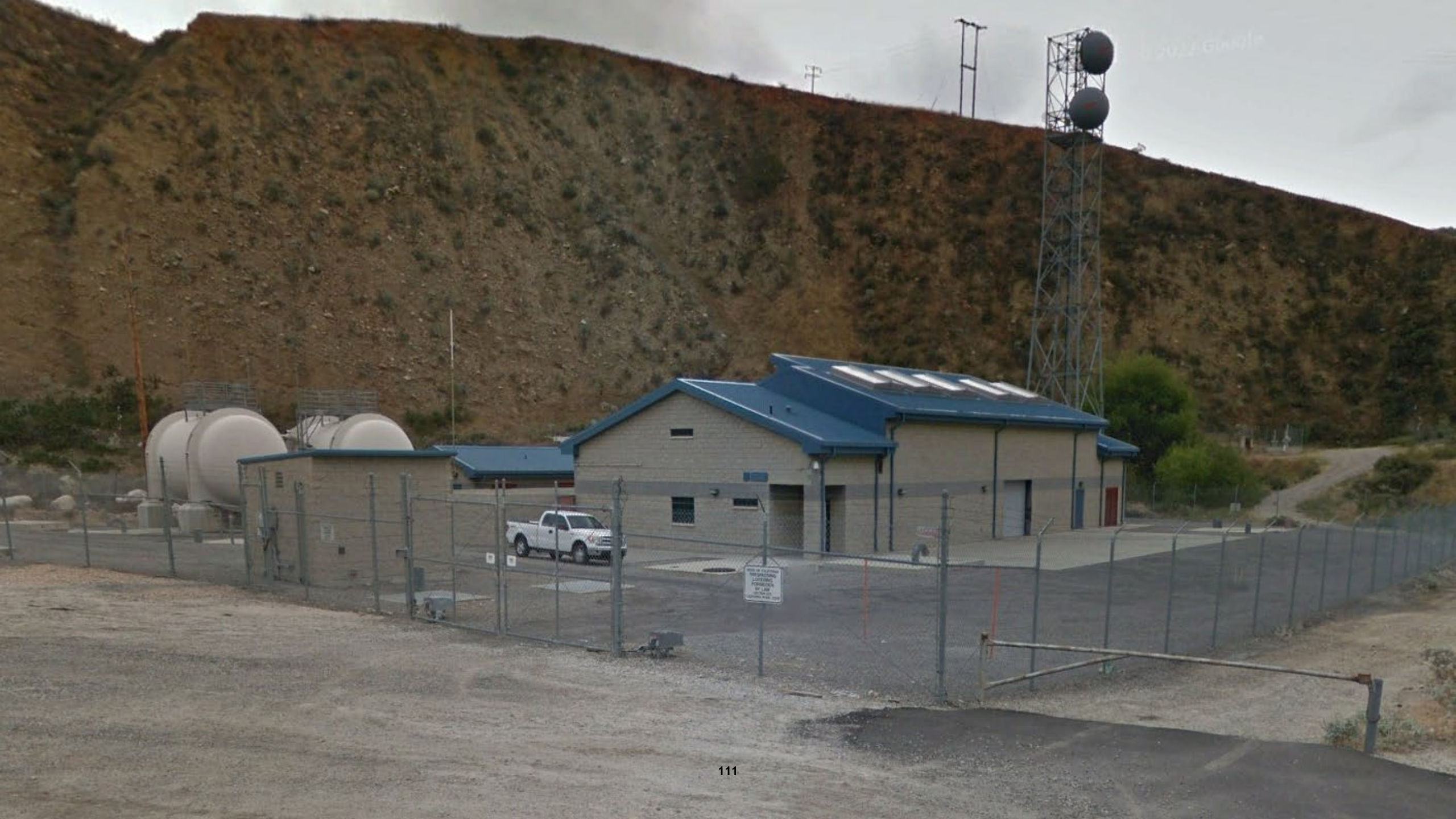
East Branch Extension



Now with the completion of EBX Phase II, SBVMWD has requested their facilities at Reaches 2A, 2B, and 2C be transferred back to them from DWR. SGPWA has capacity rights in the facilities.



EBX Facilities to be Transferred Back to SBVMWD



Legal Framework Background:

- 1999 First Amendment of the EBX Participation Agreement: This amendment states that “SBVMWD agrees to allow DWR to deliver SWP water to SGPWA at a rate of 16 cfs from the Foothill Pipeline through the new Greenspot Pump Station, through Morton Canyon Connector and Greenspot Pipelines to Crafton Hills Pump Station, until Phase II facilities are completed and in operation.”
- Upon the EBX-II completion in 2017, EBX Reaches 2A, 2B, and 2C, including the Greenspot Pump Station and associated facilities, were no longer needed for SWP deliveries to SBVMWD and SGPWA.
- In 2018, SBVMWD and SGPWA submitted a letter to DWR requesting initiation of the transfer pursuant to the 1999 Amendment.

SBVMWD and SGPWA have been working with DWR to facilitate this transfer back to local control. Agreements needed include:

- An amendment to SBVMWD's and SGPWA's respective Water Supply Contracts to document the **removal of EBX Reaches 2A, 2B, and 2C from the list of SWP facilities;**
- An amendment to the 1998 Capacity Rights Agreement to **relinquish DWR's capacity rights in SBVMWD's facilities within EBX Reaches 2A, 2B, and 2C;**
- A revision to Attachment 1 to the EBX O&M Joint Exercise of Powers Agreement to **remove references to the facilities within EBX Reaches 2A, 2B, and 2C** and to add Foothill Pipeline Intertie and Greenspot Pipeline Intertie;
- An agreement between DWR, SBVMWD, and SGPWA to **allow for the introduction of SBVMWD's and SGPWA's Non-Project water into the EBX;**
- An amendment to the DWR-SCE Interconnection Facilities Agreement to **remove references to Greenspot Pump Station;**
- Power related agreements with SCE that **disconnects service from DWR and shifts service to SBVMWD/SGPWA**

An aerial, high-angle view of a multi-lane highway with several vehicles traveling in both directions. The road is light gray with white lane markings. The background is a soft, hazy blue sky.

Thank you

San Gorgonio Pass Water Agency

DATE: December 1, 2025

TO: Board of Directors

FROM: Lance Eckhart, General Manager

BY: Emmett Campbell, Director of Water Resources

SUBJECT: Consideration of a Funding Agreement Concerning a Feasibility Study on Potentially Expanding Antelope Valley-East Kern Water Banking Operation Within the Antelope Valley Groundwater Basin Between the San Gorgonio Pass Water Agency and Antelope Valley-East Kern Water Agency and Authorize a Budget Adjustment to Accommodate this Work.

RECOMMENDATION

Authorize the General Manager to execute the Funding Agreement Concerning a Feasibility Study on Potentially Expanding Antelope Valley-East Kern Water Banking Operation Within the Antelope Valley Groundwater Basin between the San Gorgonio Pass Water Agency ("SGPWA") and Antelope Valley-East Kern Water Agency ("AVEK") and authorize a budget adjustment to accommodate this work.

PREVIOUS CONSIDERATIONS

August 18, 2025 – Board of Directors approved a memorandum of understanding concerning the feasibility of expanding an existing water bank within the area overlying the Antelope Valley Groundwater Basin between the San Gorgonio Pass Water Agency and Antelope Valley-East Kern Water Agency.

BACKGROUND AND ANALYSIS

SGPWA and AVEK have discussed the potential expansion of AVEK's existing Water Banking program within the Antelope Valley Groundwater Basin. Such an expansion could provide both agencies with enhanced water storage capacity and operational flexibility, improving long-term water supply reliability.

For SGPWA, participation in this effort will help diversify the Agency's water portfolio, provide a reliable source of dry-year water, and create additional storage capacity for excess supplies in wetter years. Operational flexibility is another significant benefit: SGPWA is unable to take water deliveries during the month of January due to a scheduled local shutdown, making external storage essential for continuous supply management. Additionally, in some years, capacity constraints along the East Branch of the State Water Project limit deliveries to our area. AVEK's service area is upstream of a major capacity bottleneck, which would allow SGPWA to store water in a location less affected by these constraints, thereby improving overall system flexibility and reliability.

On August 18, 2025, the SGPWA Board of Directors approved a Memorandum of Understanding (“MOU”) with AVEK which authorized staff from both Agency’s to engage in work for a feasibility study to investigate water banking in the Antelope Valley.

AVEK staff, in consultation with SGPWA staff, issued a request for proposals for this work. The proposals were due back on November 7. Staff from both Agency’s are currently reviewing the proposals. As a part of this work, AVEK will be carrying and managing the contract. SGPWA will be supporting AVEK staff in this endeavor.

In order for AVEK to move forward with any work, a funding agreement (Attachment 1) will be required. As per the MOU, the funding agreement was to be divided, with SGPWA covering 80% of the total and AVEK covering 20% of the total. It is anticipated that the feasibility study will cost around \$500,000.00. In this case, SGPWAs contribution would be \$400,000.00.

Upon completion of the feasibility study, staff will present the findings to the Board and use the results to guide the development of a Water Banking and Exchange Agreement with AVEK. The study will provide the technical, environmental, and operational basis for negotiating terms, ensuring that the future agreement is supported by comprehensive analysis and planning.

STRATEGIC PLAN NEXUS

The Funding Agreement between SGPWA and AVEK helps advance various aspects of the Agency’s Strategic Plan, including:

- Strategic Goal 1: Align with the current and future water landscape, supporting the region’s long-term needs by diversifying the local supply portfolio and advancing water sustainability.
 - ✓ Objective 6 – Expand water banking, local and abroad, for future utilization.
- Strategic Goal 2: Ensure a reliable delivery system that advances efficiency and resiliency.
 - ✓ Objective 2 – Develop additional recharge facilities to support conjunctive use.
 - ✓ Objective 6 – Investigate additional opportunities to increase water storage capabilities.
 - ✓ Objective 7 – Partner with other State Water Contractors to advance statewide infrastructure goals to preserve system reliability.

FISCAL IMPACT

Funds for this agreement will come from the General Fund, the Green Bucket in FY 2025-26. Because this is a new project, a budget adjustment needs to be made. The proposed agreement totals \$500,000, and includes a cost-share arrangement where the Agency will pay 80%, or \$400,000 in FY25-26. A provision is also included for a contingency of 10%, which is an additional \$40,000, to be used only if necessary.

The budget for “Water Banking Investigations” (line 74) is \$25,000. Line item 66, “Backbone Infrastructure Study and Design” is budgeted for \$750,000. As of the date of this Board meeting, nothing has been expended from budget line item. Agency Staff and partnering agencies are discussing proposals to conduct a master planning study related to the Backbone Pipeline Project, which is delaying expenditure of funds. Because of this, it is anticipated that less will be spent than budgeted by fiscal year-end. Staff recommends moving \$415,000 to “Water Banking Investigations” from the Backbone Pipeline line item to accommodate this work.

The result will decrease the Backbone Pipeline line item to \$335,000, increase the Water Banking Investigations line item to \$440,000, and will not change the year-end net balance.

ACTION

Authorize the General Manager to execute the Funding Agreement Concerning a Feasibility Study on Potentially Expanding Antelope Valley-East Kern Water Banking Operation Within the Antelope Valley Groundwater Basin between the San Geronio Pass Water Agency and Antelope Valley-East Kern Water Agency and authorize a budget adjustment to accommodate this work.

ATTACHMENTS

1. Funding Agreement Concerning a Feasibility Study on Potentially Expanding Antelope Valley-East Kern Water Banking Operation Within the Antelope Valley Groundwater Basin.
 - a. Exhibit 1 - Memorandum of Understanding concerning the feasibility of expanding an existing water bank within the area overlying the Antelope Valley Groundwater Basin
 - b. Exhibit 2 - Feasibility Study Request for Proposals

FUNDING AGREEMENT CONCERNING A FEASIBILITY STUDY ON POTENTIALLY EXPANDING ANTELOPE VALLEY-EAST KERN WATER AGENCY'S WATER BANKING OPERATION WITHIN THE ANTELOPE VALLEY GROUNDWATER BASIN

This Funding Agreement ("Agreement") is made and entered into as of October ____, 2025 ("Effective Date"), by and between the Antelope Valley-East Kern Water Agency ("AVEK") and the San Geronio Pass Water Agency ("SGPWA"), each a "Party" and together the "Parties."

Recitals

- (i) The Parties entered into a Memorandum of Understanding ("MOU"), effective as of August 19, 2025, a copy of which is attached hereto as Exhibit "1".
- (ii) In the MOU, the Parties expressed their intent to mutually identify opportunities for expanding AVEK's water banking program in the Antelope Valley area to the benefit of each Party and conduct studies to assess the feasibility of doing so through a future Banking and Exchange Agreement. Such studies were to analyze the hydrogeological, technical, and environmental feasibility of such a project.
- (iii) A draft Request for Proposal ("RFP") to solicit proposals to initiate and complete the studies referenced in Recital (ii) above is attached hereto as Exhibit "2".
- (iv) The purpose of this Agreement is to allocate the sharing of costs to generate the studies referenced herein and to establish a process by which those costs are so shared in accordance with Paragraph 2 of the MOU.

Agreement – Allocation of Costs of Studies

1. The Parties' respective General Managers will confer when considering the responses to the RFP and determine together which consultant to recommend that the AVEK Board of Directors retain to conduct and complete the studies.
2. Within five (5) business days following AVEK's execution of the contract solicited through the RFP for the water banking program (the "Consultant Contract"), SGPWA shall advance to AVEK an initial deposit equal to eighty percent (80%) of the total cost of the selected proposal, which is currently estimated at \$500,000 (the "Consultant Contract Amount"). Such funds shall be used exclusively to pay SGPWA's share of the consultant's costs incurred in performing the studies specified in the Consultant Contract. AVEK shall make payments to the consultant as invoices are received, utilizing funds provided by SGPWA to cover eighty percent (80%) of each amount billed and twenty percent (20%) from AVEK's own resources.

SGPWA's total financial obligation under this Section shall not exceed eighty percent (80%) of the Consultant Contract Amount, plus up to an additional ten percent (10%) to cover its proportional share of any increased costs (the "Contingency Amount"), unless otherwise agreed to in writing by both Parties. Any costs exceeding the Consultant Contract Amount plus the Contingency Amount shall require the prior written approval of both Parties before additional funds are advanced or expended.

3. If any sum deposited by SPGWA hereunder is retained by AVEK upon a final payment being made to the Consultant pursuant to its Agreement, AVEK shall promptly return that remaining sum to SGPWA.
4. This Agreement shall terminate when the term of the MOU terminates, provided that any Parties' obligation to make a payment to the other Party shall survive the Term of the Agreement.
5. This Agreement's term will be two (2) years starting on the Effective Date. This Agreement will automatically terminate two (2) years after the Effective Date, unless mutually agreed upon extension, or upon execution of a Water Banking and Exchange Agreement. Either Party may terminate thirty (30) days prior written notice to the other Party, provided that work previously authorized or ongoing is funded in accordance with Section 2 of these terms and separate funding agreement (if any).
6. This Agreement is governed by the laws of the State of California.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement by their duly authorized representatives.

**San Gorgonio Pass Water
Agency**

Dated:

By:

Name: Lance Eckhart
Title: General Manager

**Antelope Valley-East Kern Water
Agency**

Dated:

By:

Name: Mathew Knudson
Title: General Manager

Exhibit 1

“Memorandum of Understanding Concerning the Feasibility of Expanding an Existing
Water Bank within the Area Overlying the Antelope Valley Groundwater Basin”

[SEE ATTACHED]

MEMORANDUM OF UNDERSTANDING CONCERNING THE FEASIBILITY OF EXPANDING AN EXISTING WATER BANK WITHIN THE AREA OVERLYING THE ANTELOPE VALLEY GROUNDWATER BASIN

This Memorandum of Understanding (“MOU”) is effective as of August 19, 2025 (“Effective Date”), by and between the Antelope Valley-East Kern Water Agency (“AVEK”) and the San Geronio Pass Water Agency (“SGPWA”), each a “Party” and together, “the Parties.” This MOU sets forth the mutual understanding and intent of the Parties to collaborate on the preparation of a feasibility study and the pursuit of property acquisition under an option agreement for the expansion of AVEK’s water bank program.

Recitals

WHEREAS, the Parties are considering the establishment of a banking and exchange agreement within the area overlying the Antelope Valley Groundwater Basin as the area is defined in the Antelope Valley Groundwater Case, Judicial Council No. 4408, Santa Clara County Superior Court, Case No. 1-05-CV-049053 (“Basin Area”); and

WHEREAS, the Parties have engaged in preliminary discussions regarding a long-term Water Banking and Exchange Agreement; and

WHEREAS, the Parties desire to identify opportunities for beneficially expanding AVEK’s water bank program, integrating additional banking facilities with the existing infrastructure owned and operated by AVEK, and managing such additional facilities in the manner developed by AVEK (altogether, the “Project”); and

WHEREAS, to meet these objectives, the Parties intend to (a) conduct joint studies to assess the hydrogeological, technical, and environmental feasibility of a banking and exchange agreement in the Basin Area; (b) investigate regulatory, legal, and institutional frameworks that may apply to program implementation; (c) develop conceptual designs and operational strategies for the additional banking facilities; (d) share relevant data and expertise needed to support the evaluation process; and (e) identify property and engage with landowner(s) regarding potential purchase option agreement (altogether, the “Study”).

Terms and Conditions

1. The Recitals above constitute the factual basis upon which the Parties have entered into this MOU. The Parties acknowledge the accuracy of the Recitals and hereby agree to the incorporation of the Recitals into this MOU as though fully set forth herein.
2. The Parties intend to engage a consultant to prepare the Feasibility Study that shall include (a) groundwater modeling and hydrogeological analysis; (b) operation constraints regarding recharge, storage, and recovery capacities; (c) conceptual design and sizing of recharge, storage, and recovery infrastructure; (d)

environmental review under CEQA; (e) preliminary engineering and cost estimates; and (f) evaluation of water quality regarding the recovery of stored water. In the event that AVEK retains a consultant to prepare the Feasibility Study, the Parties will enter into a separate funding agreement for, among other things, the cost-sharing of the same. SGPWA agrees to fund eighty percent (80%) and AVEK agrees to fund twenty percent (20%) of the Feasibility Study.

3. AVEK will identify candidate properties suitable for the Project, considering hydrogeological, environmental, and logistical factors.
4. If the Parties ultimately elect to develop the Project following the Feasibility Study, the duties and obligations of the Parties in implementing the Project will be incorporated in a written agreement approved by both Parties.
5. The term of this MOU is two (2) years starting on the Effective Date. This MOU will automatically terminate two (2) years after the Effective Date, unless mutually agreed upon extension, or upon execution of a Water Banking and Exchange Agreement. Either Party may terminate this MOU sooner for any reason or no reason at all by providing thirty (30) days prior written notice to the other Party, provided that work previously authorized or ongoing is funded in accordance with Section 2 of these terms and separate funding agreement (if any).
6. This MOU is governed by the laws of the State of California.
7. The Parties represent that in executing this MOU they have relied solely upon their own judgment, belief, and knowledge, and the advice and recommendations of their own independently selected counsel.
8. This MOU does not obligate either Party to proceed with the proposed Project. It is intended solely to guide pre-development feasibility and identify properties for the Project.

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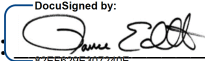
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IN WITNESS WHEREOF, the Parties hereto have executed MOU by their duly authorized representatives.

San Geronio Pass Water Agency

By: 
Name: Lance Eckhart
Title: General Manager

Antelope Valley-East Kern Water Agency

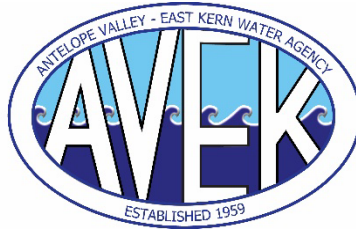
By: 
Name: Matthew Knudson
Title: General Manager

Exhibit 2

“Request for Proposals for Feasibility Study to Expand AVEK’s Water Banking
Operation within the Antelope Valley Groundwater Basin”

[SEE ATTACHED]

ANTELOPE VALLEY-EAST KERN WATER AGENCY



REQUEST FOR PROPOSALS (RFP)

for

FEASIBILITY STUDY TO EXPAND AVEK'S WATER BANKING OPERATION WITHIN THE ANTELOPE VALLEY GROUNDWATER BASIN

Proposals Due: Friday, November 7, 2025; 5:00 PM

Antelope Valley-East Kern Water Agency
6500 West Avenue N
Palmdale, CA 93551
661-943-3201

October 3, 2025

INTRODUCTION

The Antelope Valley-East Kern Water Agency (“AVEK”), in collaboration with San Geronio Pass Water Agency (“SGPWA”), is soliciting proposals from qualified engineering and hydrogeological consulting firms to conduct a comprehensive Feasibility Study for the potential expansion of AVEK’s water banking program within the Antelope Valley Adjudicated Groundwater Basin (“Basin”). This study is a critical step in evaluating the technical, environmental, and operational viability of the proposed project. AVEK will be the contracting agency for all of the work associated with this project.

AVEK is a wholesale supplier of State Water Project (SWP) water to the greater Antelope Valley region. AVEK has developed successful groundwater banking programs to store surplus water available from the SWP during wet periods through groundwater recharge to increase water supply reliability in the greater Antelope Valley. The banking programs include recovery wells to supplement imported water during dry periods or during a disruption of SWP deliveries. Currently, AVEK’s groundwater banks include the Westside Water Bank, Eastside Water Bank, Upper Amargosa Creek Recharge Project, and, most recently the High Desert Water Bank (currently in development in partnership with The Metropolitan Water District of Southern California).

SGPWA is a wholesale water provider located at the terminus of the SWP. As one of the last agencies to receive SWP deliveries, SGPWA is uniquely vulnerable to system outages, capacity limitations, and delivery constraints. To ensure long-term supply reliability for the communities it serves, SGPWA is actively pursuing strategies to diversify its water portfolio and strengthen dry-year resilience. In addition to investments in local supply and reliability projects, SGPWA has identified external groundwater banking as a critical tool to store imported water when available and recover it during periods of reduced SWP deliveries.

INQUIRIES/QUESTIONS

Questions pertaining to the RFP should be emailed to Justin Livesay, Engineering Manager at jlivesay@avek.org by October 29, 2025.

PROPOSAL SUBMITTAL

Proposals are due no later than 5:00 p.m., November 7, 2025, and must be received by that time and date. Proposers must submit one (1) electronic copy of their proposal to mknudson@avek.org and jlivesay@avek.org. AVEK is not responsible for proposals that are delinquent, lost, mismarked, and sent to an email address other than that given above. AVEK reserves the right, after reviewing the proposals, to reject any or all proposals, or to accept the proposal(s) that in its sole judgment is (are) in the best interest of AVEK.

RFP SCHEDULE

- | | |
|-----------------------------------|--------------------------|
| • Release of RFP | October 3, 2025 |
| • Inquiry Deadline | October 29, 2025 |
| • Proposals Due | November 7, 2025; 5:00pm |
| • AVEK Approval/Award | December 2025 |
| • AVEK to Issue Notice to Proceed | December 2025 |

REVIEW OF PROPOSALS AND SELECTION OF CONSULTANT

Proposals should provide a straightforward and concise presentation adequate to satisfy the requirements of the RFP. Emphasis should be on completeness and clarity of contents.

Proposals submitted will be evaluated by a committee comprised of AVEK staff, AVEK Board Committee, and SGPWA staff. The committee's evaluation will be based upon, but not limited to: proposal cost, strength of proposed methodology, related experience of the firm, AVEK'S experience with the firm, professional qualifications of the individual(s) to be assigned to the project, ability to meet required deadlines, and references from previous clients.

While cost is a key consideration, AVEK reserves the right to choose the best proposal, which may not be based on price. The committee may choose to interview the top candidates.

After evaluating the proposals, AVEK reserves the right to further negotiate the proposed work and/or method and amount of compensation. The respondent must clearly state the period of time for which the proposal will be valid. This period must not be less than ninety (90) days from the date of submittal.

PROPOSAL CONTENT

AVEK requires the proposer to submit a concise proposal clearly addressing all of the requirements outlined in this RFP. Proposals should be limited to twenty (20) 8 ½" x 11" pages (including the cover letter and resumes).

Proposal must include, at a minimum, the following sections:

- Cover Letter: A brief summary containing highlights of Consultant's proposed approach to the services described in the RFP, including a statement of its understanding of the project and services required, signed by an individual authorized to bind the proposing firm stating the firm has read and will comply with all terms and conditions of the RFP.

- **Background on Firm:** A brief description of the firm including the size of the organization, location of offices, years in business, organizational chart, name of owner and principal parties, and titles of staff. Qualifications of individuals who will perform the work listed in the Scope of Work along with identification of the individual who will be AVEK's main contact.
- **Statement of Understanding and Approach:** Provide a description of the methodology the firm will use to complete the Scope of Work as detailed in this RFP. Discuss and describe the firm's experience working on similar projects and provide a statement of the services your firm feels differentiates your firm from others. Additionally, as a part of the summary, identify the responsibilities of AVEK and the responsibilities of the firm.
- **Scope of Work:** Provide details with specific task descriptions to demonstrate that the proposer has considered all aspects of the proposal, and that the proposer will cover them thoroughly.
- **Project Schedule:** Provide a project schedule with significant milestone events or deadlines. Scheduling milestones should be concrete and achievable; however, they may be revised on approval of both parties.
- **References:** Provide the following information for successfully completed and operational water banking and recovery projects:
 - Name, address, and telephone number of the client;
 - Person to contact for references;
 - Time period of project and brief description of the scope of services provided
- **Consultant's Consulting Fee:** Each proposal shall include a not-to-exceed fee, including hourly rates for each individual (inclusive of all costs), and estimated hours each individual will spend on each task of the project.
- **Proposers must disclose any potential conflicts of interest with AVEK, SGPWA, or related entities.**

**Antelope Valley-East Kern Water Agency
Feasibility Study to Expand AVEK’S Water Banking Operation**

OBJECTIVES

The selected consultant will be responsible for preparing a comprehensive Feasibility Study for AVEK and SGPWA to evaluate the expansion of AVEK’s existing water banking operation. The Feasibility Study shall evaluate the technical, environmental, and regulatory feasibility of expanding AVEK’s existing water banking program, with the goal of optimizing imported water supply management for AVEK and SGPWA. The study area shall include the general area depicted on the attached Exhibit A – Titled “Water Bank Expansion Study Areas.”

SCOPE OF WORK

TASK 1 – REVIEW BACKGROUND DATA, PROJECT GOALS, AND PERFORM DESKTOP EVALUATION OF WATER BANK EXPANSION STUDY AREAS

CONSULTANT shall review existing reports, groundwater adjudication documents, historical water banking data to understand the context and goals of the proposed project. CONSULTANT shall meet with AVEK and SGPWA to thoroughly understand the project goals of the two agencies.

CONSULTANT shall perform a desktop evaluation for each of the “Water Bank Expansion Study Areas” shown on Exhibit A attached hereto. CONSULTANT shall receive directions from AVEK before proceeding with Tasks 2 through 8 on the selected Study Area.

Task 1 Deliverables: Technical Memo documenting the research the CONSULTANT conducted and project goals of AVEK and SGPWA. Technical Memo documenting the desktop evaluation of the two Water Bank Expansion Study Areas analyzing recharge, storage, and recovery potential, infrastructure needs, estimated cost comparison, and water quality. Technical Memo shall include a ranking matrix comparing the two study areas.

TASK 2 — GROUNDWATER MODELING AND HYDROGEOLOGIC ANALYSIS

CONSULTANT shall collect and analyze existing data sufficient to:

- Develop and calibrate a groundwater model for the Basin Area using current and historical data.
- Assess aquifer characteristics, including transmissivity, storability, and recharge potential.
- Evaluate the impact of proposed banking operations on groundwater levels and flow patterns.

- Identify potential risks such as subsidence, water quality degradation, or interference with existing wells.
- Review previous onsite geophysics data and model aeromagnetic data.
- Review lithologic and geophysical data to assess correlation with regional stratigraphy and potential offsets.
- Prepare geomorphic study to evaluate depth of burial of inactive faults.
- Prepare local/subregional geologic cross-sections to depict potential fault locations and fault depths.

Task 2 Deliverables: Technical Memo summarizing the groundwater modeling results and hydrogeologic and geologic conditions. The CONSULTANT shall provide an opinion of the estimated recharge rate, storage capacity, and recovery rate.

TASK 3 – OPERATIONAL CONSTRAINTS AND CAPACITY ASSESSMENT

CONSULTANT shall prepare a detailed assessment of operational limitations including seasonal recharge windows, regulatory SWP flows and delivery restrictions, and infrastructure throughput. The analysis should include hydraulic modeling of the scenarios for the proposed onsite conveyance and recovery system.

- Analyze recharge, storage, and recovery capacities under various operational scenarios.
- Identify seasonal and regulatory constraints affecting water banking operations.
- Evaluate infrastructure needs for conveyance, recharge basins, and recovery wells.

Task 3 Deliverables: Technical Memo documenting the operational constraints, capacity assessment, and summarizing the results of the hydraulic modeling.

TASK 4 – CONCEPTUAL DESIGN, INFRASTRUCTURE SIZING, AND CLASS 4 COST ESTIMATE/OPINION

CONSULTANT shall prepare a conceptual design report including layout maps, preliminary engineering drawings, and infrastructure sizing tables. The report should identify potential phasing strategies and cost-effective design alternatives.

- Develop conceptual layouts for recharge and recovery facilities.
- Estimate sizing requirements for turnouts, pipelines, basins, pumps, and treatment systems (if needed).
- Identify integration with existing AVEK infrastructure.
- Provide preliminary engineering designs for proposed facilities.

- Develop cost estimate for proposed capital improvements.

Task 4 Deliverables: Technical Memo summarizing conceptual design, infrastructure sizing, Class 4 Cost Estimate/Opinion

TASK 5 – ENVIRONMENTAL REVIEW AND CEQA COMPLIANCE

CONSULTANT shall perform a desktop review of existing CEQA documentation and publicly available maps and resources to identify potential environmental impacts and associated mitigation requirements. The intent is to identify and understand the timeframes and costs required to implement mitigation measures that might be necessary based upon the conceptual design. A full CEQA study will be conducted by AVEK under a separate contract.

- Review existing CEQA documents.
- Conduct a preliminary environmental assessment to identify potential impacts.
- Recommend mitigation strategies for anticipated environmental impacts and the associated timelines and costs for implementation.

Task 5 Deliverables: Technical Memo summarizing environmental findings.

TASK 6 – WATER QUALITY EVALUATION

CONSULTANT shall evaluate existing water quality data to determine the feasibility of direct pump-back to the SWP of the recovered water considering existing and emerging potable drinking water standards and the DWR Water Quality Policy and Implementation Process for Acceptance of Non-Project Water into the State Water Project.

- Assess baseline water quality in the Basin Area.
- Evaluate potential changes in water quality due to recharge and recovery operations.
- Recommend monitoring protocols and treatment options if necessary.

Task 6 Deliverables: Technical Memo summarizing existing water quality conditions, potential changes to water quality resulting from recharge and recovery cycles, potential constraints on recovery capacities due to water quality, and treatment required to meet pump-in water quality standards (if applicable).

TASK 7 – PROPERTY IDENTIFICATION AND EVALUATION

CONSULTANT shall assist AVEK in identifying candidate properties suitable for recharge and recovery operations. The evaluation of properties shall be based on hydrogeological suitability, environmental constraints, water quality, and logistical access to facilities.

Task 7 Deliverables: Technical Memo reviewing the potentially suitable properties and process of evaluation along with a ranked list of the evaluated properties.

TASK 8 – PROJECT MANAGEMENT

CONSULTANT shall provide monthly progress updates, maintain a project schedule, and coordinate with AVEK staff. CONSULTANT shall also facilitate coordination meetings and prepare presentation materials as needed to staff and committee/board.

ADDITIONAL DELIVERABLES

In addition to the deliverables listed under each Task, the CONSULTANT shall deliver the following documents to AVEK:

- Draft Feasibility Study Report
- Final Feasibility Study Report
- GIS maps / spatial data files and related CAD files
- Groundwater model files and documentation
- Presentation materials for committee and board meetings

PROPOSED SCHEDULE

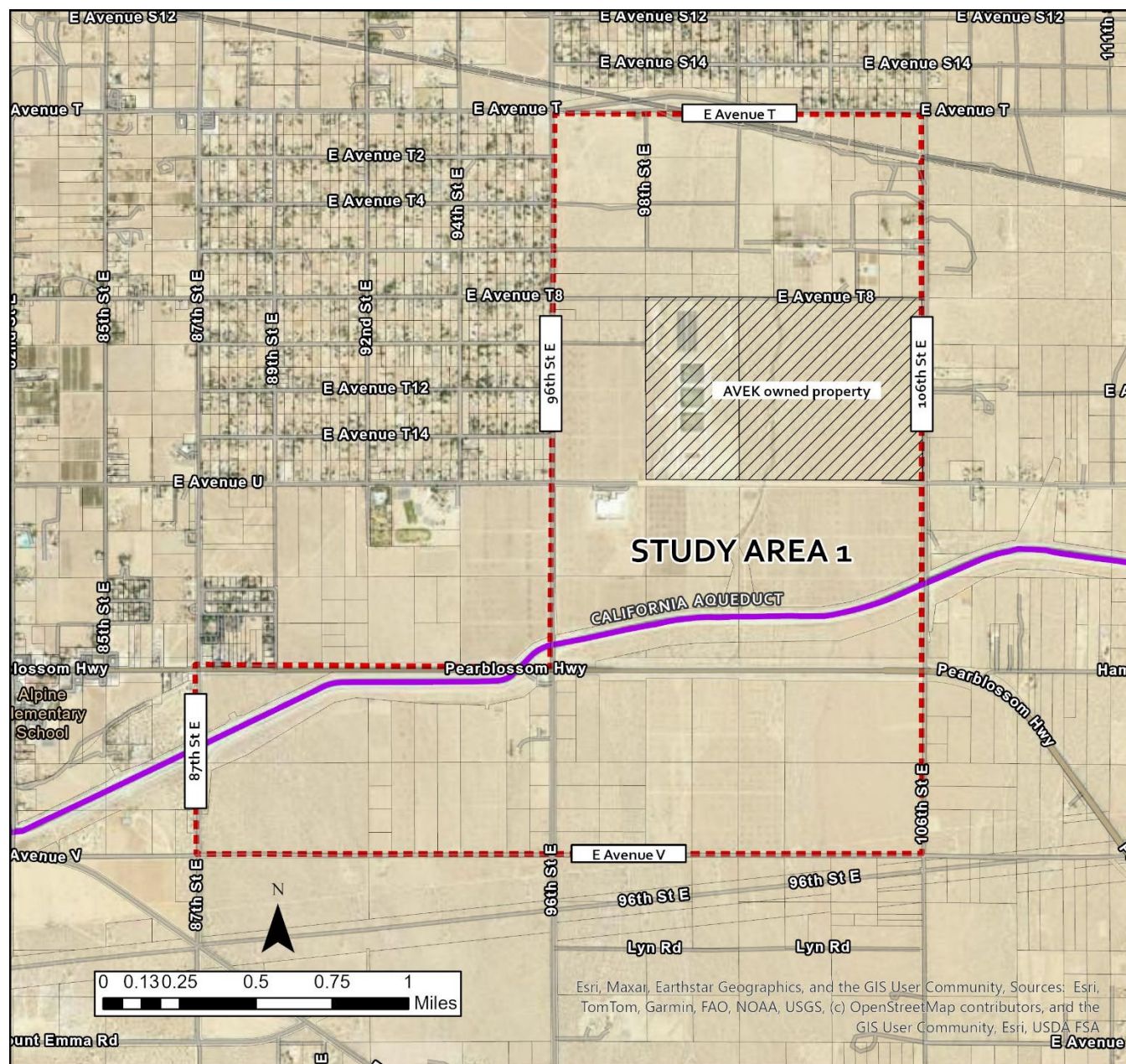
Notice to Proceed	December 2025
Draft Feasibility Study Report	April 2026
Final Feasibility Study Report	June 2026

AVAILABLE INFORMATION AND DATA

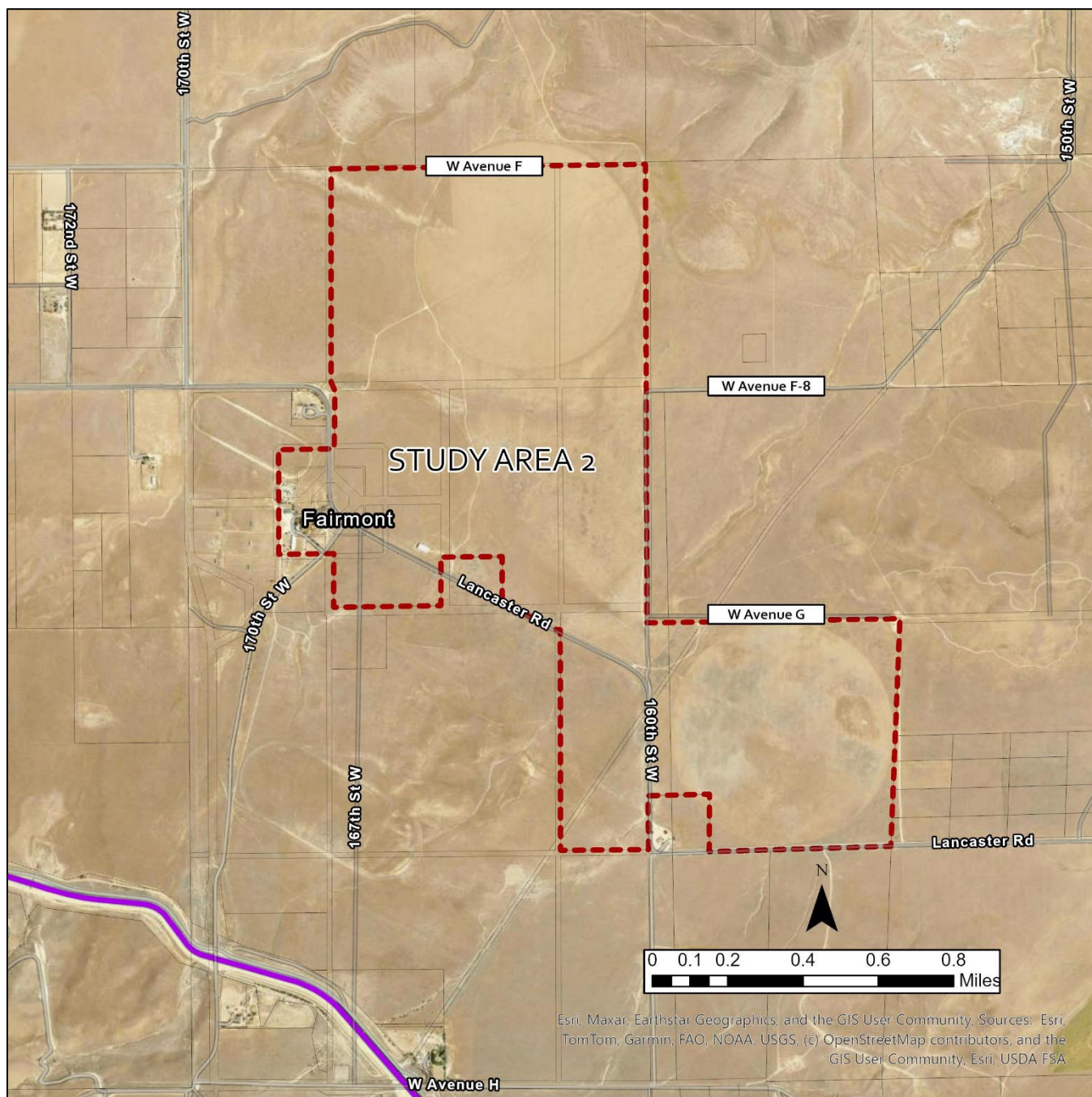
- Eastside Water Bank CEQA Initial Study and Mitigation, Monitoring, and Reporting Program
- Eastside Water Bank Preliminary Design Report
- Eastside Water Bank Expansion Draft CEQA Initial Study/Mitigated Negative Declaration
- Eastside Water Bank Boring Logs, Percolation Test Results, and E-Logs
- Eastside Water Bank Well Completion Reports
- Eastside Water Bank Historical Water Quality Results
- Healy Farms Water Facility Evaluation Technical Memorandum

EXHIBIT A

WATER BANK EXPANSION STUDY AREA No. 1



WATER BANK EXPANSION STUDY AREA No. 2





Consideration of a Funding Agreement Concerning a Feasibility Study on Potentially Expanding Antelope Valley-East Kern Water Banking Operation Within the Antelope Valley Groundwater Basin

BOARD OF DIRECTORS

DECEMBER 1, 2025

Why water banking?



Maximizes water availability: Store excess water during wet years for use in dry years



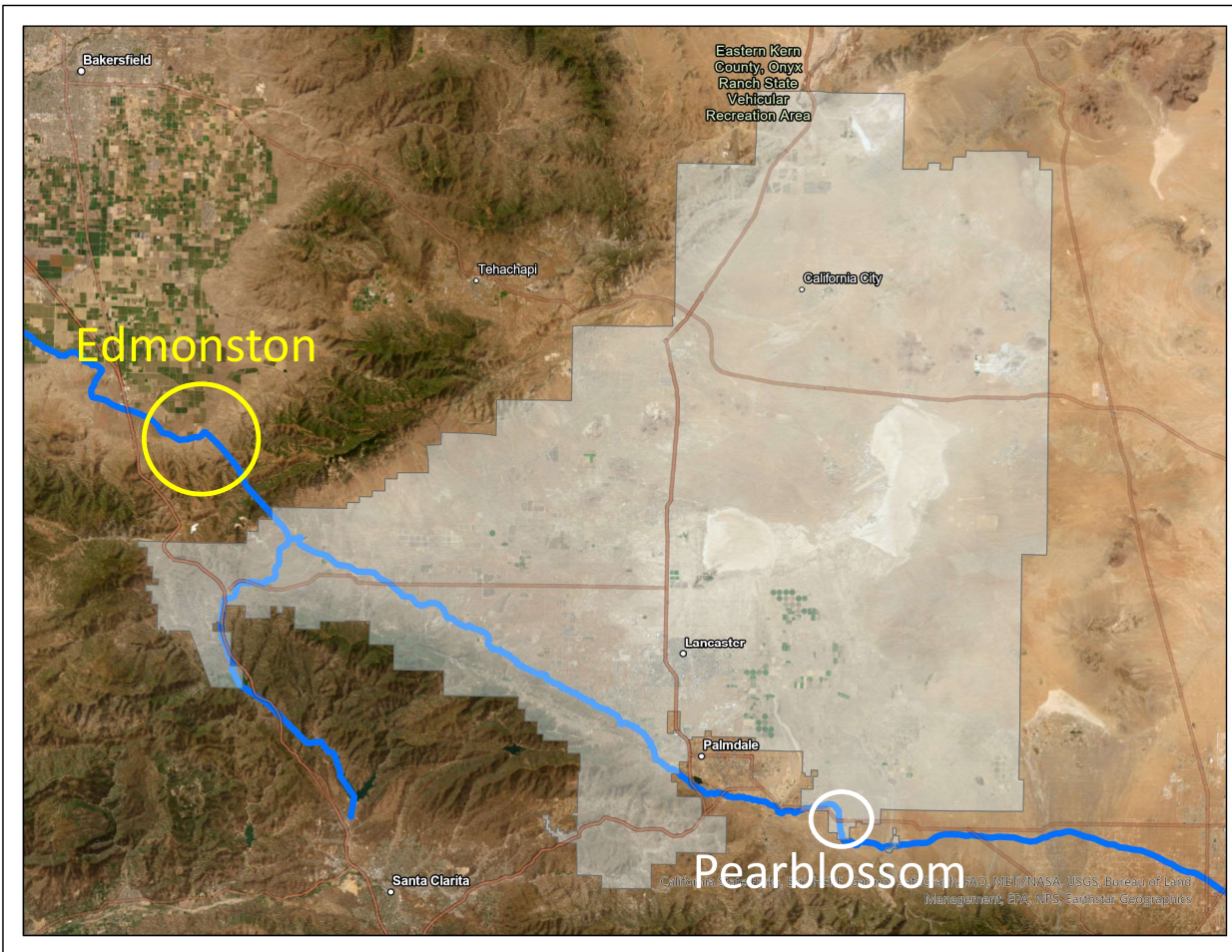
Increases drought resilience: Provides reliable dry year supply



Enhances operational flexibility: Provides a location to store excess water during local outages



Water supply diversification: Reduces reliance on a single source, improving overall reliability



SGPWA staff have been in discussion with AVEK to expand an existing water bank



On August 18, the SGPWA Board of Directors approved an MOU with AVEK to explore water banking. Potential activities under the MOU include:

- Conduct joint studies to assess the hydrogeological, technical, and environmental feasibility of a banking and exchange agreement in the Basin Area.
- Investigate regulatory, legal, and institutional frameworks that may apply to program implementation.
- Develop conceptual designs and operational strategies for the additional banking facilities.
- Share relevant data and expertise needed to support the evaluation process.
- Identify property and engage with landowner(s) regarding potential purchase option agreements.



AVEK and SGPWA staff have been working together to initiate a water banking feasibility study



Staff from both agencies prepared an RFP for this work



The proposals were due back on Nov 7



Staff from both agencies are reviewing the proposals



AVEK will be carrying and managing the consultant contract

A funding agreement is necessary to facilitate this work



The feasibility study is anticipated on costing around \$500,000



The cost share arrangement is 80% SGPWA and 20% AVEK



SGPWAs contribution would be \$400,000 plus a contingency of 10% under these terms

Recommendation

Authorize the General Manager to execute the Funding Agreement Concerning a Feasibility Study on Potentially Expanding Antelope Valley-East Kern Water Banking Operation Within the Antelope Valley Groundwater Basin between the San Gorgonio Pass Water Agency and Antelope Valley-East Kern Water Agency and authorize a budget adjustment to accommodate this work