



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 2, 2024 at 1:30 p.m.

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 estás 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 minutes. Under the Brown Act, no action or discussion shall take place on any item not appearing on the agenda, except that the Board or staff may briefly respond to statements made or questions posed for the purpose of directing statements or questions to staff for follow-up.

President
Mickey Valdivia

Vice President
Chander Letulle

Treasurer
Robert Ybarra

Secretary
Kevin Walton

Directors
Dr. Blair M Ball
Ron Duncan
Larry Smith

General Manager
Lance Eckhart,
PG, CHG

Legal Counsel
Jeffrey Ferre

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 18, 2024, Regular Meeting of the San Geronio Pass Water Agency Board of Directors, [\(pg. 4\)](#)
- B. Approve the Finance and Budget Committee Meeting Report for November 2024, [\(pg. 8\)](#)

6. Reports – Staff

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

7. New Business – Discussion and Possible Action:

- A. Authorize the General Manager to Execute a Contract with California Rural Water Systems Association to Assist with the Needs of Small Water Systems, including Economically Disadvantaged Communities, for a total amount not to exceed \$155,000 [\(pg. 32\)](#)
- B. Approve Second Amendment to Agreement Providing GAP Funding to Cabazon Water District, [\(pg. 65\)](#)
- C. Review of Director's Technology Policy, [\(pg. 72\)](#)

8. Reports – Directors and Committees

9. Topics for Future Agendas

10. Announcements

- A. Winter Wonderland Health and Safety Fair, December 14, 2024 at 10:00 a.m. *(IERCD will be hosting a booth on behalf of SGPWA)*
- B. Regular Board Meeting, December 16, 2024 at 6:00 p.m.
- C. Finance & Budget Committee Meeting, December 19, 2024 at 10:00 a.m.
- D. Office closed in observance of Christmas and New Year's Holiday's, December 23-January 1, 2025

11. Adjournment

Pending Agenda Items:

<i>Request</i>	<i>Requester</i>	<i>Date of Request</i>	<i>Status</i>
Potential Well Site w/BCVWD	Valdivia	2/26/2024	Working w/BCVWD
Bond Payoff w/DWR	Ball	5/20/2024	
Beautification Project	Walton	10/07/2024	

SGPWA
Regular Board Meeting
December 2, 2024

(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 18, 2024

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

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

The San Gorgonio Pass Water Agency Board of Directors meeting was called to order by President Valdivia at 6:00 p.m., Monday, November 18, 2024, at the office of the Agency. Director Ball gave the invocation and Vice President Letulle 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
Kevin Walton, Secretary
Blair M Ball, Director
Ron Duncan, Director
Larry Smith, Director

Staff Present:

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

Consultant Present:

Holland Stewart, Legal Counsel

A quorum was present.

3. Adoption and Adjustment of Agenda

The agenda was adopted as published.

4. Public Comment

No public comment received.

5. Consent Calendar

- A. Approve Minutes of the October 21, 2024, Regular Meeting of the San Gorgonio Pass Water Agency Board of Directors.
- B. Approve the Finance and Budget Committee Meeting Report for October 2024.

On a motion by Director Smith, seconded by Director Duncan, the board approved the Consent Calendar as presented.

Approved by the following vote:

Ayes: Smith, Walton, Duncan, Ybarra, Letulle, Ball, Valdivia

Noes: None

Absent: None

Motion passed 7-0.

6. Reports

A. General Manager's Report

General Manager, Lance Eckhart reported on the following:

- i. Pass Water Agency Foundation - establishment of a checking account and filing of incorporation papers.
- ii. Pass Agency Insurance - Staff are reviewing insurance coverage as previously requested. Findings will be presented in February.
- iii. Golden Mussel Detection CDFW.
- iv. Lost Hills Subsidence CEQA.
- v. White Sturgeon and response from State Water Contractors.
- vi. Agency's participation as facility for future emergency response center in Riverside County.
- vii. Contracted with CPS HR Consulting for the recruitment of future positions.
- viii. Review of Injection Wells vs. Percolation Basin Memo.
- ix. The turf grant for the HOA Solera went out last week.
- x. ACWA Fall Conference – SGPWA is up for an excellence in innovation award for grant funding program; Lance will be part of the panel discussion.
- xi. ARPA funds were approved by Riverside County on October 29, 2024, moving forward with Cabazon Heli-hydrant.
- xii. SGPWA featured in Municipal Water Leader for grant funding programs, Sites, and general supply issues in the San Gorgonio Pass area.

B. Legal Counsel's Report

Counsel, Holland Stewart had no report.

7. Informational Presentations and Updates:

A. Water Conditions Report

Matt Howard, Operations Manager delivered the November water conditions report, providing an overview of current precipitation levels and reservoir status. He discussed the forecasted atmospheric river and its possible effects on water supply. Howard also introduced the golden mussel, a newly discovered invasive species in the Delta, outlining its potential risks to water infrastructure. The board expressed concerns regarding the spread of the golden mussel and emphasized the need for prompt action to address the threat.

8. New Business – Discussion and Possible Action:

A. Authorize the General Manager to execute the Heli-Hydrant Installation and Maintenance Agreement between San Gorgonio Pass Water Agency and Cabazon Water District

General Manager Lance Eckhart provided background information on the Heli-Hydrant Installation and Maintenance Agreement between the San Gorgonio Pass Water Agency and Cabazon Water District. Eckhart, along with Emmett Campbell, Sr. Water Resources Planner, presented the agreement, which outlines the installation of heli-hydrants at strategic locations. The agreement includes a \$600,000 allocation for the construction of two heli-hydrants in the Cabazon area. The board engaged in a discussion about maintenance responsibilities and highlighted the critical role of the heli-hydrants in wildfire response efforts.

Sarah Wargo, President of Cabazon Water District expressed support for the project and its benefits for the community.

On a motion by President Valdivia, seconded by Treasurer Ybarra, the board approved the General Manager to execute the Heli-Hydrant Installation and Maintenance Agreement between San Gorgonio Pass Water Agency and Cabazon Water District.

Approved by the following roll call vote:

Ayes: Smith, Walton, Duncan, Ybarra, Letulle, Ball, Valdivia

Noes: None

Absent: None

Motion passed 7-0.

B. Authorize the General Manager to execute Amendment No. 1 to the Professional Services Agreement between San Gorgonio Pass Water Agency and Albert A. Webb Associates, Inc., for On-Call Services

Emmett Campbell, Sr. Water Resources Planner provided background information on Amendment No. 1 to the Professional Services Agreement between San Gorgonio Pass Water Agency and Albert A. Webb Associates, Inc., for On-Call Services. The Board discussed the potential drawbacks of relying exclusively on one firm and recommended considering multiple firms in the future, based on their qualifications and the specific requirements of each project.

On a motion by Director Smith, seconded by Director Walton, the board approved the General Manager to execute Amendment No. 1 to the Professional Services Agreement between San Gorgonio Pass Water Agency and Albert A. Webb Associates, Inc., for On-Call Services.

Approved by the following roll call vote:

Ayes: Smith, Walton, Duncan, Ybarra, Letulle, Ball, Valdivia

Noes: None

Absent: None

Motion passed 7-0.

9. Reports - Directors and Committee Report

Board members reported attending the following:

- October 13, 2024, Beaumont-Cherry Valley Water District Board Meeting (Director Ball)
- October 24, 2024, Beaumont-Cherry Valley Water District Board Meeting - Engineering Workshop (Director Ball)

- October 29, 2024, Capital Improvement Committee Meeting (President Valdivia)
- November 5, 2024, Beaumont City Council Meeting (President Valdivia)
- November 8, 2024, June Hayes Memorial Service (Directors Duncan and Walton)
- November 12, 2024, City of Banning Council Meeting (Directors Duncan, Walton and Valdivia)
- November 16, 2024, Water Education for Latino Leaders (WELL) Webinar (Director Letulle)
- November 13, 2024, South Mesa Water Company Board Meeting (President Valdivia)

Director Smith and Treasurer Ybarra had no report.

10. Topics for Future Agendas

No topics were discussed.

11. Announcements

President Valdivia reviewed the following announcements:

- A. Water Conservation & Education Committee Meeting, November 19, 2024, at 1:30 p.m.
- B. Finance & Budget Committee Meeting, November 21, 2024, at 10:00 a.m.
- C. Office closed November 27-29, 2024, in observance of the Thanksgiving holiday.
- D. Regular Board Meeting, December 2, 2024, at 1:30 p.m.
- E. Regular Board Meeting, December 16, 2024, at 6:00 p.m.

12. Adjournment

President Valdivia turned the meeting over to Secretary Walton who concluded by honoring San Bernardino Valley Municipal Water District Board Director June Hayes for her dedicated service to both the community and the State Water Project. A moment of silence was observed in tribute to Director Hayes. President Valdivia adjourned the meeting at 7:23 p.m. The next regularly scheduled meeting is Monday, December 2, 2024, at 1:30 p.m.

Kevin Walton, Secretary of the Board

mvc

San Gorgonio Pass Water Agency

DATE: December 2, 2024
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 21, 2024. 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 2024.
- Item 5B: The Bank Reconciliation for October 2024.
- Item 5C: The Budget Report for October 2024.

Approved the following items:

- Item 4A: Minutes of the October 23, 2024 meeting of the Committee.
- Item 5D: Payment of the Legal Invoice for October 2024.

Reviewed the following items:

- Item 5E: Gap Funding Report

COMMENTS

Director Letulle requested a discussion about the roles and responsibilities of the Finance & Budget Committee. This topic will be added to the agenda for the next Finance & Budget Committee meeting.

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

Minutes

Check History Report

Bank Reconciliation

Water Delivery Report

Budget Report

Pending Legal Invoice Report

Gap Funding Report

E. Gap Funding Report

The Committee reviewed the Cabazon Gap Funding Report.

6. Committee Member Comments

Committee members made no additional comments.

7. Announcements

Mr. Ybarra reviewed the announcements:

A. Regular Board Meeting, November 4, 2024, 1:30 p.m.

B. Regular Board Meeting, November 18, 2024 at 6:00 p.m.

E. Finance & Budget Committee Meeting, November 21, 2024 at 10:00 a.m.

8. Adjournment

The Finance and Budget Committee of the San Gorgonio Pass Water Agency was adjourned by Mr. Ybarra at 10:24 a.m.

Draft - Subject to Committee Approval

Robert Ybarra, Committee Chair

San Gorgonio Pass Water Agency
Check History Report
October 1 through October 31, 2024

ACCOUNTS PAYABLE

Date	Number	Name	Amount
10/8/24	121478	ACWA BENEFITS	1,120.75
10/8/24	121479	ASSOCIATION OF CALIFORNIA WATER AGENCIES	27,150.00
10/8/24	121480	BEST BEST & KRIEGER	16,250.80
10/8/24	121481	CITY OF CALIMESA	7,471.80
10/8/24	121482	CRIDER PUBLIC RELATIONS	2,550.00
10/8/24	121483	CALIFORNIA RURAL WATER ASSN	28,024.50
10/8/24	121484	CV STRATEGIES	17,897.50
10/8/24	121485	FOSTER & FOSTER	1,700.00
10/8/24	121486	GALLAGHER BENEFIT SERVICES	7,500.00
10/8/24	121487	LENITY TECHNOLOGY	2,112.00
10/8/24	121488	MACRO COMMUNICATIONS	3,555.00
10/8/24	121489	PROVOST & PRITCHARD	2,704.00
10/8/24	121490	PURCOR PEST SOLUTIONS	63.62
10/8/24	121491	STANDARD INSURANCE COMPANY	966.47
10/8/24	121492	UNIVAR SOLUTIONS	11,910.28
10/8/24	121493	UNLIMITED SERVICES	407.00
10/8/24	121494	UNDERGROUND SERVICE ALERT	17.40
10/8/24	121495	VERIZON BUSINESS	80.04
10/8/24	121496	WASTE MGT CORPORATE SERVICES	133.30
10/8/24	121497	WEX	210.00
10/8/24	121498	ZANJERO WATER CONSULTING	14,542.50
10/15/24	121499	CALIFORNIA RURAL WATER ASSN	8,757.50
10/15/24	121500	ERNST & YOUNG LLP	1,299.00
10/15/24	121501	THE FERGUSON GROUP	4,000.00
10/15/24	121502	PASS WATER AGENCY FOUNDATION	10,000.00
10/22/24	121503	ACWA JPIA	1,461.26
10/22/24	121504	AUTOMATION PRIDE	105.39
10/22/24	121505	FRONTIER COMMUNICATIONS	351.92
10/22/24	121506	LAND ENGINEERING CONSULTANTS	3,921.00
10/22/24	121507	MATTHEW PISTILLI LANDSCAPE SERVICES	450.00
10/22/24	121508	PROVOST & PRITCHARD	1,762.00
10/22/24	121509	SOUTH MESA WATER COMPANY	3,027,547.72
10/22/24	121510	SOUTHERN CALIFORNIA EDISON	48.26
10/22/24	121511	VALLEY OFFICE EQUIPMENT, INC.	381.20
10/22/24	121512	WEAVER GRADING	3,200.00
10/24/24	121513	RIVERSIDE COUNTY FLOOD CONTROL	2,000.00
10/29/24	121514	WELLS FARGO ELITE CREDIT CARD	14,875.86
10/2/24	900964	EMPLOYMENT DEVELOPMENT DEPARTMENT	2,440.23
10/2/24	900965	ELECTRONIC FEDERAL TAX PAYMENT SYSTEM	12,756.54
10/2/24	900966	CALPERS RETIREMENT	10,455.90
10/2/24	900967	CAL PERS RETIREMENT - SIP-457	4,030.00
10/2/24	900968	PAYCHEX	183.00
10/2/24	900969	MICHAEL R. VALDIVIA	66.33
10/15/24	900970	CALPERS HEALTH	11,556.79
10/17/24	900971	EMPLOYMENT DEVELOPMENT DEPARTMENT	2,851.90
10/17/24	900972	ELECTRONIC FEDERAL TAX PAYMENT SYSTEM	13,796.50

San Gorgonio Pass Water Agency
Check History Report
October 1 through October 31, 2024

ACCOUNTS PAYABLE (CON'T)

Date	Number	Name	Amount
10/17/24	900973	CALPERS RETIREMENT	10,455.90
10/17/24	900974	CAL PERS RETIREMENT - SIP-457	4,030.00
10/17/24	900975	PAYCHEX	196.35
10/17/24	900976	MARICELA V. CABRAL	694.99
10/17/24	900977	THOMAS W. TODD, JR.	532.81
10/17/24	900978	MICHAEL R. VALDIVIA	115.24
10/17/24	900979	ROEBERT G. YBARRA	1,223.90
10/29/24	900980	DEPARTMENT OF WATER RESOURCES	960,253.00
TOTAL ACCOUNTS PAYABLE CHECKS			4,262,167.45

PAYROLL

Date	Number	Name	Amount
10/1/24	802814	BLAIR M. BALL	1,955.04
10/1/24	802815	MARICELA V. CABRAL	3,936.46
10/1/24	802816	EMMETT G. CAMPBELL	3,690.50
10/1/24	802817	RONALD A. DUNCAN	2,710.92
10/1/24	802818	LANCE E. ECKHART	7,354.92
10/1/24	802819	MATTHEW E. HOWARD	4,530.34
10/1/24	802820	SCOTT W. TIRRELL	519.73
10/1/24	802821	THOMAS W. TODD, JR.	5,102.98
10/1/24	802822	MICHAEL R. VALDIVIA	2,818.43
10/16/24	802823	MARICELA V. CABRAL	3,936.46
10/16/24	802824	EMMETT G. CAMPBELL	4,502.26
10/16/24	802825	LANCE E. ECKHART	7,354.92
10/16/24	802826	MATTHEW E. HOWARD	4,530.34
10/16/24	802827	LAWRENCE R. SMITH	2,818.43
10/16/24	802828	SCOTT W. TIRRELL	528.84
10/16/24	802829	THOMAS W. TODD, JR.	7,158.11
10/16/24	802830	KEVIN D. WALTON	2,693.15
10/16/24	802831	ROEBERT G. YBARRA	4,497.41
TOTAL PAYROLL			70,639.24
TOTAL DISBURSEMENTS FOR OCTOBER 2024			4,332,806.69

NOTES

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 2024

Vendor - Name and Address	Expenditure Type
Urban Water Institute Old address: 24651 Evereve Circle Su. 1, Lake Forest, CA 92630 New Address: 14271 Jeffrey Road #509, Irvine, CA 92620	Membership
Espy's Electrical Services 7230 Victoria Ave., Highland, CA 92346	Building Maintenance

**SAN GORGONIO PASS WATER AGENCY
BANK RECONCILIATION
October 31, 2024**

BANK STATEMENT BALANCE (CHECKING ACCOUNT) - October 31, 2024 \$ 3,661,187.67

LESS: OUTSTANDING CHECKS

CHECK NUMBER	AMOUNT	CHECK NUMBER	AMOUNT
NONE	-		
	-		-

TOTAL OUTSTANDING CHECKS -

ADJUSTED **BANK STATEMENT** BALANCE - October 31, 2024 \$ 3,661,187.67

BALANCE PER **GENERAL LEDGER** AT END OF PRIOR MONTH (+) \$ 501,756.63

CASH RECEIPTS FOR CURRENT MONTH (+) 4,192,237.73

CASH DISBURSEMENTS FOR CURRENT MONTH

ACCOUNTS PAYABLE (-)	Checks	(3,226,528.07)	
ACCOUNTS PAYABLE (-)	ACHs	(1,035,639.38)	(4,262,167.45)
PAYROLL (-)	Prior Month: 16th-EOM	(32,619.32)	
PAYROLL (-)	This Month: 1st-15th	(38,019.92)	(70,639.24)

TRANSFERS FROM LAIF TO CHECKING ACCT (+) 3,300,000.00

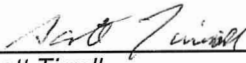
TRANSFERS FROM CAMP TO CHECKING ACCT (+) -

TRANSFERS FROM CHECKING ACCT TO LAIF (-) -

TRANSFERS FROM CHECKING ACCT TO CAMP (-) -

BALANCE PER **GENERAL LEDGER** - October 31, 2024 \$ 3,661,187.67

REPORT PREPARED BY:



Scott Tirrell

11/12/24
Date

**SAN GORGONIO PASS WATER AGENCY
DEPOSIT RECAP
FOR THE MONTH OF OCTOBER 2024**

DATE	RECEIVED FROM	DESCRIPTION	AMOUNT
DEPOSIT TO CHECKING ACCOUNT			
10/3/24	BCVWD	WATER SALES AUGUST 2024	597,702.00
10/11/24	RON DUNCAN	REPAYEMNT SPOUSE DINNER	100.00
10/17/24	BEST BEST & KRIEGER	REPAYEMNT FOR CV COMMUNITIES	8,928.18
10/17/24	STATE OF CALIF/DWR	DAVIS DOLWIG OFFSET 2023	35,403.00
10/17/24	THOMAS TODD	MISCELANEOUS OFFICE REPAYMENT	30.00
10/17/24	BCVWD	WATER SALES SEPTEMBER 2024	347,130.00
10/28/24	RIVERSIDE COUNTY	PROPERTY TAXES - UNSECURED	1,678,713.55
10/30/24	ROBERT YBARRA	REPAYEMNT SPOUSE DINNER	90.00
10/30/24	STATE OF CALIF/DWR	WSRB BOND COVER REFUND JUL23	174,650.00
10/30/24	STATE OF CALIF/DWR	TSAB BOND COVER REFUND SEP23	4,403.00
10/30/24	STATE OF CALIF/DWR	EBX BOND COVER REFUND SEP23	1,345,088.00
TOTAL FOR OCTOBER 2024			4,192,237.73

SAN GORGONIO PASS WATER AGENCY

Local Water Purchases and Deliveries
Calendar Year 2024
DRAFT - Subject to Change
November 13, 2024

ORDERS (AF)					
City of Banning		BCVWD		YVWD	
Replenish	Pre-Stored	Replenish	Pre-Stored	Direct	Pre-Stored*
1,250	250	11,200	7,000	250	2,000

Month	Delivery Point					Pre-Stored Water					
	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		893			
Jan	438	0	279	13	730	438		1,331			
Feb	744	0	162	6	912	744		2,075			
Mar	679	0	1,351	0	2,030	679		2,754			
Apr	468	0	1,373	0	1,840	468		3,222			
May	552	0	837	0	1,389	552	2,000	1,774	1,000		1,000
Jun	937	0	367	0	1,304	937		2,711			
Jul	628	0	733	0	1,361	628		3,339			
Aug	398	0	1,498	0	1,896	398		3,737			
Sep	847	0	870	0	1,717	847		4,584			
Oct	860	0	646	0	1,506	860		5,444			
Nov					0						
Dec					0						
TOTALS	6,551	0	8,115	19	14,685	6,551	2,000		1,000	0	1,000

Month	Billing Detail									
	City of Banning			BCVWD			YVWD			Totals
	Deliveries	Transfers-in	Total	Deliveries	Transfers-in	Total	Deliveries	Transfers-in	Total	
Jan			0	279		279	13		13	292
Feb			0	162		162	6		6	168
Mar			0	1,351		1,351	0		0	1,351
Apr			0	1,373		1,373	0		0	1,373
May		1,000	1,000	837		837	0	1,000	1,000	2,837
Jun			0	367		367	0		0	367
Jul			0	733		733	0		0	733
Aug			0	1,498		1,498	0		0	1,498
Sep			0	870		870	0		0	870
Oct			0	646		646	0		0	646
Nov			0			0			0	0
Dec			0			0			0	0
TOTALS	0	1,000	1,000	8,115	0	8,115	19	1,000	1,019	10,134

*Pre-stored water for YVWD will be delivered thru the Brookside East facility.
 Westside Water Authority will receive a transfer of 6,000 AF of water this calendar year.

San Gorgonio Pass Water Agency
Budget Highlights

October 2024

Overall Summary

The Agency received the first tax deposit this month. All General Fund categories are within budget. The Debt Service Fund is not within budget, but trending as projected.

General Fund (Green Bucket)

Previously mentioned:

- LAFCO
- Accounting and Auditing
- Dues and Assessments
- Payroll service
- Health Insurance and ACWA Benefits
- Staff Travel

Income

The first tax deposit was recorded this month. The Agency will see more activity in this income designation in November and December. Interest income continues to track higher than projected.

Expenses

All categories in the General Fund are within budget except Legal Services. Major items this month include State Water Contractors related to the Delta Conveyance Project, Personnel related to PARS and Board members benefits, Sustainable Groundwater Management Act, Public Works Projects related to contracts for On-Call Engineering, and continuing activity related to the ARPA funds and to the Heli-Hydrant project, and the County Line project.

Consigned – SWP Support Fund (Orange Bucket)

Previously mentioned:

- Increased interest income.

Debt Service Fund (Red Bucket)

Previously mentioned:

- Increased interest income.
- State Water Project payments

Income

The first tax deposit was recorded this month. As with the General Fund, the Agency will see more activity in this income designation in November and December.

Expenses

The only other line item that isn't in budget (besides State Water Contract Payments) is the State Water Contract Audit. These invoices come at the beginning of the fiscal year; once the total is reached, usually in December, no more invoices are received.

Gap Funding Program

South Mesa Water Company requested a distribution this month of \$3,027,547.72, which is reflected in the Gap Funding Report. \$3.25 million is still available for future requests.

**SAN GORGONIO PASS WATER AGENCY
APPROVED BUDGET FOR FY 2024-25
FOR THE FOUR MONTHS ENDING ON OCTOBER 30, 2024**

		FISCAL YEAR JULY 1, 2024 - JUNE 30, 2025				
		1	2	3	4	5
		ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	Over/Under Budget
GENERAL FUND						
GENERAL FUND - INCOME					Remaining %	67%
1	WATER SALES	7,100,000		7,100,000	1,237,299.00	-82.6%
2	OTHER WATER SALES	0		0	0.00	NA
3	TAX REVENUE	12,400,000		12,400,000	198,735.71	-98.4%
4	INTEREST	270,000		270,000	190,431.50	-29.5%
5	GOV'T CONTRIBUTIONS	42,000		42,000	0.00	-100.0%
6	GRANT REVENUE	6,000,000		6,000,000	0.00	-100.0%
7	OTHER MISCELLANEOUS INCOME	35,000		35,000	42,142.70	20.4%
8	TOTAL GENERAL FUND INCOME	25,847,000	0	25,847,000	1,668,608.91	-93.5%
GENERAL FUND - EXPENSES						
COMMODITY PURCHASE						
12	PURCHASED WATER FOR DELIVERY	8,500,000		8,500,000	964,073.00	88.7%
13	PURCHASED WATER FOR BANKING (FUTURE SALE)	1,000,000		1,000,000	0.00	100.0%
14	TOTAL COMMODITY PURCHASE	9,500,000	0	9,500,000	964,073.00	89.9%
SALARIES AND EMPLOYEE BENEFITS						
17	SALARIES	640,000		640,000	183,574.69	71.3%
18	PAYROLL TAXES	52,000		52,000	15,480.61	70.2%
19	PAYROLL SERVICE	6,000		6,000	2,153.25	64.1%
20	RETIREMENT	250,000		250,000	70,418.81	71.8%
21	OTHER POST-EMPLOYMENT BENEFITS (OPEB)	145,000		145,000	30,561.91	78.9%
22	HEALTH INSURANCE	54,000		54,000	18,698.07	65.4%
23	ACWA BENEFITS	9,000		9,000	3,156.85	64.9%
24	DISABILITY INSURANCE	6,000		6,000	1,479.49	75.3%
25	WORKERS COMPENSATION INSURANCE	6,000		6,000	930.17	84.5%
26	SGPWA STAFF MEDICAL REIMBURSEMENT	11,000		11,000	1,331.00	87.9%
27	EMPLOYEE EDUCATION	4,000		4,000	0.00	100.0%
28	TOTAL SALARIES AND EMPLOYEE BENEFITS	1,183,000	0	1,183,000	327,784.85	72.3%

**SAN GORGONIO PASS WATER AGENCY
APPROVED BUDGET FOR FY 2024-25
FOR THE FOUR MONTHS ENDING ON OCTOBER 30, 2024**

		FISCAL YEAR JULY 1, 2024 - JUNE 30, 2025				
		1	2	3	4	5
		ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	Over/Under Budget
GENERAL FUND - EXPENSES						
	ADMINISTRATIVE AND PROFESSIONAL SERVICES				Remaining %	67%
	DIRECTOR EXPENDITURES					
33	DIRECTORS FEES	275,000		275,000	59,668.80	78.3%
34	DIRECTORS TRAVEL AND EDUCATION	80,000		80,000	24,150.38	69.8%
35	DIRECTORS MEDICAL REIMBURSEMENT	43,000		43,000	3,503.79	91.9%
	OFFICE EXPENDITURES					
37	OFFICE EXPENSE	40,000		40,000	11,370.26	71.6%
38	POSTAGE	1,000		1,000	201.58	79.8%
39	TELEPHONE	8,000		8,000	2,051.08	74.4%
40	UTILITIES	17,000		17,000	274.07	98.4%
	SERVICE EXPENDITURES					
42	COMPUTER, WEBSITE AND PHONE SUPPORT	54,000		54,000	14,934.82	72.3%
43	GENERAL MANAGER AND STAFF TRAVEL	25,000		25,000	12,480.22	50.1%
44	SUCCESSION PLANNING	65,000		65,000	7,500.00	88.5%
45	INSURANCE AND BONDS	55,000		55,000	8,037.22	85.4%
46	ACCOUNTING AND AUDITING	22,000		22,000	10,000.00	54.5%
47	DUES AND ASSESSMENTS	45,000		45,000	36,472.00	19.0%
48	OTHER PROFESSIONAL SERVICES	35,000		35,000	2,400.00	93.1%
49	BANK CHARGES	1,000		1,000	0.00	100.0%
50	MISCELLANEOUS EXPENSES	1,000		1,000	0.00	100.0%
	MAINTENANCE AND EQUIPMENT EXPENDITURES					
52	TOOLS PURCHASE AND MAINTENANCE	2,000		2,000	0.00	100.0%
53	MAINTENANCE AND REPAIRS - VEHICLE	10,000		10,000	4,784.13	52.2%
54	MAINTENANCE AND REPAIRS - BUILDING	40,000		40,000	6,049.33	84.9%
55	MAINTENANCE AND REPAIRS - FIELD	50,000		50,000	12,145.37	75.7%
	COUNTY EXPENDITURES					
57	LAFCO COST SHARE	10,000		10,000	7,800.78	22.0%
58	ELECTION EXPENSE	150,000		150,000	0.00	100.0%
59	TAX COLLECTION CHARGES	60,000		60,000	496.84	99.2%
60	TOTAL ADMINISTRATIVE AND PROFESSIONAL SERVICES	1,089,000	0	1,089,000	224,320.67	79.4%

**SAN GORGONIO PASS WATER AGENCY
APPROVED BUDGET FOR FY 2024-25
FOR THE FOUR MONTHS ENDING ON OCTOBER 30, 2024**

		FISCAL YEAR JULY 1, 2024 - JUNE 30, 2025				
		1	2	3	4	5
		ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	Over/Under Budget
GENERAL FUND - EXPENSES						
	CONSULTING AND ENGINEERING SERVICES				Remaining %	67%
	PLANS & CONSTRUCTION					
65	INFRASTRUCTURE PLAN - Phase 2	25,000		25,000	4,809.60	80.8%
66	BACKBONE INFRASTRUCTURE STUDY AND DESIGN	150,000		150,000	0.00	100.0%
67	BUNKER HILL BANKING AND RECOVERY PROGRAM	75,000		75,000	0.00	100.0%
68	COUNTY LINE RECHARGE	1,250,000		1,250,000	39,963.65	96.8%
69	SMALL SYSTEM ASSISTANCE PROGRAM	210,000		210,000	42,597.00	79.7%
70	SIGNAGE AND FRONTAGE BROOKSIDE EAST	75,000		75,000	0.00	100.0%
71	MONITORING WELL DRILLING	2,300,000		2,300,000	1,065.00	100.0%
72	HELI-HYDRANT	1,800,000		1,800,000	0.00	100.0%
	OTHER PROJECTS					
74	WATER BANKING INVESTIGATIONS	25,000		25,000	0.00	100.0%
75	SAN GORGONIO GSA	50,000		50,000	2,427.90	95.1%
76	YUCAIPA GSA VERBENIA GSA	10,000		10,000	0.00	100.0%
77	FLUME MONITORING AND SUPPORT	30,000		30,000	0.00	100.0%
	STUDIES AND REPORTS					
79	FINANCIAL MODELING + NEXUS RATE STUDY	90,000		90,000	26,215.73	70.9%
80	USGS STUDIES AND MONITORING	300,000		300,000	0.00	100.0%
81	WATER PORTFOLIO	100,000		100,000	41,775.44	58.2%
82	LOCAL SUPPLIES	50,000		50,000	0.00	100.0%
83	LOCAL RECHARGE FEASIBILITY STUDIES	750,000		750,000	0.00	100.0%
84	UWMP SUPPORT AND ANNUAL REPORT COMPLETION	25,000		25,000	0.00	100.0%
	GENERAL ENGINEERING SERVICES					
86	ON-CALL AGENCY ENGINEER	250,000		250,000	24,634.00	90.1%
87	GRANT SUPPORT SERVICES	75,000		75,000	4,000.00	94.7%
88	FEDERAL - STATE ADVOCATE	30,000		30,000	0.00	100.0%
89	SAWPA REGIONAL PROJECTS	36,000		36,000	28,484.21	20.9%
90	GENERAL ENGINEERING and ENVIRONMENTAL	75,000		75,000	0.00	100.0%
91	TOTAL CONSULTING AND ENGINEERING SERVICES	7,781,000	0	7,781,000	215,972.53	97.2%

**SAN GORGONIO PASS WATER AGENCY
APPROVED BUDGET FOR FY 2024-25
FOR THE FOUR MONTHS ENDING ON OCTOBER 30, 2024**

		FISCAL YEAR JULY 1, 2024 - JUNE 30, 2025				
		1	2	3	4	5
		ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	Over/Under Budget
GENERAL FUND - EXPENSES						
					Remaining %	67%
	LEGAL SERVICES					
96	LEGAL SERVICES	200,000		200,000	90,588.29	54.7%
97	TOTAL LEGAL SERVICES	200,000	0	200,000	90,588.29	54.7%
	CONSERVATION AND EDUCATION					
100	SCHOOL EDUCATION PROGRAMS	60,000		60,000	0.00	100.0%
101	PUBLIC INFORMATION AND EDUCATION	260,000		260,000	47,205.73	81.8%
102	SPONSORSHIPS	0		0	950.00	NA
103	TRANSFER TO PASS WATER AGENCY FOUNDATION	32,000		32,000	10,000.00	68.8%
104	65th ANNIVERSARY CELEBRATION	20,000		20,000	2,550.00	87.3%
105	TOTAL CONSERVATION AND EDUCATION	372,000	0	372,000	60,705.73	83.7%
	MAJOR AND CAPITAL EXPENDITURES					
	BUILDING AND EQUIPMENT					
109	BUILDING	50,000		50,000	0.00	100.0%
110	FRONT LANDSCAPING	75,000		75,000	0.00	100.0%
111	FURNITURE AND OFFICE EQUIPMENT	25,000		25,000	0.00	100.0%
112	OTHER EQUIPMENT	20,000		20,000	0.00	100.0%
113	VEHICLES	125,000		125,000	0.00	100.0%
	OTHER ITEMS					
115	SITES RESERVOIR	560,000		560,000	0.00	100.0%
116	TOTAL MAJOR AND CAPITAL EXPENDITURES	855,000	0	855,000	0.00	100.0%
118	TRANSFERS TO OTHER FUNDS			0		
120	TOTAL GENERAL FUND EXPENSES	20,980,000	0	20,980,000	1,883,445.07	91.0%
122	GENERAL FUND NET INCOME YTD	4,867,000	0	4,867,000	-214,836.16	

**SAN GORGONIO PASS WATER AGENCY
APPROVED BUDGET FOR FY 2024-25
FOR THE FOUR MONTHS ENDING ON OCTOBER 30, 2024**

		FISCAL YEAR JULY 1, 2024 - JUNE 30, 2025				
		1	2	3	4	5
		ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	Over/Under Budget
CONSIGNED - SWP SUPPORT FUND						
					Remaining %	67%
CONSIGNED - SWP SUPPORT FUND - INCOME						
INCOME						
130	UNITARY TAX REVENUE ALLOCATED	7,200,000		7,200,000	0.00	-100.0%
131	INTEREST	240,000		240,000	193,062.88	-19.6%
132	OTHER INCOME	0		0	0.00	NA
133	TOTAL SWP SUPPORT FUND INCOME	7,440,000	0	7,440,000	193,062.88	-97.4%
CONSIGNED - SWP SUPPORT FUND - EXPENSES						
EXPENDITURES						
139	TAX COLLECTION CHARGES	18,000		18,000	0.00	100.0%
140	OTHER EXPENSES	0		0	0.00	NA
141	TOTAL SWP SUPPORT FUND EXPENSES	18,000	0	18,000	0.00	100.0%
143	TRANSFERS TO OTHER FUNDS					
145	CONSIGNED - SWP SUPPORT FUND NET INCOME YTD	7,422,000	0	7,422,000	193,062.88	

**SAN GORGONIO PASS WATER AGENCY
APPROVED BUDGET FOR FY 2024-25
FOR THE FOUR MONTHS ENDING ON OCTOBER 30, 2024**

		FISCAL YEAR JULY 1, 2024 - JUNE 30, 2025				
		1	2	3	4	5
		ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	Over/Under Budget
DEBT SERVICE FUND						
					Remaining %	67%
DEBT SERVICE FUND - INCOME						
INCOME						
153	TAX REVENUE	29,400,000		29,400,000	1,484,185.14	-95.0%
154	INTEREST	1,000,000		1,000,000	920,752.55	-7.9%
155	CONTRIBUTIONS - GOVERNMENT	0		0	0.00	NA
156	DWR CREDITS - BOND COVER, OTHER	3,400,000		3,400,000	1,560,879.20	-54.1%
157	TOTAL DEBT SERVICE FUND INCOME	33,800,000	0	33,800,000	3,965,816.89	-88.3%
DEBT SERVICE FUND - EXPENSES						
EXPENSES						
161	SALARIES	500,000		500,000	138,198.52	72.4%
162	PAYROLL TAXES	35,000		35,000	7,076.21	79.8%
163	BENEFITS	320,000		320,000	64,095.54	80.0%
164	SWP LEGAL SERVICES	0		0	0.00	NA
165	SWP UTILITIES	10,000		10,000	2,929.07	70.7%
166	STATE WATER CONTRACT AUDIT	7,000		7,000	4,546.00	35.1%
167	STATE WATER CONTRACTOR DUES	55,000		55,000	0.00	100.0%
168	DELTA CONVEYANCE FINANCING AUTHORITY	30,000		30,000	0.00	100.0%
169	WATER TREATMENT EXPENSE	100,000		100,000	23,820.56	76.2%
170	EBX CONTRACT OPERATIONS	400,000		400,000	0.00	100.0%
171	SWP ENGINEERING AND MAINTENANCE	3,400,000		3,400,000	1,864.20	99.9%
172	WATER TRANSFERS	2,500,000		2,500,000	0.00	100.0%
173	STATE WATER CONTRACT PAYMENTS	25,600,000		25,600,000	14,446,978.00	43.6%
174	TAX COLLECTION CHARGES	160,000		160,000	3,710.46	97.7%
175	TOTAL DEBT SERVICE FUND EXPENSES	33,117,000	0	33,117,000	14,693,218.56	55.6%
177	TRANSFERS FROM RESERVES			0.00	0.00	
179	DEBT SERVICE NET INCOME YTD	683,000	0	683,000	-10,727,401.67	

SAN GORGONIO PASS WATER AGENCY
APPROVED BUDGET FOR FY 2024-25
FOR THE FOUR MONTHS ENDING ON OCTOBER 30, 2024

		FISCAL YEAR JULY 1, 2024 - JUNE 30, 2025				
		1	2	3	4	5
		ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	Over/Under Budget
GAP FUNDING PROGRAM						
GAP FUNDING PROGRAM - INCOME						
185	CABAZON WATER DISTRICT #1	96,000		96,000	0.00	100.0%
186	SOUTH MESA WATER COMPANY	2,000,000		2,000,000	0.00	100.0%
187	HIGH VALLEYS WATER DISTRICT	500,000		500,000	0.00	100.0%
188	BANNING HEIGHTS MUTUAL WATER CO.	0		0	0.00	NA
191	TOTAL INCOME	2,596,000	0	2,596,000	0.00	
GAP FUNDING PROGRAM - EXPENSES						
194	CABAZON WATER DISTRICT #1	0		0	0.00	NA
195	SOUTH MESA WATER COMPANY	5,000,000		5,000,000	3,749,786.74	25.0%
196	HIGH VALLEYS WATER DISTRICT	1,000,000		1,000,000	0.00	100.0%
197	BANNING HEIGHTS MUTUAL WATER CO.	0		0	0.00	NA
200	TOTAL EXPENSE	6,000,000	0	6,000,000	3,749,786.74	37.5%
202	GAP FUNDING PROGRAM NET BALANCE YTD	-3,404,000	0	-3,404,000	-3,749,786.74	

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
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
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.
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

San Gorgonio Pass Water Agency

List of Some Acronyms and Vendors and Their Functions

Acronym	Name	Function and Information
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
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	
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 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 solution for water treatment
USGS	U.S. Geological Survey	Federal agency that provides groundwater data and modeling

San Gorgonio Pass Water Agency

List of Some Acronyms and Vendors and Their Functions

Acronym	Name	Function and Information
UWMP	Urban Water Management Plan	
WEF	Water Education Foundation	
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 241001

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	241030	LEGAL SERVICES OCTOBER 2024	40,127.08

TOTAL PENDING INVOICES FOR APPROVAL NOVEMBER 2024

40,127.08

San Gorgonio Pass Water Agency
 Gap Funding Program
 Summary Report
 Report Date: November 12, 2024

OVERALL Current Balance: 3,845,533.04 (Owed to Agency)

Cabazon Water District #1	(CWD owes us) - Current Balance: 95,745.70
Gap Funding Maximum: 1,300,000	
Approximate Project Cost: 1,700,000.00	Approximate Gap Funding Available: 1,204,254.30
Payments Made to CWD: 1,284,221.36	Payments Received from CWD: 1,188,475.66

South Mesa Water Company	(SMWC owes us) - Current Balance: 3,749,787.34
Gap Funding Maximum: 7,000,000	
Approximate Project Cost: 10,300,000.00	Approximate Gap Funding Available: 3,250,212.66
Payments Made to SMWC: 4,227,274.36	Payments Received from SMWC: 477,487.02
8/27/24 722,239.02	9/25/24 477,487.02
10/22/24 3,027,547.72	

High Valleys Water District	(HVWD owes us) - Current Balance: 0.00
Gap Funding Maximum: 1,000,000	
Approximate Project Cost: 1,000,000.00	Approximate Gap Funding Available: 1,000,000.00
Payments Made to HVWD: 0.00	Payments Received from HVWD: 0.00

San Geronio Pass Water Agency

DATE: December 2, 2024

TO: Board of Directors Meeting

FROM: Lance Eckhart, General Manager

BY: Matt Howard, Operations Manager

SUBJECT: CONSIDER ENTERING INTO A CONTRACT WITH CALIFORNIA RURAL WATER ASSOCIATION TO ASSIST WITH THE NEEDS OF SMALL WATER SYSTEMS, INCLUDING ECONOMICALLY DISADVANTAGED COMMUNITIES (DACs)

RECOMMENDATION

Authorize the General Manager to execute a contract with the California Rural Water Association (CRWA) to provide technical, managerial, and financial assistance to small water systems in our service area for a total amount not to exceed \$155,000.

PREVIOUS CONSIDERATION

- Board of Directors – June 21, 2021: The Agency has been working with the California Rural Water Association since July 21, 2021, in a focused effort to provide assistance to small water systems to update and/or upgrade their infrastructure.
- Board of Directors – March 20, 2023: The Board of Directors approved entering into a contract with the California Rural Water Association to assist small and disadvantaged water systems.
- Board of Directors – April 15, 2024: The Board of Directors approved Amendment #1 with California Rural Water Association to provide specific assistance to Cazabon Water District and Banning Heights Mutual Water Company.

BACKGROUND

Since 2021, the Agency has partnered with the California Rural Water Association (CRWA) to support small, disadvantaged community water systems within our service area. This program has seen extensive use by small systems across our service area, including the High Valleys Water District, Cabazon Water District, Banning Heights Mutual Water Company, and Cherry Valley Water Company. CRWA has provided technical support tasks, including Technical, Managerial, and Financial assessments, leak detection surveys, preliminary engineering reports, grant application support, source capacity assessments, and GIS system mapping for the water systems. The technical assistance surveys, assessments, and reports conducted for each small water system provide valuable, system-specific information that can support and enhance future grant applications.

ANALYSIS

This marks the third year of contracting with the California Rural Water Association (CRWA), with efforts focused on building upon the progress made in previous years. The program aims to further strengthen the technical, managerial, and financial capacities of participating small water systems, positioning them to successfully apply for various grants offered by the State Water Resources Control Board (SWRCB) and the Department of Water Resources (DWR).

After consulting with retailers about regional needs, we plan to host water treatment and distribution-focused workshops. These workshops will provide employees from retailers within our service area the opportunity to earn continuing education units (CEUs) required for their State Water Resources Control Board (SWRCB) Distribution and Treatment certifications. These workshops will focus on water distribution and treatment topics such as assessment management, confined space entry, cross-connection control, well production management, and water system math. Attendance will be limited to retailers within our service area, to enhance the knowledge and expertise of retail water agencies in the region. Additionally, these workshops will foster collaboration by allowing employees from different retailers to share experiences, discuss challenges, and explore opportunities for improvement.

Needs assessments are still required for several small water systems, with initial contact already made with Banning Heights Mutual Water Company. These assessments are critical for identifying and documenting any water-related concerns or issues these systems face. Potential focus areas include compliance assistance, GIS mapping of distribution systems, on-site leak detection, and technical support related to new or upcoming state, federal, or Department of Health regulations. Conducting these needs assessments is a crucial first step in determining the necessary support and creating a pathway to secure grant funding for these systems.

CRWA will conduct Compliance Assessments for each small water system to improve operations, ensure regulatory compliance, and promote long-term sustainability. These assessments will focus on key areas such as compliance with the Lead and Copper Rule, cross-connection control plans, sanitary survey requirements, and annual Consumer Confidence Reports. As part of this process, CRWA staff will visit each system, perform the Compliance Assessment, and generate a comprehensive report detailing items that are currently in compliance as well as areas requiring attention or corrective action.

Building on the progress CRWA has made with small water systems, a primary focus of this contract will be providing grant application support. This approach has already proven effective, as demonstrated by CRWA's recent collaboration with Cabazon Water District to successfully submit a pipeline replacement project grant to the State Water Resources Control Board (SWRCB). CRWA will continue to identify grant opportunities that align with the needs of our small water systems and work closely with them to provide comprehensive grant application assistance. This includes drafting grant forms, guiding systems through the application process, and submitting applications through funding platforms such as the SWRCB grant portal or the Department of Water Resources (DWR).

application process. Similar to previous grant submissions, should the grant application be successful and the grant agreement be executed, all project management and grant application costs will be reimbursed to the agency.

Task No.	Task Name	Budget
1	Project Management	\$25,830
2	Training & Workshops	\$9,900
3	Needs Assessments	\$11,087
4	Compliance Assessments	\$47,835
5	Grant Application Support	\$60,270
Total		\$154,922

FISCAL IMPACT

This expenditure is listed in the line item “Small System Assistance Program” (line 69) of the General Fund Budget (the Green Bucket). For FY 2024-25, the budgeted amount is \$210,000. When the previous contract with CRWA is completed, \$155,000 will be available for the proposed contract.

AGENCY'S STRATEGIC PLAN APPLICATION

Support through the Small Systems Assistance Program is consistent with the Agency's Mission Statement to support the region's quality of life through sustainable water management with the following strategies:

- 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.
- Maintain, foster, and expand collaboration with local, regional, state, and federal partners to develop strategic solutions to water supply challenges and opportunities.
- Serve the public with dedication, determination, transparency, collaboration, and a commitment to expanding knowledge.

ACTION

Authorize the General Manager to execute a contract with the California Rural Water Association (CRWA) to provide technical, managerial, and financial assistance to small water systems in our service area for a total amount not to exceed \$155,000.

ATTACHMENTS

1. Professional Services Agreement and Scope of Work Between San Geronio Pass Water Agency and California Rural Water Association

PROFESSIONAL SERVICES AGREEMENT

BETWEEN

SAN GORGONIO PASS WATER AGENCY

AND

CALIFORNIA RURAL WATER ASSOCIATION (CRWA)

THIS AGREEMENT is made this ___/___/2024 (hereinafter referred to as the "Effective Date"), by and between the SAN GORGONIO PASS WATER AGENCY, a public agency organized and operating pursuant to the San Gorgonio Pass Water Agency Law set forth in Water Code Appendix 101 (hereinafter referred to as the "AGENCY"), and California Rural Water Association (CRWA) (hereinafter referred to as "CONTRACTOR"). AGENCY and CONTRACTOR may individually be referred to as "Party" or collectively as "Parties" in this Agreement.

RECITALS

WHEREAS, the AGENCY desires to contract with CONTRACTOR for the provision of certain services by CONTRACTOR in connection with the Small Water Systems Assistance Program ("Project");

WHEREAS, CONTRACTOR is willing to provide such services for the Project;

WHEREAS, CONTRACTOR holds itself as duly licensed, qualified, and capable of performing said services for the Project; and

WHEREAS, this Agreement establishes the terms and conditions for the AGENCY to retain CONTRACTOR to provide the services described herein for the Project.

COVENANTS

NOW, THEREFORE, in consideration of the faithful performance of the terms and conditions set forth herein, the Parties hereto agree as follows:

ARTICLE I. ENGAGEMENT OF THE CONTRACTOR AND AUTHORIZATION TO PROCEED

Section 1.01 : ENGAGEMENT

The AGENCY hereby engages CONTRACTOR, and CONTRACTOR hereby accepts the engagement, to perform certain services described in Section 2.01 of this Agreement ("Services") for the term set forth in Section 5.01 of this Agreement ("Term").

Section 1.02 : AUTHORIZATION TO PROCEED

Authorization for CONTRACTOR to proceed with all or a portion of the Services will be granted in writing by the AGENCY as soon as both Parties sign the Agreement and all applicable insurance and other security documents required pursuant to Section 6.03 and Exhibit B of this Agreement are received and approved by the AGENCY. CONTRACTOR shall not proceed with said Services until so authorized by the AGENCY and shall commence the Services immediately upon receipt of the Notice to Proceed.

Section 1.03 : NO EMPLOYEE RELATIONSHIP

CONTRACTOR shall perform the Services provided for herein as an independent contractor, and not as an employee of the AGENCY. The AGENCY shall have ultimate control over the Services performed for the Project, but not over the means or methods used by CONTRACTOR in the performance of such Services. CONTRACTOR is not to be considered an agent or employee of the AGENCY for any purpose and shall not be entitled to participate in any pension plans, insurance coverage, bonus, stock, or similar benefits that the AGENCY provides for its employees. CONTRACTOR shall indemnify the AGENCY for any tax, retirement contribution, social security, overtime payment, or workers' compensation payment which the AGENCY may be required to make on behalf of CONTRACTOR or any agent or employee of CONTRACTOR.

Article II. SERVICES OF CONTRACTOR

Section 2.01 : SCOPE OF SERVICES

The scope of Services to be performed by the CONTRACTOR under this Agreement are described in the scope of work attached hereto as Exhibit "A" and incorporated herein by this reference (hereinafter referred to as the "Scope of Work"), and shall, where not specifically addressed, include all related Services ordinarily provided by the CONTRACTOR under same or similar circumstances and/or otherwise necessary to satisfy the requirements of Section 3.03 of this Agreement. In case of conflict between the terms of this Agreement and the provisions of the Scope of Work, this Agreement shall govern.

Section 2.02 : PREVAILING WAGES

To the extent required by the California Labor Code, CONTRACTOR shall pay not less than the prevailing rate of per diem wages as determined by the Director, Department of Industrial Relations, State of California. Copies of such prevailing rate of per diem wages are on file at the AGENCY's office, which copies will be made available to any interested party upon request. CONTRACTOR shall post a copy of such determination at each job site. If applicable, CONTRACTOR shall forfeit to the AGENCY the amount of the penalty set forth in Labor Code Section 1775, and 1813, or any subsequent amendments thereto, for each calendar day, or portion thereof, for each worker paid less than the specified prevailing rates for such work or craft in which such worker is employed, whether paid by CONTRACTOR or by any subcontractor.

Section 2.03 : HOURS AND WORKING CONDITIONS

The AGENCY is a public entity in the State of California and is subject to the provisions of the Government Code and the Labor Code of the State. It is stipulated and agreed that all provisions of law applicable to public contracts are a part of this Agreement to the same extent as though set forth herein and will be complied with by CONTRACTOR. CONTRACTOR shall comply with all applicable provisions of the California Labor Code relating to working hours and the employment of apprentices on public works projects and shall be solely liable and responsible for any violation of the California Labor Code.

- (a) No contractor or subcontractor may be listed on a bid proposal for a public works project unless registered with the Department of Industrial Relations (DIR) pursuant to Labor Code section 1725.5 [with limited exceptions from this requirement for bid purposes only under Labor Code section 1771.1(a)].
- (b) No contractor or subcontractor may be awarded a contract for public work on a public works project, unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5. Contractors MUST be a registered “public works contractor” with the DIR AT THE TIME OF BID. Where the prime contract is less than \$15,000 for maintenance work or less than \$25,000 for construction alteration, demolition or repair work, registration is not required.
- (c) This Project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

Article III. RESPONSIBILITIES OF THE AGENCY AND OF THE CONTRACTOR

Section 3.01 : DUTIES OF THE AGENCY

The AGENCY, without cost to CONTRACTOR, will provide all pertinent information necessary for CONTRACTOR's performance of its obligations under this Agreement that is reasonably available to the AGENCY unless otherwise specified in the Scope of Work, in which case the CONTRACTOR is to acquire such information. The AGENCY does not guarantee or ensure the accuracy of any reports, information, and/or data provided. To the extent that any reports, information, and/or other data so provided was supplied to the AGENCY by persons who are not employees of the AGENCY, any liability resulting from inaccuracies and/or omissions contained in said information shall be limited to liability on behalf of the party who prepared the information for the AGENCY.

Section 3.02 : REPRESENTATIVE OF THE AGENCY

The AGENCY will designate Lance Eckhart as the person to act as the AGENCY's representative with respect to the Services to be performed under this Agreement. Such person will have complete authority to transmit instructions, receive information, and interpret and define the AGENCY's policies and decisions pertinent to the Services. In the event the AGENCY wishes to make a change in the AGENCY's representative, the AGENCY shall notify the CONTRACTOR of the change in writing.

Section 3.03 : DUTIES OF THE CONTRACTOR

CONTRACTOR shall perform all Services for the Project in such a manner as to fully comply with all applicable professional standards of care, including professional quality, technical accuracy, timely completion, and other Services furnished and/or work undertaken by CONTRACTOR pursuant to this Agreement. The CONTRACTOR shall cause all Services and deliverables to conform to all applicable federal, state, and local laws and regulations.

Section 3.04 : APPROVAL OF WORK

The AGENCY's approval of Services or materials furnished hereunder shall not in any way relieve CONTRACTOR of responsibility for the technical adequacy of its Services. Neither the AGENCY's review, approval, or acceptance of, nor payment for any of the Services shall be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement. Where approval by the AGENCY is indicated in this Agreement, it is understood to be conceptual approval only and does not relieve the CONTRACTOR of responsibility for complying with all laws, codes, industry standards, and liability for damages caused by negligent acts, errors, omissions, noncompliance with industry standards, or the willful misconduct of the CONTRACTOR or its subcontractors. CONTRACTOR's obligation to defend, indemnify, and hold harmless the AGENCY, and its directors, officers, employees, and agents as set forth in Section 6.10 of this Agreement also applies to the actions or omissions of the CONTRACTOR or its subcontractors as set forth above in this paragraph.

Article IV. PAYMENTS TO CONTRACTOR

The AGENCY will pay CONTRACTOR for Services performed under this Agreement, which Services can be verified by the AGENCY, based specific rate of compensation detailed in the Scope of Work. CONTRACTOR shall exercise its good faith best efforts to facilitate a full and clear definition of the scope of all assigned work so that the amount set forth in Section 4.02 of this Agreement will cover all tasks necessary to complete the Services. The amount set forth in Section 4.02 of this Agreement is the maximum compensation to which CONTRACTOR may be entitled for the performance of Services to complete the Project, unless the Scope of Work or time to complete the Services is changed by the AGENCY in writing in advance of the Services to be performed thereunder. Adjustments in the total payment amount shall only be allowed pursuant to Section 6.04 of this Agreement. In no event shall CONTRACTOR be entitled to compensation greater than the amount set forth in Section 4.02 of this Agreement where changes in the Scope of Work or the time for performance are necessitated by the negligence of CONTRACTOR or any sub-contractor performing Services on the Project.

Section 4.01 : PAYMENT

Payment will be made by the AGENCY within thirty (30) calendar days after receipt of an invoice from CONTRACTOR, provided that all invoices are complete and product and Services are determined to be of sufficient quality by the AGENCY and all prevailing wage compliance documentation has been submitted, is correct and complete. Invoice submittals shall be made electronically and sent to mhoward@sgpwa.com. CONTRACTOR shall invoice the AGENCY for Services no later than thirty (30) calendar days after Services are rendered and no more frequently than monthly.

Section 4.02 : CHARGES AND ESTIMATES

The total estimated charges for all Services under this Agreement are identified on the attached "Scope of Work" (Exhibit A) and such amount is the cost ceiling as described herein. The total estimated charges stated herein constitute the total amount agreed to. The not-to-exceed amount for this Agreement shall be:

\$154,922

Section 4.03 : COST FOR REWORK

CONTRACTOR shall, at no cost to the AGENCY, prepare and perform any necessary rework occasioned by CONTRACTOR's negligent act or omission or otherwise due substantially to CONTRACTOR's fault.

Article V. COMPLETION SCHEDULE

Section 5.01 : TERM

The Term of this Agreement shall begin on the Effective Date of this Agreement and shall continue until __/__/____ unless this Agreement is earlier terminated pursuant to the provisions of Section 6.08 below. Notwithstanding the above, the provisions of Section 1.03, Section 2.02, Section 2.03, Section 3.04, Article IV, Article V, Article VI herein shall survive the expiration and/or termination of this Agreement.

Section 5.02 : TASK SCHEDULE

The Services to be performed by CONTRACTOR under this Agreement shall be completed in accordance with the timeframe set forth in the Scope of Work and/or Task Orders.

Section 5.03 : TIME OF ESSENCE

CONTRACTOR shall perform all Services required by this Agreement in a prompt, timely, and professional manner in accordance with the timeframe set forth in the Scope of Work and/or Task Orders. Time is of the essence in this Agreement.

Article VI. GENERAL PROVISIONS

Section 6.01 : COMPLIANCE WITH FEDERAL, STATE AND LOCAL LAWS

CONTRACTOR shall at all times observe all applicable provisions of Federal, State, and Local laws and regulations including, but not limited to, as well as those related to Equal Opportunity Employment.

Section 6.02 : SUBCONTRACTORS AND OUTSIDE CONSULTANTS

No subcontract shall be awarded by CONTRACTOR unless prior written approval thereof is obtained from the AGENCY. CONTRACTOR shall be responsible for payment to subcontractors used by them to perform the Services under this Agreement. If CONTRACTOR subcontracts any of the Services to be performed, CONTRACTOR shall be as fully responsible to the AGENCY for the performance of the Services, including errors and omissions of CONTRACTOR's subcontractors and of the persons employed by the subcontractor, as CONTRACTOR is for the acts and omissions of persons directly employed by the CONTRACTOR. Nothing contained in this Agreement shall create any contractual relationship between any subcontractor of CONTRACTOR and the AGENCY. CONTRACTOR shall bind every subcontractor and every subcontractor of a subcontractor to the terms of this Agreement that are applicable to CONTRACTOR's Services unless specifically noted to the contrary in the subcontract in question and approved in writing by the AGENCY.

Section 6.03 : INSURANCE

CONTRACTOR shall secure and maintain in full force and effect, until the satisfactory completion and acceptance of the Project by AGENCY, such insurance as will protect it and the AGENCY in such a manner and in such amounts as set forth below. The premiums for said insurance coverage shall be paid by the CONTRACTOR. The failure to comply with these insurance requirements may constitute a material breach of this Agreement, at the sole discretion of the AGENCY.

- (a) **CERTIFICATES OF INSURANCE** Certificates of Insurance: Prior to commencing services under this Agreement, and in any event no later than ten (10) calendar days after execution of this Agreement, CONTRACTOR shall furnish AGENCY with Certificates of Insurance and endorsements verifying the insurance coverage required by this Agreement is in full force and effect. The AGENCY reserves the right to require complete and accurate copies of all insurance policies required under this Agreement.
- (b) **REQUIRED PROVISIONS** The insurance policies required by this Agreement shall include the following provisions or have them incorporated by endorsement(s):
 - (i) **PRIMARY COVERAGE** The insurance policies provided by CONTRACTOR shall be primary insurance and any self-insured retention and/or insurance carried by or available to the AGENCY or its employees shall be excess and non-contributory coverage so that any self-insured retention and/or insurance carried by or available to the AGENCY shall not contribute to any loss or expense under CONTRACTOR's insurance.
 - (ii) **ADDITIONAL INSURED** The policies of insurance provided by CONTRACTOR, except Workers' Compensation and Professional Liability, shall include as additional insured: the AGENCY, its directors, officers, employees, and agents when acting in their capacity as such in conjunction with the performance of this Agreement. Such policies shall contain a "severability of interests" provision, also known as "cross liability" or "separation of insured".
 - (iii) **CANCELLATION** Each certificate of insurance and insurance policy shall provide that the policy may not be non-renewed, canceled (for reasons other than non-payment of premium) or materially changed without first giving thirty (30) days advance written notice to the AGENCY, or ten (10) days advance written notice in the event of cancellation due to non-payment of premium.
 - (iv) **WAIVER OF SUBROGATION:** The insurance policies provided by CONTRACTOR shall contain a waiver of subrogation against AGENCY, its directors, officers, employees, and agents for any claims arising out of the services performed under this Agreement by CONTRACTOR.

(v) **CLAIM REPORTING:** CONTRACTOR shall not fail to comply with the claim reporting provisions or cause any breach of a policy condition or warranty of the insurance policies required by this Agreement that would affect the coverage afforded under the policies to the AGENCY.

(vi) **DEDUCTIBLE/RETENTION:** If the insurance policies provided by CONTRACTOR contain deductibles or self-insured retentions, any such deductible or self-insured retention shall not be applicable with respect to the coverage provided to AGENCY under such policies. CONTRACTOR shall be solely responsible for any such deductible or self-insured retention and the AGENCY, in its sole discretion, may require CONTRACTOR to secure the payment of any such deductible or self-insured retention by a surety bond or an irrevocable and unconditional letter of credit.

(vii) **SUBCONTRACTORS:** CONTRACTOR shall include all sub-contractors as additional insureds under the insurance policies required by this Agreement to the same extent as the AGENCY or shall furnish separate certificates of insurance and policy endorsements for each sub-contractor verifying that the insurance for each subcontractor complies with the same insurance requirements applicable to CONTRACTOR under this Agreement.

(c) **INSURANCE COMPANY REQUIREMENTS:** CONTRACTOR shall provide insurance coverage through insurers that have at least an "A" Financial Strength Rating and a "VII" Financial Size Category in accordance with the current ratings by the A. M. Best Company, Inc. as published in Best's Key Rating Guide or on said company's web site. In addition, any and all insurers must be admitted and authorized to conduct business in the State of California and be a participant in the California Insurance Guaranty Association, as evidenced by a listing in the appropriate publication of the California Department of Insurance.

(d) **POLICY REQUIREMENTS:** The insurance required under this Agreement shall meet or exceed the minimum requirements as set forth in **Exhibit B**.

Section 6.04 : CHANGES IN SCOPE OR TIME

If the AGENCY requests a change in the Scope of Work or time of completion by either adding to or deleting from the original scope or time of completion, an equitable adjustment shall be made, and this Agreement shall be modified in writing accordingly. CONTRACTOR must assert any claim for adjustment under this clause in writing within thirty (30) calendar days from the date of receipt from AGENCY of the notification of change unless the AGENCY grants a further period before the date of final payment under this Agreement.

Section 6.05 : NOTICES

TO AGENCY

San Geronio Pass Water Agency
1210 Beaumont Ave.
Beaumont, CA 92223
Attn: mhoward@sgpwa.com
CC: mhoward@sgpwa.com

To CONTRACTOR

California Rural Water Association (CRWA)
1234 North Market Boulevard
Sacramento, CA 95834
Attn: DHardwick@calruralwater.org
CC: LCarmona@calruralwater.org

Section 6.06 : CONTRACTOR’S ASSIGNED PERSONNEL

CONTRACTOR designates **Dustin Hardwick** to have immediate responsibility for the performance of the work for the Project and for all matters relating to performance under this Agreement. Substitution of any assigned personnel shall require the prior written approval of the AGENCY. If the AGENCY determines that a proposed substitution is not acceptable, then, at the request of the AGENCY, CONTRACTOR shall substitute with a person acceptable to the AGENCY.

Section 6.07 : CONFIDENTIALITY

(a) PRIVILEGED INFORMATION The CONTRACTOR shall not use for personal gain or make other improper use of privileged or confidential information which is acquired in connection with this Agreement. The term "privileged or confidential information" includes but is not limited to: unpublished or sensitive technological or scientific information; medical, personnel, or security records; anticipated material requirements or pricing/purchasing actions; AGENCY information or data which is not subject to public disclosure; AGENCY operational procedures; and knowledge of selection of contractors, subcontractors or suppliers in advance of official announcement.

(b) NON-DISCLOSURE The CONTRACTOR shall protect from unauthorized disclosure any and all sensitive or confidential information, names, and other identifying information, except for general statistical information not identifying any person. The CONTRACTOR shall not use such information for any purpose other than carrying out CONTRACTOR's obligations under this Agreement. The CONTRACTOR shall promptly transmit to the AGENCY all third-party requests for disclosure of such information. The CONTRACTOR shall not disclose, except as otherwise specifically permitted by this Agreement or authorized in advance in writing by the AGENCY, any such information to anyone other than the AGENCY. For purposes of this paragraph, identity shall include, but not be limited to, name, identifying number, symbol, or other identifying assigned to the individual, such as finger or voice print or a photograph.

Section 6.08 : TERMINATION

- (a) If the engagement of the CONTRACTOR is not extended by mutual written consent of the AGENCY and the CONTRACTOR, then this Agreement shall expire on the date set forth in Section 5.01.
- (b) Notwithstanding the above, the AGENCY may terminate this Agreement or abandon any portion of the Project by giving ten (10) days written notice thereof to CONTRACTOR. CONTRACTOR may terminate its obligation to provide further Services under this Agreement upon thirty (30) calendar days written notice only in the event of substantial failure by the AGENCY to perform in accordance with the terms of this Agreement through no fault of the CONTRACTOR.
- (c) In the event of termination of this Agreement or abandonment of any portion of the Project, the AGENCY shall be immediately given title to all original drawings and other documents developed for the Project (provided if the termination results from AGENCY's breach of its payment obligations to CONTRACTOR, CONTRACTOR may withhold transferring such title until such time as all undisputed amounts owed to CONTRACTOR are paid to CONTRACTOR), and the sole right and remedy of CONTRACTOR shall be to receive payment for all amounts due and not previously paid to CONTRACTOR for Services completed or in progress in accordance with the Agreement prior to such date of termination. If termination occurs prior to completion of any task for which payment has not been made, the fee for Services performed during such task shall be based on an amount mutually agreed to by the AGENCY and CONTRACTOR in relation to the Services CONTRACTOR has completed. Such payments available to the CONTRACTOR under this paragraph shall not include costs related to lost profit associated with the expected completion of the Services or other such payments relating to the benefit of this Agreement.

Section 6.09 : ATTORNEY'S FEES

In the event that either the AGENCY or CONTRACTOR brings an action or proceeding for damages for an alleged breach of any provision of this Agreement, to interpret this Agreement or determine the rights of and duties of either Party in relation thereto, the prevailing Party shall be entitled to recover as part of such action or proceeding all litigation, arbitration, mediation and collection expenses, including witness fees, court costs, and reasonable attorneys' fees. Such fees shall be determined by the Court in such litigation or in a separate action brought for that purpose. Mediation will be attempted if both Parties mutually agree before, during, or after any such action or proceeding has begun.

Section 6.10 : INDEMNITY

- (a) CONTRACTOR shall defend, indemnify and hold AGENCY, including its directors, officers, employees and agents, harmless from and against any and all claims, demands, causes of action, suits, debts, obligations, liabilities, losses, damages, costs, expenses, attorney's fees, awards, fines, settlements, judgments or losses of whatever nature, character, and description, with respect to or arising out of the Services to be performed under this Agreement, including without limitation, any and all such claims, demands, causes of action,

suits, debts, obligations, liabilities, losses, damages, costs, expenses, attorney's fees, awards, fines, settlements, judgments or losses of whatever nature, character, and description, arising by reason of death or bodily injury to one or more persons, including the employees of CONTRACTOR; injury to property of any kind, including loss of use; or economic damages of any kind, caused by, or arising out of, any alleged or actual negligent or willful act or omission, regardless of whether such act or omission is active or passive, by CONTRACTOR, any of CONTRACTOR's sub-contractors or AGENCY, including their respective directors, officers, employees, agents and assigns, excepting only such matters to the extent arising from the negligence or willful misconduct of the AGENCY.

- (b)** CONTRACTOR shall defend, indemnify and hold AGENCY, including its directors, officers, employees and agents, harmless from and against any and all claims, demands, causes of action, suits, debts, obligations, liabilities, losses, damages, costs, expenses, attorney's fees, awards, fines, settlements, judgments or losses of whatever nature, character, and description, with respect to or arising out of any infringement or alleged infringement of any patent, copyright or trademark and arising out of the use of any equipment or materials furnished under this Agreement by the CONTRACTOR or CONTRACTOR'S sub-contractors, including their respective directors, officers, employees, agents and assigns, or out of the processes or actions employed by, or on behalf of, the CONTRACTOR or CONTRACTOR's sub-contractors, including their respective directors, officers, employees, agents and assigns, in connection with the performance of Services under this Agreement. CONTRACTOR shall have the right, in order to avoid such claims or actions, to substitute at its expense non-infringing equipment, materials or processes, or to modify at its expense such infringing equipment, materials, and processes so they become non-infringing, provided that such substituted and modified equipment, materials, and processes shall meet all the requirements and be subject to all the provisions of this Agreement.
- (c)** CONTRACTOR shall defend, indemnify and hold AGENCY, including its directors, officers, employees and agents, harmless from and against any and all claims, demands, causes of action, suits, debts, obligations, liabilities, losses, damages, costs, expenses, attorney's fees, awards, fines, settlements, judgments or losses of whatever nature, character, and description, with respect to or arising out of any breach by CONTRACTOR or CONTRACTOR's subcontractors, including their respective directors, officers, employees, agents and assigns, of the aforesaid obligations and covenants, and any other provision or covenant of this Agreement.
- (d)** It is the intent of the Parties to this Agreement that the defense, indemnity and hold harmless obligation of CONTRACTOR under this Agreement shall be as broad and inclusive as may be allowed under California Civil Code Sections 2778 through 2784.5, or other similar state or federal law.

- (e) AGENCY shall defend, indemnify and hold CONTRACTOR, including its directors, officers, employees and agents, harmless from and against any and all claims, demands, causes of action, suits, debts, obligations, liabilities, losses, damages, costs, expenses, attorney's fees, awards, fines, settlements, judgments or losses of whatever nature, character, and description, caused by, or arising out of, any material breach by AGENCY of any obligation under this Agreement or any alleged or actual negligent or willful act or omission, regardless of whether such act or omission is active or passive, by AGENCY, including its directors, officers, employees, agents and assigns, excepting only such matters to the extent arising from the negligence or willful misconduct of CONTRACTOR.

Section 6.11 : SAFETY

CONTRACTOR shall perform the Services in full compliance with applicable State and Federal safety requirements including, but not limited to, Occupational Safety and Health Administration requirements.

- (a) CONTRACTOR shall take all precautions necessary for the safety of, and prevention of damage to, property on or adjacent to the Project site, and for the safety of, and prevention of injury to, persons, including AGENCY's employees, CONTRACTOR's employees, and third persons. All work shall be performed entirely at CONTRACTOR's risk. CONTRACTOR shall comply with the insurance requirements set forth in Section 6.3 of this Agreement.
- (b) CONTRACTOR shall also furnish the AGENCY with a copy of any injury prevention program established for the CONTRACTOR's employees pursuant to Labor Code Section 6401.7, including any necessary documentation regarding implementation of the program. CONTRACTOR hereby certifies that its employees have been trained in the program, and procedures are in place to train employees whenever new substances, processes, procedures, or equipment are introduced. CONTRACTOR shall demonstrate compliance with Labor Code Section 6401.7 by maintaining a copy of its Injury and Illness Prevention Plan at the Project site and making it available to the AGENCY.

Section 6.12 : EXAMINATION OF RECORDS

All original drawings, specifications, reports, calculations, and other documents or electronic data developed by CONTRACTOR for the Project shall be furnished to and become the property of the AGENCY. CONTRACTOR agrees that the AGENCY will have access to and the right to examine any directly pertinent books, documents, papers, and records of all of the transactions relating to this Agreement.

Section 6.13 : OWNERSHIP OF SOFTWARE

- (a) Subject to payment of all compensation due under this Agreement and all other terms and conditions herein, CONTRACTOR hereby grants AGENCY a non-exclusive, transferable, royalty-free license to use the Software furnished to AGENCY by CONTRACTOR under this Agreement. The license granted herein shall authorize AGENCY to:

- (i) Install the Software on computer systems owned, leased or otherwise controlled by AGENCY;
- (ii) Utilize the Software for its internal data-processing purposes; and
- (iii) Copy the Software and distribute as desired to exercise the rights granted herein.

(b) CONTRACTOR retains its entire right, title and interest in the Software developed under this Agreement. AGENCY acknowledges that CONTRACTOR owns or holds a license to use and sublicense various pre-existing development tools, routines, subroutines and other programs, data and materials that CONTRACTOR may include in the Software developed under this Agreement. This material shall be referred to hereafter as "Background Technology."

(c) AGENCY agrees that CONTRACTOR shall retain any and all rights CONTRACTOR may have in the Background Technology. CONTRACTOR grants AGENCY an unrestricted, nonexclusive, perpetual, fully paid-up worldwide license to use the Background Technology in the Software developed and delivered to AGENCY under this Agreement, and all updates and revisions thereto. However, AGENCY shall make no other commercial use of the Background Technology without CONTRACTOR's written consent.

Section 6.14 : INTEGRATION AND AMENDMENT

This Agreement contains the entire understanding between the AGENCY and CONTRACTOR as to those matters contained herein. No other representations, covenants, undertakings or other prior or contemporaneous agreements, oral or written, respecting those matters, which are not specifically incorporated herein, may be deemed in any way to exist or to bind any of the Parties hereto. Each Party acknowledges that it has not executed this Agreement in reliance on any promise, representation or warranty not set forth herein. This Agreement may not be amended except by a writing signed by all Parties hereto.

Section 6.15 : ASSIGNMENT

Neither Party shall sign or transfer its interest in this Agreement without written consent of the other Party. All terms, conditions, and provisions of this Agreement shall inure to and shall bind each of the Parties hereto, and each of their respective heirs, executors, administrators, successors, and assigns.

Section 6.16 : GOVERNING LAW

This Agreement shall be construed as if it was jointly prepared by both Parties hereto, and any uncertainty or ambiguity contained herein shall not be interpreted against the Party drafting same. This Agreement shall be enforced and governed by the laws of the State of California. If any action is brought to interpret or enforce any term of this Agreement, the action shall be brought in a state court situated in the County of Riverside, State of California, or in a federal court within jurisdiction over the Project.

Section 6.17 : HEADINGS

Article and Section headings in this Agreement are for convenience only and are not intended to be used in interpreting or construing the terms, covenants, and conditions of this Agreement.

Section 6.18 : PARTIAL INVALIDITY

If any term, covenant, condition, or provision of this Agreement is found by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect, and shall in no way be affected, impaired, or invalidated thereby.

Section 6.19 : EFFECT OF AGENCY'S WAIVER

Any failure by the AGENCY to enforce any provision of this Agreement, or any waiver thereof by the AGENCY, shall not constitute a waiver of its right to enforce subsequent violations of the same or any other terms or conditions herein.

Section 6.20 : ELECTRONIC SIGNATURE

THE AGENCY and the CONTRACTOR agree that this Agreement and any other documents to be delivered in connection herewith may be electronically signed, and that any electronic signatures appearing on this Agreement, or such other documents are the same as handwritten signatures for the purposes of validity, enforceability, and admissibility.

Section 6.21 : AUTHORITY

The individuals executing this Agreement represent and warrant that they have the legal capacity and authority to sign this Agreement on behalf of and to so bind their respective legal entities.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first written above.

CONTRACTOR

By:

AGENCY

By:

**Dustin Hardwick,
Deputy Director
California Rural Water Association**

**Lance Eckhart, PG, CHG
General Manager/Chief Hydrogeologist
San Geronio Pass Water Agency**

Enclosures:

Exhibit A Scope of Work

Exhibit B Fee Schedule

Exhibit C Insurance Provisions

EXHIBIT A: SCOPE OF WORK

Services

This scope of work outlines the proposed tasks that California Rural Water Association (CRWA) will provide for San Geronio Pass Water Agency (SGPWA) to support and assist disadvantaged (DAC) and severely disadvantaged (SDAC) communities involved in water resources within the SGPWA region. This work within the Small Water Systems Assistance Program will ensure safe and reliable drinking water for the communities SGPWA serves. These services will also create a pathway towards grant writing and application support services to assist the program. SGPWA will provide some funding to support the program, but the majority of the work will come from grant funding.

Services to be rendered in Year 1 (FY24 – FY25) not-to-exceed \$154,922:

Task 1: Project Management

Task 1 of the Small Systems Project Support includes the general suite of services that has traditionally been offered through the Small Water Systems Support Program by CRWA. These services are to continue to be offered free to DACs and SDAC systems. This element will be ongoing through the program and includes but is not limited to the following:

Task Deliverables:

Task deliverables to be submitted on the 15th of each month of the 2024 - 2025 fiscal year.

- *CRWA will continue to organize and support the Small Water System Bi-Monthly Meetings working in collaboration with SGPWA on the agenda, and timing.*
- *CRWA's staff will be available for regular updates to SGPWA committees or Board as directed by SGPWA.*
- *Monthly Invoice Packet (for work performed in the previous monthly period)*
 - *Invoice, progress reports, and deliverables*
 - *Expense reports with any necessary documentation*

Task 2: Trainings & Workshops

Workshops and Trainings will be scheduled in coordination with SGPWA. These scheduled events will be held in Beaumont at the San Geronio Pass Water Agency offices or will be coordinated with SGPWA for a regional location of similar quality. For the trainings and workshops, CRWA will design the course content, provide an experienced trainer in the topics presented, provide training material, logistical support, conduct weekly advertising via emails, regular mail, phone, and faxes to the systems in the Beaumont Region of Riverside County, maintain an attendee list, take care of registration confirmations, reminders, roster, additional handouts, provide class certificates with contact hours completed and evaluation forms for each workshop. The workshop and training will focus on water-related topics and can be provided as SGPWA deems necessary. CRWA will conduct periodic outreach to all the Small Water Systems located in the San Geronio Pass Water Agency's region to promote participation in the program.

The CRWA technical specialist or Administrative Staff will attend all trainings and workshops and when possible, at various outreach events across the region.

Task Deliverables:

Committee Task Deliverables to be submitted not later than a week prior to the scheduled Bimonthly Small Water System Committee meeting to include:

- *Agenda and Relevant Attachments*

Workshop Task Deliverables to be submitted not later than a month following completion to include:

- *Workshop and Training Recommendations (no fewer than 2 every 6 months) based on evaluation of needs. Recommendations will be discussed at the SWS Assistance Program Bi-Monthly Meeting.*
- *In-person training (2 in 2025) including:*
 - *Instructor, Training Materials, and presentations*
 - *Rosters, Evaluations*
 - *Class Marketing Materials, Flyers*
 - *Updated SGPWA SWS & DAC contact lists*
 - *Certificates of completion for each signed in participant*
 - *Technical memo outlining the effectiveness and reach of each training effort.*

Task 3: Needs Assessment

SGPWA will collaborate with CRWA's Technical Specialists to identify two additional systems within the region that require assistance with one or more of the following tasks to help identify and document water-related concerns and issues. This may include compliance assistance, complete assessments of water systems, service lines, on-site leak detection, GIS mapping, Technical Managerial and Financial report assistance, community wells and general infrastructure concerns and an assessment of the impact new and upcoming regulations at the state, federal or department of health regulation may have on the systems. The scheduled needs assessment will be the first step in creating a pathway to grant funding for the region.

Task Deliverables:

Needs Assessment Task deliverables to be submitted not later than a month following completion to include:

- *Needs Assessments (2 systems):*
 - *Schedule & Preform Site Visit*
 - *Completed Needs Assessment (1 pdf copy delivered to SGPWA and to the service entity)*

In the event that no systems are identified for assistance, the funds allocated for this task may be reallocated to other tasks as necessary.

Task 4: Compliance Assessments

CRWA's Compliance Assessments will provide a structured pathway to the Banning Heights Mutual Water Company, Cabazon Water District, Cherry Valley Water Company, & High Valleys Water District to achieve compliance, including identifying opportunities for grant funding to support the implementation of necessary improvements and upgrades. This comprehensive support aims to enhance system operations, ensure regulatory compliance, and promote long-term sustainability for all SWS systems in the region.

Limited Descriptions of Compliance Assistance elements offered:

- Lead and Copper Rule
- Cross-Connection Control Plans
- Safety Plans
- Sanitary Survey Requirements
- Consumer Confidence Reports
- EAR Reporting

Task Deliverables:

Task Deliverables to be submitted not later than a month following completion to include:

- *Compliance Assessment:*
 - *Schedule & Perform Site Visit*
 - *Completed Compliance Assessment (1 pdf copy delivered to SGPWA and to the service entity)*

Task 5: Grant Application Support

CRWA understands that throughout the course of the agreement SGPWA will provide some funding to support the program, but that it is desired that a majority of the work come from additional grant funding. CRWA is up to date with current and ever-changing regulations and grant opportunities and will extend our inside tract knowledge to assist SGPWA in identifying future grant opportunities to support the needs of the SWS's in the San Gorgonio region.

CRWA's team will offer technical assistance and support relevant to communities in submitting grant funding applications for planning and implementation purposes based on the highest needs outlined in Task 2 - Needs Assessment or a recently completed Needs Assessment done through the SGPWA Small Water System Assistance Program. The funding channels that will be leveraged include the Department of Water Resources, State Water Resources Control Board, and various funding opportunities made available through the California Funding Coordinating Committee. The Technical Specialist will act as the lead for submission of the application. Responsibilities will include coordinating with system staff to gather information for the general, financial, and environmental parts of the application package. Additional tasks include assistance with drafting forms, guiding systems through the process, and submitting the application through avenues such as the SWRCB through the FFAST portal. CRWA will ensure that all necessary requirements are prepared prior to submission i.e. Technical, Managerial, and Financial Reports and other required documentation.

CRWA will also provide post application support if the funding source project manager has questions or requires edits to the package prior to issuing a funding agreement. For each funding agreement, CRWA will assemble a team comprising of a Project Manager, Project Engineer, Technical Specialists, and admin staff with direct experience in similar project work. In addition, CRWA's team will schedule regular, monthly, or bimonthly meetings with system representatives and SGPWA to aid in collaboration with goals and expectations of the projects and deliverables. CRWA utilizes Microsoft Teams and Office software for communication and scheduling purposes.

Task Deliverables:

Grant Application Support will be provided on an ongoing basis through the application process.

- *Grant Application submitted to the selected funding source for the Cherry Valley Water Company and the High Valleys Water District.*
- *Continued Post Grant Application Support for the Cabazon Water District.*
- *Preliminary Grant Application Support for Banning Heights Mutual Water Company*

In the event a funding agreement is executed, the costs associated with production of Grant Application tasks (Technical Managerial Financial Reports, Preliminary Engineering Reports, Project Management, etc.) will likely be fully reimbursable through the funding agreement.

SCHEDULE:

The project estimated schedule is as follows:

Task No.	Project Activity	Duration	Due Date
	Kick off	6 Months	1-Jan-25
1	Project Management	6 Months	30-Jun-25
2	Training & Workshops	6 Months	30-Jun-25
3	Needs Assessment	6 Months	30-Jun-25
4	Compliance Assessments	6 Months	30-Jun-25
5	Grant Application Support	Ongoing	Ongoing
	Final Invoice & Deliverables	1 Month	31-Jul-25

RATE SCHEDULE:

Time and Materials Cost Proposal

CRWA will work on this project on a time and materials basis at our standard 2024 billable rates. All tasks identified under this proposed scope of work will not exceed **\$154,922** for work performed between the time the contract is approved and June 30, 2025. Any additional work identified in the on-call work portion of this effort may be subject to alternative costs as agreed to between CRWA and SGPWA.

CRWA Hourly Rates:

Classification	Labor Rate (\$) Jul 2024- Jun 25
Program Director	\$210.00
IRWMP Coordinator / Program Manager	\$136.50
Resource Development Coordinator / Administrative Staff	\$110.25
Supervising Senior Project Manager	\$210.00
Senior Project Manager	\$210.00
Senior Project Engineer	\$210.00
Project Engineer	\$168.00
Associate Engineer	\$141.75
Lead Technical Specialist	\$136.50
Water Efficiency Specialist	\$136.50
Lead Leak Detection Specialist / Ag Water Use Efficiency Specialist	\$105.00
Hydrogeologist	\$210.00
CAD Drafter (subcontractor)	\$115.50
Legal Support	\$210.00



BUDGET:

Time and materials, not to exceed **\$154,922** based on the following task budgets:

Task No.	Task Name	Budget
1	Project Management	\$25,830
2	Training & Workshops	\$9,900
3	Needs Assessments	\$11,087
4	Compliance Assessments	\$47,835
5	Grant Application Support	\$60,270
Total		\$154,922*

**CRWA may, with the approval from SGPWA, as the Project requires, shift budgets across line items, the budget is based on time and materials, not to exceed \$154,922, based on the following task budgets:*

EXHIBIT B : FEE SCHEDULE

SAN GORGONIO PASS WATER AGENCY SMALL WATER SYSTEM ASSISTANCE PROGRAM - FEE SCHEDULE 2025											
		RD Coordinator / Admin. Staff	Technical Specialist	Program Manager	Program Director	Workshops	Expenses				
	2024-2025 Billing Hourly Rates	\$110.25	\$136.50	\$136.50	\$210.00	\$4,200	\$750	Subconsultant	Expenses	Labor Sub Total	Task Sub Totals
Task 1	Project Management	120			60			\$ -	\$0	\$25,830	\$25,830
Task 2	Training & Workshops (2 Workshops)					2	2	\$ -	\$1,500	\$8,400	\$9,900
Task 3	Needs Assessment (2 Assessments)	6	40	10	10		2	\$ -	\$1,500	\$9,587	\$11,087
Task 4	Compliance Assessments (4 Assessments)	20	200	20	60		4	\$ -	\$3,000	\$44,835	\$47,835
Task 5	Grant Application Support (4 Systems)	60	240	30	80			\$ -	\$0	\$60,270	\$60,270
	Total Hours =	206	480	60	210	2	8	\$ -	\$4,500	\$148,922	\$154,922
										Subtotal =	\$154,922

Notes:

\$0

Task Order Budget: \$154,922

Classification	Labor Rate (\$) Jul 2024- Jun 25
Program Director	\$210.00
IRWMP Coordinator / Program Manager	\$136.50
Resource Development Coordinator / Administrative Staff	\$110.25
Supervising Senior Project Manager	\$210.00
Senior Project Manager	\$210.00
Senior Project Engineer	\$210.00
Project Engineer	\$168.00
Associate Engineer	\$141.75
Lead Technical Specialist	\$136.50
Water Efficiency Specialist	\$136.50
Lead Leak Detection Specialist / Ag Water Use Efficiency Specialist	\$105.00
Hydrogeologist	\$210.00
CAD Drafter (subcontractor)	\$115.50
Legal Support	\$210.00

EXHIBIT C: INSURANCE POLICY REQUIREMENTS

Policy Requirements: The insurance required under this Agreement shall meet or exceed the minimum requirements as set forth below:

- (1) Workers' Compensation:** CONTRACTOR shall maintain Workers' Compensation insurance as required by law in the State of California to cover CONTRACTOR's obligations as imposed by federal and state law having jurisdiction over CONTRACTOR's employees and Employers' Liability insurance, including disease coverage, of not less than \$1,000,000.
- (2) General Liability:** CONTRACTOR shall maintain Comprehensive General Liability insurance with a combined single limit of not less than \$1,000,000 per occurrence or claim and \$3,000,000 aggregate. The policy shall include, but not be limited to, coverage for bodily injury, property damage, personal injury, products, completed operations and blanket contractual to cover, but not be limited to, the liability assumed under the indemnification provisions of this Agreement. In the event the Comprehensive General Liability insurance policy is written on a "claims made" basis, coverage shall extend for two years after the satisfactory completion and acceptance of the Project by AGENCY.
- (3) Automobile Liability:** CONTRACTOR shall maintain Commercial Automobile Liability insurance with a combined single limit for bodily injury and property damage of not less than \$1,000,000 each occurrence for any owned, hired, or non-owned vehicles.
- (4) Professional Liability:** CONTRACTOR shall maintain Professional Liability insurance covering errors and omissions arising out of the services performed by the CONTRACTOR or any person employed by him, with a limit of not less than \$1,000,000 per occurrence or claim and \$1,000,000 aggregate. In the event the insurance policy is written on a "Claims made" basis, coverage shall extend for two years after the satisfactory completion and acceptance of the Project by AGENCY.
- (5) Property Coverage - Valuable Papers:** Property coverage on an all-risk, replacement cost form with Valuable Papers insurance sufficient to assure the restoration of any documents, memoranda, reports, plans or other similar data, whether in hard copy or electronic form, relating to the services provided by CONTRACTOR under this Agreement.



California Rural Water Association (CRWA) Small Water Systems Program Contract

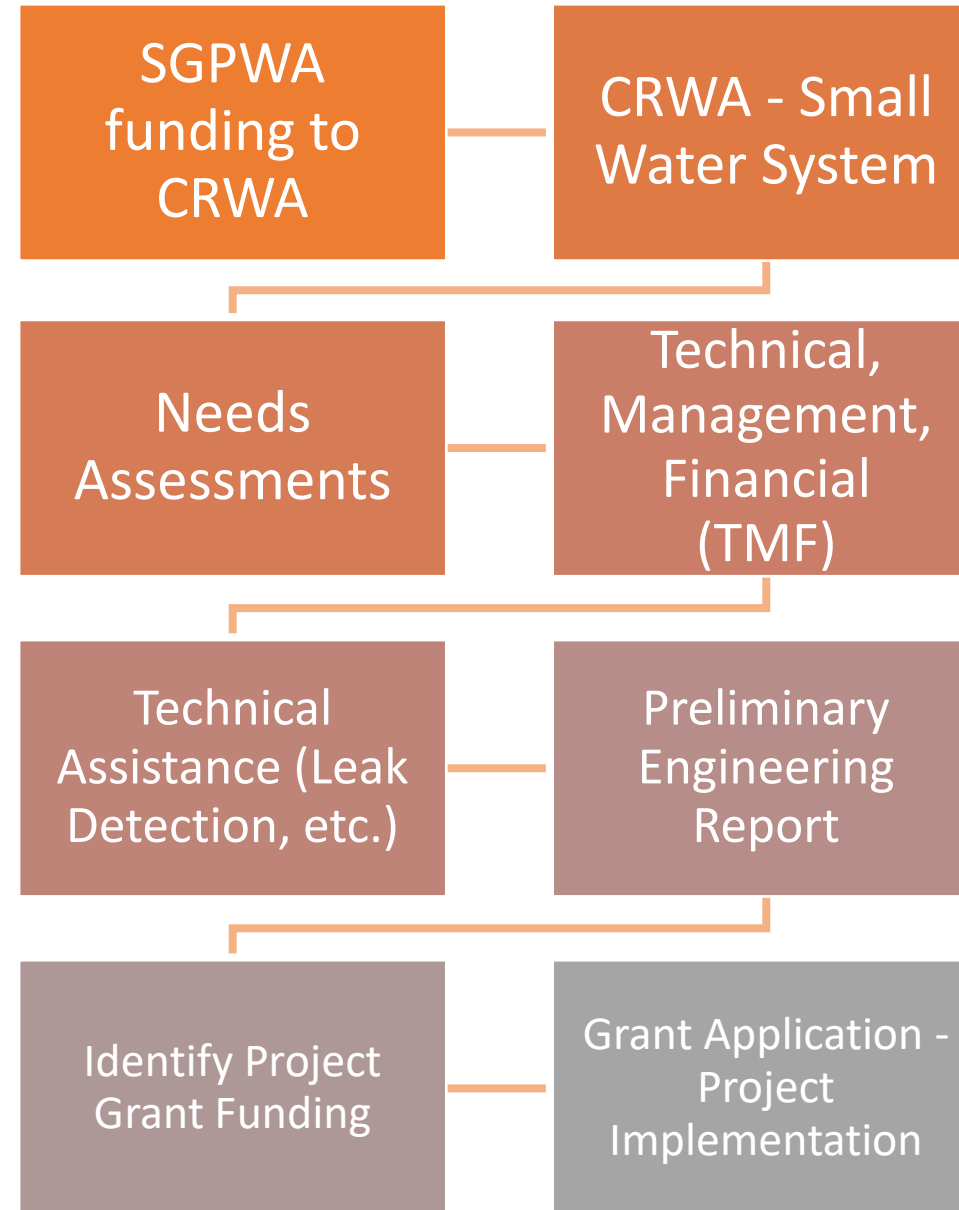
Board of Directors Meeting

December 2, 2024



Small Systems Program Overview

- Partnership between California Rural Water Association and Pass Agency
- Capacity Building for Disadvantaged Small Water System providers:
 - Banning Heights Mutual Water Company
 - Cabazon Water District
 - Cherry Valley Water Company
 - High Valleys Water District



Small Systems Program Work Completed

- Cabazon Water District
 - Needs Assessment
 - Preliminary Engineering Report
 - Technical, Managerial, and Financial Report
 - SWRCB Grant Submission
- Banning Heights Mutual Water Company
 - Source Capacity Assessment Study



Small Systems Program Work Completed

- High Valleys Water District
 - Needs Assessment
 - Successful Prop. 218 Rate Study
 - Preliminary Engineering Report
- Cherry Valley Water Company
 - Needs Assessment
 - GIS Mapping
 - Leak Detection Surveys Performed
 - Technical, Managerial, and Financial Report
 - Preliminary Engineering Report



2024-2025 CRWA Small Systems Program Overview

- Distribution and Treatment Workshops
 - Focused distribution and treatment classes for local retail water agency employees to gain CEUs for State Board Certificates. Two workshops are included in the scope.
- Needs Assessments
 - First step toward applying for grants. Two small water systems require Needs Assessments.
- Compliance Assessments
 - Assessments will focus on the system's overall compliance with a focus on key areas such as annual CCR, lead and copper rule, cross-section control plans, and sanitary survey requirements
- Grant Application Support
 - Draft grant application and submission for Cherry Valley Water Company and High Valleys Water District
 - Continue post-grant application support to Cabazon Water District
 - Preliminary grant application support for Banning Heights Mutual Water Company



Recommendation

Authorize the General Manager to execute a contract with the California Rural Water Association (CRWA) to provide technical, managerial, and financial assistance to small water systems in our service area for a total amount not to exceed \$155,000.



Questions



San Geronio Pass Water Agency

DATE: December 2, 2024
TO: Board of Directors
FROM: Lance Eckhart, General Manager
BY: Tom Todd, Jr., Chief Financial Officer
SUBJECT: APPROVING AN EXTENSION OF GAP FUNDING AGREEMENT WITH CABAZON WATER DISTRICT

RECOMMENDATION

The Board of Directors approve Amendment #2 of Agreement Providing Gap Funding to Cabazon Water District.

PREVIOUS CONSIDERATION

- Board of Directors – April 11, 2022: The Board approved the Gap Funding agreement with Cabazon Water District to provide funds to utilize Proposition 68 and Proposition 1 grants.

BACKGROUND

In 2022, the Board of Directors considered what action the Agency could take to assist local water districts who wanted to take advantage of grants that would improve infrastructure. The challenge discussed related to the length of time between payments made to contractors and reimbursements returned by the granting agency. This was determined to be a big enough challenge that it would prevent local districts from accepting the grants.

Staff proposed and the Board approved the Gap Funding Program, which would assist local districts by providing funding to bridge the time interval between the payments being made for construction and reimbursements being received by the granting agencies.

The first project and first agreement was with the Cabazon Water District (CWD), to take advantage of infrastructure improvements proposed with grants from the Department of Water Resources and the State Water Resources Control Board.

Since then, the Agency has provided funds to CWD and CWD has paid back the advances, with only a small amount remaining to be reimbursed from monies held for retention. In addition, the Board has approved agreements with South Mesa Water Company and High Valleys Water District for gap funding for other projects.

ANALYSIS

The funding agreement with CWD expected the project to last approximately two years. Therefore, the term of the contract was set to end on June 30, 2024. As expected, most of the original improvements have been completed. However, there are two items that require attention: the retention is still outstanding, and the Agency has recently received a request for an additional advance to provide for additional construction.

Retention: this will be reimbursed, but the agencies involved have no control over the acceptance of the final report, which will release the funds.

Additional construction: CWD has the opportunity to install additional improvements to the Esperanza Street Waterline. The expected cost is about \$300,000, and the reimbursement process is expected to take about six months. The request will allow CWD to maintain their regular operations.

STRATEGIC PLAN NEXUS

In the Finance and Administration section, Objective #4 states: Pursue and participate in infrastructure investments, water sales, transfers, and agreement opportunities to optimize Agency financial resources.

In the Regional Leadership, Industry Relationships & Collaboration section, Objective #3 states: Coordinate with other agencies and organizations on grants and multi-partner project opportunities.

FISCAL IMPACT

The extension will have a small cash-flow impact for the next few months, but no long-term effect, due to the nature of the Gap Funding Program.

ACTION

The Board of Directors approve Amendment #2 of Agreement Providing Gap Funding to Cabazon Water District.

ATTACHMENTS

Second Amendment to Agreement for Providing Gap Funding to Cabazon Related to Approved Proposition 68 and Proposition 1 Grants

SECOND AMENDMENT
TO
AGREEMENT FOR PROVIDING GAP FUNDING TO CABAZON
RELATED TO APPROVED PROPOSITION 68 AND PROPOSITION 1 GRANTS

This SECOND AMENDMENT TO AGREEMENT FOR PROVIDING GAP FUNDING TO CABAZON RELATED TO APPROVED PROPOSITION 68 AND PROPOSITION 1 GRANTS (“**Second Amendment**”) is made and entered into as of December 2, 2024, by and between the SAN GORGONIO PASS WATER AGENCY, a public agency formed under the San Gorgonio Pass Water Agency Law set forth in Act 1100 of the Water Code Uncodified Acts (“**SGPWA**”) and the CABAZON WATER DISTRICT, a public agency organized and operating under the County Water District Law, Water Code section 30000 *et seq.* (“**CABAZON**”).

RECITALS

A. CABAZON and SGPWA entered into that certain Agreement For Providing Gap Funding To Cabazon Related To Approved Proposition 68 and Proposition 1 Grants (“**Agreement**”) dated as of April 11, 2022. Pursuant to the Agreement, SGPWA agreed to provide Advanced Funds of up to \$800,000 to CABAZON to cover the costs of Projects. (The capitalized terms in this Second Amendment shall have the same meaning as said capitalized terms in the Agreement.);

B. CABAZON AND SGPWA entered into that certain First Amendment to the Agreement (“**First Amendment**”) dated as of December 12, 2022 in order to increase the potential amount of Advanced Funds from \$800,000 to \$1,300,000 to cover an increased need for gap funding resulting from one of the Projects progressing faster than anticipated;

C. The Term of the Agreement ends on the date that is the earlier to occur of: (i) the date that CABAZON repays the Advanced Funds; and (ii) June 20, 2024. Both Parties have been performing the Agreement throughout said Term and continue to comply with the rights and obligations of the Agreement as of the date of this Second Amendment. As of the date of this

Second Amendment, there are Advanced Funds that remain to be repaid by CABAZON. As a result, the Parties desire to amend the Agreement in order to extend the Term, including an acknowledgement and agreement that the Term has been, and will continue to be, in effect from and after June 20, 2024 and up to the expiration of the extended Term as amended herein.

NOW THEREFORE, in consideration of the foregoing Recitals and the promises and covenants contained herein, the Parties agree as follows:

1. **Incorporation Of Recitals.** The above Recitals are hereby incorporated into the Agreement and made a part thereof by this reference.

2. **Term of Agreement.** Section 4. Term of Agreement is hereby deleted and replaced, in its entirety, with the following:

4. Term of Agreement. Unless otherwise extended or earlier terminated, the term of this Agreement shall commence on the Effective Date and shall end on the date that is the earlier to occur of: (i) the date that CABAZON repays the Advanced Funds (defined below) to SGPWA in full as required under this Agreement; and (ii) June 30, 2026 (“**Term**”). This Agreement may be terminated by either Party upon a 90-days’ notice to the other Party, at which time all Advanced Funds received by CABAZON and not yet repaid to SGPWA shall become due and payable to SGPWA in accordance with Section 8 below.

3. **Balance Of Agreement Shall Remain In Full Force And Effect.** Except as otherwise specifically set forth herein, all other provisions of the Agreement remain in full force and effect.

IN WITNESS WHEREOF, the Parties have executed this agreement as of the date first written above.

[signatures are on the following page]

CABAZON:

SGPWA:

CABAZON WATER DISTRICT

SAN GORGONIO PASS WATER
AGENCY

By: _____

By: _____

Name: _____

Name: Lance E. Eckhart

Title: _____

Title: General Manager

DRAFT



UPDATE: SGPWA Policies Review



Board of Directors
December 2, 2024

Policies

“rule or principle that guides decisions”

Personnel Policy Manual Approved	Capitalization Policy – inform Reviewed	Credit Card Policy – inform Reviewed	Investment Policy – inform Reviewed	Invocation Policy – inform Reviewed
Medical Reimbursement – inform/review	Procurement Policy - update Approved	Records Retention – inform/review	Reserves Policy – inform/review	Social Media Policy – inform/review
Director’s Travel Policy – review	Director’s Technology Policy – in Process	Staff Travel Policy - review	Computer Security Policy - inform	Vandalism Policy - new
Vehicle Use Policy Approved	Workplace Violence Prevention Policy Approved	Election of Board Members Policy – review	Inspection of Public Records - review	Electronic Signature Policy - review

Purple Boxes - Operations Policies

Green Boxes - Financial Policies

Black Boxes - Board Policies

San Geronio Pass Water Agency

DATE: December 2, 2024
TO: Board of Directors
FROM: Lance Eckhart, General Manager
BY: Tom Todd, Jr., Chief Financial Officer
SUBJECT: REVIEW OF DIRECTOR’S TECHNOLOGY POLICY

RECOMMENDATION

The Board of Directors review the Director’s Use Policy for Agency-Owned Electronic Devices and make suggestions for an update if necessary.

PREVIOUS CONSIDERATION

- Board of Directors – October 11, 2021: After discussion, the Board approved the policy.

BACKGROUND

Previous to adopting this policy, Board members used their own devices, if at all. As technology has become more necessary for daily activities, it makes sense to provide the Board with the necessary tools to be able to properly discharge its responsibilities.

In addition to providing Board members with devices, additional support services were also provided. This additional service made the use of the devices a feasible reality.

ANALYSIS

The policy provides for devices, reimbursement for a cellular plan, rules regarding apps and data, rules regarding security, support services, and a stipulation that the device must be returned when the Board member’s term and service to the Agency has ended.

At the current time, it appears that enacting the policy has had a positive effect, allowing Board members to more easily communicate and navigate the intricacies of today’s fast-paced world. This review is an opportunity to update the existing policy if necessary.

STRATEGIC PLAN NEXUS

In the Finance & Administration section, Objective #8: Assess and update policies and ordinances to align with the Agency’s mission, vision, and values.

FISCAL IMPACT

The addition of a new Board member will likely necessitate the investment in a new device. An expenditure of \$2,000 could reasonably be expected, although the exact amount would be determined by the device selected.

Any amount would come from the General Fund (the Green Bucket), the Administrative and Professional Services section, the line item labeled 'Computer, Website and Phone Support.' The FY 2024-25 budget is \$54,000; as of October 31, 2024, about \$15,000 has been expended.

ACTION

The Board of Directors review the Director's Use Policy for Agency-Owned Electronic Devices and make suggestions for an update if necessary.

ATTACHMENTS

Board of Directors Technology Use Policy for Agency-Owned Electronic Devices

SAN GORGONIO PASS WATER AGENCY
BOARD OF DIRECTORS
TECHNOLOGY USE POLICY
FOR
AGENCY-OWNED ELECTRONIC DEVICES

Adopted October 11, 2021

1. Application of Policy: This Policy applies to members of the Board of Directors of the San Gorgonio Pass Water Agency. The issuance of Agency-owned computing devices (“Devices”) is beneficial to the Agency as it will assist Directors in the efficient performance of duties on behalf of the Agency.
2. Devices: Each Director will be issued one Device during their term. The Agency will coordinate the issuance of the Device with each Director. Any loss or damage of the Device will be the responsibility of the Director. Directors shall only use Agency-owned Devices for Agency business and not for any other purpose.
3. Cellular Plan: Cost for a limited cellular data plan will be provided to allow Directors to access Agency information wirelessly. Use of the data plan is subject to the same restrictions as the use of the Agency-owned Device itself.
4. Apps And Data: All Agency-provided apps, data, and services (such as email and calendars) will remain the property of the Agency and may be accessed, altered, or removed by the Agency at any time. All information on any Agency-owned Device used for Agency business may (with limited exceptions) be subject to the provisions of the Public Records Act.
 - (a) Directors should update the installed apps and the Device operating system as updates are released. Agency-owned Devices may be backed up, remotely wiped, restored from a backup, or restored to factory settings as necessary to maintain the technical viability of the Device and/or the Agency’s network. The Agency does not accept responsibility for the loss of files or software lost due to a wipe and backup. The Agency may add, upgrade or remove software/information on the Device as necessary to maintain the technical viability of the Device and/or the Agency’s network. In addition, the Agency will retain access to and ownership of backups of the Device’s content. All IDs and service accounts used to manage the Device will be maintained by the Agency.
5. Security: If a Director believes the security of his or her Device has been compromised, he or she shall immediately notify Agency staff or any third party that may be retained by the Agency to provide such support (collectively, “Support”).

- (a) Devices must be password protected and used only by the authorized Director. Directors may not allow a browser to save passwords.
- (b) Directors should use caution before downloading any programs or applications or opening an email from unknown addresses.
- (c) Directors must lock or turn off the Device when it is unattended.
- (d) Directors recognize their responsibility to protect Agency Devices and computer resources to the best of their ability.

6. Support: Any questions or assistance a Director may need will be provided by Support. Support may also be requested by Agency staff for any of the actions under this Policy.

7. Return of Device: Devices shall be returned to the Agency when the individual Director's term and service on the Agency Board has ended. Upon return of the Device to the Agency and following the preparation of any appropriate backup files, the Device will be wiped clean of any and all information at the end of a Director's term and service.

Adopted by the Board of Directors on October 11, 2021 by a vote of 7 – 0.