

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
February 24, 2025 at 6:00 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: 926 3191 5535

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: 926 3191 5535

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

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

1. Call to Order, Invocation and Pledge of Allegiance

2. Roll Call

3. Adjustment and Adoption of Agenda

4. Public Comment: Members of the public may address the Board at this time concerning items relating to any matter within the Agency's jurisdiction. There will be an opportunity to comment on specific agenda items, as the items are addressed. Speakers are requested to keep their comments to no more than five 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
Sarah Wargo
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 February 3, 2025, Regular Meeting of the San Geronio Pass Water Agency Board of Directors, ([pg. 4](#))
- B. Approval of the Finance and Budget Committee Meeting Report, for January 2025, ([pg. 10](#))

6. Reports – Staff

- A. General Manager's Report
 - 1. Policy Statement for the Delta Conveyance Change in the Point of Diversion Petition, ([pg. 32](#))
 - 2. Notification of Emergency Actions in response to the Overflow Incident at the Citrus Reservoir, ([pg. 37](#))
- B. General Counsel's Report

7. Informational Presentations and Updates:

- A. Water Conditions Report, ([pg. 54](#))
- B. Mid-Year Budget Review FY 2024-25, ([pg. 63](#))
- C. State Water Project Fundamentals – Table A and Allocation, ([pg. 71](#))

8. New Business – Discussion and Possible Action

- A. Authorize the General Manager to Execute a Water Transfer Agreement with the City of Yuba City for the Acquisition of 3,000 Acre-Feet of Carryover Water at \$225 per Acre-Foot, and to Complete All Required Documentation with the Department of Water Resources, ([pg. 79](#))

9. Reports – Directors and Committees

10. Board Requests for Future Agenda Items

11. Announcements

- A. Urban Water Institute Spring Conference, February 26-28, 2025
- B. Regular Board Meeting, March 3, 2025 at 1:30 p.m.
- C. Regular Board Meeting, March 17, 2025 at 6:00 p.m.
- D. Finance & Budget Committee Meeting March 27, 2025 at 10:00 a.m.

12. Adjournment

Pending Agenda Items:

<i>Request</i>	<i>Requester</i>	<i>Date of Request</i>	<i>Status</i>
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SGPWA
Regular Board Meeting
February 24, 2025

Potential Well Site w/BCVWD	Valdivia	2/26/2024	Working with BCVWD
Bond Payoff w/DWR	Ball	5/20/2024	
Beautification Project	Walton	10/07/2024	
Legislative Update	Ball	1/27/2025	

(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
February 3, 2025

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

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

The San Gorgonio Pass Water Agency Board of Directors meeting was called to order by Board President Mickey Valdivia at 1:30 p.m., on Monday, February 3, 2025, at the office of the Agency. President Valdivia gave the invocation, and Director Wargo 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 – arrived at 1:34 p.m.
Sarah Wargo, Director
Larry Smith, Director

Staff Present:

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

Consultant Present:

Jeff Ferre, Legal Counsel

A quorum was present.

3. Adoption and Adjustment of Agenda

The agenda was adopted as published.

4. Public Comment

Mandy Parkes, Inland Empire Resources Conservation District Manager addressed and thanked the Board for its decade-long partnership in water conservation efforts. She highlighted 2024 achievements, including outreach to over 2,400 individuals through classroom programs, community events, and workshops promoting water stewardship. Looking ahead to 2025, she emphasized plans to enhance branding, refine workshops, and expand

partnerships, such as with the Beaumont-Cherry Valley Recreation and Park District, to increase public awareness of San Gorgonio's mission and impact.

Joyce McIntire, Yucaipa Valley Water District Board member reaffirmed her role as a liaison between the San Gorgonio Pass Water Agency and the San Bernardino Valley Municipal Water District. She emphasized her commitment to developing conceptual policies, regional objectives, and strengthening interagency relationships. Acknowledging the significance of County Line Road in Calimesa, she anticipates ongoing discussions and welcomes open communication to address any questions or concerns. She expressed her appreciation for the opportunity to serve as a liaison and looks forward to collaboration.

5. Consent Calendar

- A. Approve Minutes of the January 27, 2025, Regular Meeting of the San Gorgonio Pass Water Agency Board of Directors.

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

Approved by the following vote:

Ayes: Smith, Walton, Wargo, 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:

1. Expressed gratitude to the Inland Empire Resources Conservation and their continued efforts in bringing water education and conservation to the classrooms and communities.
2. Provided an update on Northern California precipitation and Governor Newsom's executive order.

B. Legal Counsel's Report

Counsel, Jeff Ferre provided an update on the following:

1. Recent decision of the Delta Stewardship Council that DWR's proposed geotechnical activities for the Delta Conveyance Project are not covered actions requiring approval by the Delta Stewardship Council.
2. Schedule for construction of the Sites project.

7. Informational Presentations and Updates:

A. Public Outreach Initiative Update

Tara Bravo Mulally, CV Strategies' Chief Strategy Officer, provided an update on the agency's public outreach initiatives, outlining key communication goals, completed projects, and ongoing efforts. She highlighted recent website enhancements, the completion of informational videos, and the development of training materials for the Board and staff. Additionally, she emphasized the agency's growing impact through social media engagement,

press releases, and strategic council meetings, reinforcing its commitment to effective public communication and outreach.

8. New Business – Discussion and Possible Action:

A. Approve Agreement to Provide Gap Funding to the Banning Heights Mutual Water Company related to approved Small Community Drought Relief Program Grant Funds

Operations Manager Matt Howard introduced the agreement to provide gap funding to the Banning Heights Mutual Water Company. The initiative supports the construction of a new production well and a one-million-gallon storage reservoir to mitigate the effects of the 2020 Apple Fire. The agreement establishes a \$1.5 million line of credit to cover the project's remaining costs, with required monthly progress reports and invoices ensuring transparency and accountability.

Steve Romberg and Bill Thompson from Banning Heights Mutual Water Company expressed their appreciation for the gap funding program.

On a motion by Treasurer Ybarra, seconded by Director Wargo, the board approved the Agreement to Provide Gap Funding to the Banning Heights Mutual Water Company related to approved Small Community Drought Relief Program Grant Funds.

Approved by the following roll call vote:

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

Noes: None

Absent: None

Motion passed 7-0.

B. Consideration and Action to Appoint the Clerk of the Board to the Position of Deputy Board Secretary

General Manager Eckhart provided background on the action to appoint the Clerk of the Board Maricela Cabral to the position of Deputy Board Secretary.

Following board discussion, on a motion by Secretary Walton, seconded by Vice President Letulle, the board approved to appoint the Clerk of the Board Maricela Cabral to the position of Deputy Board Secretary.

Approved by the following roll call vote:

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

Noes: None

Absent: None

Motion passed 7-0.

C. Consideration and Approval of a Memorandum of Understanding with the Kern County Water Agency to Identify and Evaluate Possible Arrangements for Collaboration on Water Management to Optimize Allocation of Costs and Benefits

Senior Water Resources Planner Emmett Campbell provided background on the Memorandum of Understanding with Kern County Water Agency

explaining the mutual benefits of the partnership, including water supply optimization and financial strategies. General Manager Eckhart explained the importance of the MOU in facilitating collaboration and optimizing water management efforts, especially in the context of the Delta Conveyance Project.

On a motion by President Valdivia, seconded by Secretary Walton, the board approved the Memorandum of Understanding with Kern County Water Agency to identify and evaluate possible arrangements for collaboration on water management to optimize allocation of costs and benefits.

Approved by the following roll call vote:

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

Noes: None

Absent: None

Motion passed 7-0.

D. Consideration and Adoption of Resolution No. 2025-01 to Support the Presidents Executive Order Dated January 24, 2025, Regarding Emergency Measures to Provide Water Resources to Southern California

General Manager Eckhart introduced Resolution 2025-01 in support of the President's Executive Order dated January 24, 2025, which outlines emergency measures to enhance water resources in Southern California. Mr. Eckhart explained the resolution aims to address the executive order while also acknowledging the board's concerns regarding regulatory challenges impacting water supply.

Director Smith proposed an amendment to include support for both the President's and the Governor's executive orders, highlighting the bipartisan significance of the issue. Secretary Walton and Director Wargo expressed their support for the resolution, emphasizing the importance of the board's leadership in addressing critical water resource challenges.

On a motion by Director Smith, seconded by Secretary Walton, the board approved the adoption of Resolution No. 2025-01 with the recommended amendments, supporting both the President's Executive Order dated January 24, 2025 and the Governors Executive Order dated January 31, 2025, regarding emergency measures to provide water resources to Southern California.

Approved by the following roll call vote:

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

Noes: None

Absent: None

Motion passed 7-0.

9. Reports - Directors and Committee Report

Directors reported attending the following meetings:

- January 28, 2025, City of Banning, City Council meeting (Valdivia)

- January 29, 2025, Board Handbook Committee meeting (Ball)
- January 30, 2025, Discussion on Water Issues and Long Term Needs (Valdivia)
- January 30, 2025, City of Calimesa Installation Dinner (Ybarra)
- Water Education for Latino Leaders (WELL) tour of the Coachella Valley (Ybarra)

Director Wargo reported she attended a meeting with the Riverside County Board of Supervisors to discuss the beautification of Cabazon. Community input will be gathered on the allocation and possible reallocation of funds to support the initiative.

Director Smith thanked the board for their visionary approach and encouraged continued vigilance in addressing water issues.

Directors Letulle and Walton had no report.

10. Topics for Future Agendas

No topics were discussed.

11. Closed Session Agenda

A. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Government Code Section 54956.8

Property: 1216 BEAUMONT AVE, BEAUMONT, CA 92223;

APN: 415-130-021

Agency negotiator: Lance Eckhart, General Manager

Negotiating parties: Sara Santos-Sanchez, The Harris Group

Under negotiation: Price and terms of payment

12. Reconvene

A. Report out of Closed Session Action

Board President Mickey Valdivia convened the meeting to open session. Counsel Ferre announced there was no reportable action.

13. Announcements

President Valdivia reviewed the following announcements:

A. Water Conservation & Education Committee Meeting, February 11, 2025 at 1:30 p.m.

B. Office closed February 17, 2025 in observance of President's Day

C. Finance & Budget Committee Meeting, February 20, 2025 at 10:00 a.m.

D. Regular Board Meeting, February 24, 2025 at 6:00 p.m.

E. Urban Water Institute Spring Conference, February 26-28, 2025

14. Adjournment

There being no further business to discuss, President Valdivia adjourned the meeting at 4:02 p.m. The next regularly scheduled meeting is Monday, February 24, 2025, at 6:00 p.m.

Maricela V. Cabral, CMC, CPMC
Deputy Secretary of the Board
San Geronio Pass Water Agency

DRAFT

San Gorgonio Pass Water Agency

DATE: February 24, 2025
TO: Board of Directors
FROM: Lance Eckhart, General Manager
BY: Tom Todd, Jr., Chief Financial Officer
SUBJECT: Report from the Finance and Budget Committee

RECOMMENDATION

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

PREVIOUS CONSIDERATION

The Finance and Budget Committee of the San Gorgonio Pass Water Agency met on February 19, 2025. During that meeting, the Committee took the following actions:

Accepted the following items:

- Item 5A: The Investment Report will be presented at the March 3, 2025 Board meeting.
- Item 5B: Payments as listed in the Check History reports for Accounts Payable and Payroll for the month of January 2025.
- Item 5C: The Bank Reconciliation for January 2025.
- Item 5D: The Budget Report for January 2025.

Approved the following items:

- Item 4A: Minutes of the January 23, 2025 meeting of the Committee.
- Item 5E: Payment of the Legal Invoice for January 2025.

Reviewed the following items:

- Item 5F: Gap Funding Report

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

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

THIS MEETING WAS HELD IN PERSON AND VIA ZOOM.

Committee Members Present:

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

Staff Present:

In person	Tom Todd, Jr., Chief Financial Officer
	Lance Eckhart, General Manager
	Maricela Cabral, Clerk of the Board and Executive Assistant

- 1. Call to Order, Flag Salute, and Roll Call:** The San Gorgonio Pass Water Agency Finance and Budget Committee meeting was called to order by Chair Robert Ybarra at 10:00 a.m., January 23, 2025. Chair Ybarra led the Pledge of Allegiance. Ms. Cabral verified with Mr. Walton that the Brown Act requirements for teleconference meetings were adhered to for his participation in the meeting. Mr. Ybarra asked for a roll call. A quorum was present. Ms. Cabral was excused from the meeting.
- 2. Adjustment and/or Adoption of the Agenda.** The agenda was adopted as posted.
- 3. Public Comment:** None.
- 4. Approval of Minutes**
 - A. Approval of the Minutes of the Finance & Budget Committee Meeting, December 19, 2024.
Mr. Letulle moved, seconded by Mr. Walton, to approve the minutes of the Finance and Budget Committee meeting of December 19, 2024. Approved unanimously by roll call vote.
- 5. New Business**
 - A. Ratification of Paid Invoices and Monthly Payroll for December 2024
 - B. Review of Bank Reconciliation for December 2024
 - C. Review of Budget Report for December 2024
After review and discussion, Mr. Letulle moved, seconded by Mr. Ybarra, to accept Items 5A-C. Approved unanimously by roll call vote.
 - D. Review of Pending Legal Invoices for December 2024
After review and discussion, Mr. Letulle moved, seconded by Mr. Walton, to approve payment of the Legal Invoice. Approved unanimously by roll call vote.

E. Review of Cash Reconciliation Report for 4th Quarter 2024

After review and discussion, Mr. Ybarra moved, seconded by Mr. Letulle, to accept the Cash Reconciliation Report for 4th Quarter 2024. Approved unanimously by roll call vote.

F. Review of Reserve Allocation Report for 4th Quarter 2024

After review and discussion, Mr. Ybarra moved, seconded by Mr. Walton, to approve the Reserve Allocation Report for 4th Quarter 2024. Approved unanimously by roll call vote.

G. Gap Funding Report

The Committee reviewed the Cabazon Gap Funding Report.

H. Mid-Year Budget Review FY 2024-25

Mr. Todd presented the mid-year budget review for FY 2024-25. The Committee made suggestions to modify the report and asked that the revised version be brought back at the next meeting for further review.

6. Committee Member Comments

There were no additional Committee comments.

7. Announcements

Mr. Ybarra reviewed the announcements:

A. Regular Board Meeting, January 27, 2025, 6:00 p.m.

B. Regular Board Meeting, February 3, 2025, 1:30 p.m.

C. The office will be closed in observance of President's Day, February 17, 2025

D. Finance & Budget Committee Meeting, February 19, 2025, 10:00 a.m. (revised)

8. Adjournment

The Finance and Budget Committee of the San Gorgonio Pass Water Agency was adjourned by Mr. Ybarra at 11:02 a.m.

Draft - Subject to Committee Approval

Robert Ybarra, Committee Chair

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

ACCOUNTS PAYABLE			
Date	Number	Name	Amount
1/6/25	121577	ACWA BENEFITS	1,190.77
1/6/25	121578	ALBERT WEBB ASSOCIATES	1,176.00
1/6/25	121579	ATAC EXTERMINATORS INC	134.00
1/6/25	121580	BEST BEST & KRIEGER	23,751.60
1/6/25	121581	CIVICPLUS	23,860.50
1/6/25	121582	CPS HR CONSULTING	580.00
1/6/25	121583	THE FERGUSON GROUP	2,500.00
1/6/25	121584	MACRO COMMUNICATIONS	765.00
1/6/25	121585	MATTHEW PISTILLI LANDSCAPE SERVICES	675.00
1/6/25	121586	VOID	0.00
1/6/25	121587	SOUTHERN CALIFORNIA EDISON	188.40
1/6/25	121588	STANDARD INSURANCE COMPANY	986.42
1/6/25	121589	UNLIMITED SERVICES	407.00
1/6/25	121590	UNDERGROUND SERVICE ALERT	26.65
1/6/25	121591	VALLEY OFFICE EQUIPMENT, INC.	363.14
1/6/25	121592	VERIZON BUSINESS	80.04
1/6/25	121593	WASTE MGT CORPORATE SERVICES	133.30
1/6/25	121594	WATER EDUCATION FOR LATINO LEADERS	4,000.00
1/6/25	121595	WEX HEALTH	19,700.00
1/14/25	121596	BEAUMONT-CHERRY VALLEY WATER DISTRICT	555.59
1/14/25	121597	CONTROL TEMP, INC.	185.00
1/14/25	121598	CALIFORNIA RURAL WATER ASSN	17,393.25
1/14/25	121599	CV STRATEGIES	21,508.75
1/14/25	121600	FRONTIER COMMUNICATIONS	352.62
1/14/25	121601	KERN COUNTY WATER AGENCY	8,500.00
1/14/25	121602	LAND ENGINEERING CONSULTANTS	10,877.50
1/14/25	121603	LENITY TECHNOLOGY	2,112.00
1/14/25	121604	PURCOR PEST SOLUTIONS	63.62
1/14/25	121605	SITES PROJECT JPA	560,000.00
1/14/25	121606	SOUTH MESA WATER COMPANY	2,097,743.37
1/14/25	121607	SOUTHERN CALIFORNIA GAS	200.87
1/14/25	121608	CITY OF VENTURA	1,951,205.50
1/14/25	121609	WEX	210.00
1/17/25	121610	PUBLIC AGENCY RETIREMENT SERVICES	1,633.00
1/21/25	121611	ACWA JPIA	1,833.07
1/21/25	121612	AUTOMATION PRIDE	100.00
1/21/25	121613	AVEK WATER AGENCY	2,362,891.20
1/21/25	121614	CONTROL TEMP, INC.	148.50
1/21/25	121615	MACRO COMMUNICATIONS	225.00
1/21/25	121616	MATTHEW PISTILLI LANDSCAPE SERVICES	350.00
1/21/25	121617	PROVOST & PRITCHARD	860.60
1/28/25	121618	ATAC EXTERMINATORS INC	89.00
1/28/25	121619	BEST BEST & KRIEGER	11,554.79
1/28/25	121620	SOUTHERN CALIFORNIA EDISON	155.65
1/28/25	121621	VALLEY OFFICE EQUIPMENT, INC.	211.11
1/28/25	121622	VERIZON BUSINESS	80.04
1/28/25	121623	WELLS FARGO ELITE CREDIT CARD	13,024.79
1/29/25	121624	PUBLIC AGENCY RETIREMENT SERVICES	1,633.00

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

ACCOUNTS PAYABLE (CON'T)			
Date	Number	Name	Amount
1/3/25	901014	EMPLOYMENT DEVELOPMENT DEPARTMENT	2,358.67
1/3/25	901015	ELECTRONIC FEDERAL TAX PAYMENT SYSTEM	14,224.65
1/3/25	901016	CALPERS RETIREMENT	10,213.55
1/3/25	901017	CAL PERS RETIREMENT - SIP-457	4,150.00
1/3/25	901018	PAYCHEX	493.05
1/13/25	901019	CALPERS HEALTH	13,353.86
1/13/25	901020	DEPARTMENT OF WATER RESOURCES	14,699.00
1/17/25	901021	EMPLOYMENT DEVELOPMENT DEPARTMENT	2,271.46
1/17/25	901022	ELECTRONIC FEDERAL TAX PAYMENT SYSTEM	13,681.60
1/17/25	901023	CALPERS RETIREMENT	10,371.55
1/17/25	901024	CAL PERS RETIREMENT - SIP-457	4,492.00
1/17/25	901025	PAYCHEX	257.45
1/17/25	901026	MARICELA V. CABRAL - REIMBURSEMENT	101.89
1/17/25	901027	LAWRENCE R. SMITH - REIMBURSEMENT	723.96
1/17/25	901028	MICHAEL R. VALDIVIA - REIMBURSEMENT	60.30
1/23/25	901029	CALPERS HEALTH	13,353.86
1/31/25	901030	DEPARTMENT OF WATER RESOURCES	1,863,959.00
TOTAL ACCOUNTS PAYABLE CHECKS			9,114,981.49

PAYROLL			
Date	Number	Name	Amount
1/2/25	802870	MARICELA V. CABRAL	3,965.55
1/2/25	802871	EMMETT G. CAMPBELL	3,738.16
1/2/25	802872	LANCE E. ECKHART	6,682.23
1/2/25	802873	MATTHEW E. HOWARD	4,388.10
1/2/25	802874	LAWRENCE R. SMITH	2,827.55
1/2/25	802875	MICHAEL R. VALDIVIA	2,577.49
1/2/25	802876	SCOTT W. TIRRELL	483.01
1/2/25	802877	THOMAS W. TODD, JR.	4,929.34
1/2/25	802878	ROEBERT G. YBARRA	2,326.98
1/16/25	802879	MARICELA V. CABRAL	3,951.21
1/16/25	802880	EMMETT G. CAMPBELL	3,598.13
1/16/25	802881	LANCE E. ECKHART	6,583.44
1/16/25	802882	MATTHEW E. HOWARD	4,388.10
1/16/25	802883	SCOTT W. TIRRELL	455.69
1/16/25	802884	THOMAS W. TODD, JR.	4,758.35
1/16/25	802885	KEVIN D. WALTON	2,700.58
1/16/25	802886	SARAH C. WARGO	2,014.28
TOTAL PAYROLL			60,368.19
TOTAL DISBURSEMENTS FOR JANUARY 2025			9,175,349.68

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
 February 2025

Vendor - Name and Address	Expenditure Type
Retirement services: account management fees Public Agency Retirement Services Old Address: P.O. Box 894109, Los Angeles, CA 90189 New Address: 4350 Von Karman Ave Su. 100, Newport Beach, CA 92660	Retirement
Retirement investment deposits: John Hancock USA Citibank Los Angeles P.O. Box 894109, Los Angeles, CA 90189	Retirement

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

DATE	RECEIVED FROM	DESCRIPTION	AMOUNT
DEPOSIT TO CHECKING ACCOUNT			
1/10/25	RIVERSIDE COUNTY	RPTTF JAN25 DISTRIBUTION	2,301,570.98
1/13/25	YVWD	WATER SALES	399,000.00
1/13/25	DWR	GRANT PAYMENT - USGS WELLS ADMIN	1,065.00
1/15/25	RIVERSIDE COUNTY	SUPPLEMENTAL CY JAN25 DISTRIBUTION	600,372.39
1/21/25	RIVERSIDE COUNTY	SBE CS1 CY	8,305,611.31
1/22/25	BCVWD	WATER SALES NOV24	2,186,520.00
1/27/25	CITY OF BANNING	WATER SALES NOV24	199,500.00
1/30/25	RIVERSIDE COUNTY	SECURED SS1 CY	7,062,128.26
TOTAL FOR JANUARY 2025			21,055,767.94

SAN GORGONIO PASS WATER AGENCY

**Local Water Purchases and Deliveries
Calendar Year 2025
DRAFT - Subject to Change
February 11, 2025**

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

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		1,595			
Jan		0			0						
Feb		0			0						
Mar		0			0						
Apr		0			0						
May		0			0						
Jun		0			0						
Jul		0			0						
Aug		0			0						
Sep		0			0						
Oct		0			0						
Nov		0			0						
Dec		0			0						
TOTALS	0	0	0	0	0	0	0		0	0	0

Month	City of Banning			BCVWD			YVWD			Totals
	Deliveries	Transfers-in	Total	Deliveries	Transfers-in	Total	Deliveries	Transfers-in	Total	
Jan			0						0	0
Feb			0						0	0
Mar			0						0	0
Apr			0						0	0
May			0						0	0
Jun			0						0	0
Jul			0						0	0
Aug			0						0	0
Sep			0						0	0
Oct			0						0	0
Nov			0						0	0
Dec			0						0	0
TOTALS	0	0	0		0		0	0	0	0

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

San Gorgonio Pass Water Agency
Budget Highlights

January 2025

Overall Summary

All income and expenses categories are within budget with minor exceptions.

General Fund (Green Bucket)

Income

As expected, the Agency received about 50% of expected tax revenue in December and January. Payments were received for water delivered in November and December. Additional unexpected water Sales from Westside Water Authority netted an additional \$3,000,000. Interest income continues to track higher than projected.

Expenses

All categories in the General Fund are within budget except Legal Services. Additional legal expenses are being charged in the General matter related to the Board Handbook and the Executive Resolution, as well as Board Secretary questions and new director orientation. Agreements, including the Brookside West grant agreement, the Cal Rural Water agreement, Sites Reservoir agreements and ARPA-Heli-Hydrant agreements continue to increase legal expenses.

Consigned – SWP Support Fund (Orange Bucket)

Income

The first half of the projected income was received for the Consigned Fund. If the second half is a similar amount, the amount budgeted for income will be exceeded. Interest income continues to exceed expectations.

Debt Service Fund (Red Bucket)

Income

Tax revenue for December and January exceed expectations. About 62% has been received at this point. Interest income so far now exceeds the budgeted amount for the entire fiscal year.

Expenses

Overall expenses for the Debt Service Fund are within budget.

Gap Funding Program

An additional disbursement was made to South Mesa Water Company for \$2,097,743.37 in January, bringing the balance they owe the Agency to \$5,847,530.71.

SAN GORGONIO PASS WATER AGENCY
APPROVED BUDGET FOR FY 2024-25
FOR THE SEVEN MONTHS ENDING ON JANUARY 31, 2025

		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 %	42%
1	WATER SALES	7,100,000		7,100,000	7,280,073.00	2.5%
2	OTHER WATER SALES	0		0	0.00	NA
3	TAX REVENUE	12,400,000		12,400,000	6,811,470.77	-45.1%
4	INTEREST	270,000		270,000	327,919.41	21.5%
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	42,824.30	22.4%
8	TOTAL GENERAL FUND INCOME	25,847,000	0	25,847,000	14,462,287.48	-44.0%
GENERAL FUND - EXPENSES						
COMMODITY PURCHASE						
12	PURCHASED WATER FOR DELIVERY	8,500,000		8,500,000	3,930,337.20	53.8%
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	3,930,337.20	58.6%
SALARIES AND EMPLOYEE BENEFITS						
17	SALARIES	640,000		640,000	342,352.36	46.5%
18	PAYROLL TAXES	52,000		52,000	28,595.29	45.0%
19	PAYROLL SERVICE	6,000		6,000	5,376.90	10.4%
20	RETIREMENT	250,000		250,000	105,294.56	57.9%
21	OTHER POST-EMPLOYMENT BENEFITS (OPEB)	145,000		145,000	51,472.13	64.5%
22	HEALTH INSURANCE	54,000		54,000	30,596.89	43.3%
23	ACWA BENEFITS	9,000		9,000	5,054.14	43.8%
24	DISABILITY INSURANCE	6,000		6,000	2,962.96	50.6%
25	WORKERS COMPENSATION INSURANCE	6,000		6,000	2,140.69	64.3%
26	SGPWA STAFF MEDICAL REIMBURSEMENT	11,000		11,000	2,450.62	77.7%
27	EMPLOYEE EDUCATION	4,000		4,000	2,749.42	31.3%
28	TOTAL SALARIES AND EMPLOYEE BENEFITS	1,183,000	0	1,183,000	579,045.96	51.1%

SAN GORGONIO PASS WATER AGENCY
APPROVED BUDGET FOR FY 2024-25
FOR THE SEVEN MONTHS ENDING ON JANUARY 31, 2025

		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 %	42%
DIRECTOR EXPENDITURES						
33	DIRECTORS FEES	275,000		275,000	122,545.60	55.4%
34	DIRECTORS TRAVEL AND EDUCATION	80,000		80,000	34,637.26	56.7%
35	DIRECTORS MEDICAL REIMBURSEMENT	43,000		43,000	5,608.75	87.0%
OFFICE EXPENDITURES						
37	OFFICE EXPENSE	40,000		40,000	19,951.07	50.1%
38	POSTAGE	1,000		1,000	575.93	42.4%
39	TELEPHONE	8,000		8,000	4,683.80	41.5%
40	UTILITIES	17,000		17,000	1,764.80	89.6%
SERVICE EXPENDITURES						
42	COMPUTER, WEBSITE AND PHONE SUPPORT	54,000		54,000	46,899.11	13.1%
43	GENERAL MANAGER AND STAFF TRAVEL	25,000		25,000	23,432.69	6.3%
44	SUCCESSION PLANNING	65,000		65,000	7,500.00	88.5%
45	INSURANCE AND BONDS	55,000		55,000	57,805.89	-5.1%
46	ACCOUNTING AND AUDITING	22,000		22,000	20,000.00	9.1%
47	DUES AND ASSESSMENTS	45,000		45,000	52,535.79	-16.7%
48	OTHER PROFESSIONAL SERVICES	35,000		35,000	13,230.00	62.2%
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	368.40	81.6%
53	MAINTENANCE AND REPAIRS - VEHICLE	10,000		10,000	11,043.49	-10.4%
54	MAINTENANCE AND REPAIRS - BUILDING	40,000		40,000	27,396.59	31.5%
55	MAINTENANCE AND REPAIRS - FIELD	50,000		50,000	12,542.92	74.9%
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	33,275.03	44.5%
60	TOTAL ADMINISTRATIVE AND PROFESSIONAL SERVICES	1,089,000	0	1,089,000	503,597.90	53.8%

**SAN GORGONIO PASS WATER AGENCY
APPROVED BUDGET FOR FY 2024-25
FOR THE SEVEN MONTHS ENDING ON JANUARY 31, 2025**

		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 %	42%
	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	66,143.90	94.7%
69	SMALL SYSTEM ASSISTANCE PROGRAM	210,000		210,000	75,480.38	64.1%
70	SIGNAGE AND FRONTAGE BROOKSIDE EAST	75,000		75,000	0.00	100.0%
71	MONITORING WELL DRILLING	2,300,000		2,300,000	11,775.00	99.5%
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	4,902.10	90.2%
76	YUCAIPA GSA VERBENIA GSA	10,000		10,000	6,271.67	37.3%
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	38,465.16	57.3%
80	USGS STUDIES AND MONITORING	300,000		300,000	31,901.00	89.4%
81	WATER PORTFOLIO	100,000		100,000	50,225.44	49.8%
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	885.00	96.5%
	GENERAL ENGINEERING SERVICES					
86	ON-CALL AGENCY ENGINEER	250,000		250,000	26,770.75	89.3%
87	GRANT SUPPORT SERVICES	75,000		75,000	14,000.00	81.3%
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	360,114.21	95.4%

SAN GORGONIO PASS WATER AGENCY
APPROVED BUDGET FOR FY 2024-25
FOR THE SEVEN MONTHS ENDING ON JANUARY 31, 2025

						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 %	42%
LEGAL SERVICES										
96	LEGAL SERVICES		200,000			200,000		200,000	166,021.76	17.0%
97	TOTAL LEGAL SERVICES		200,000		0	200,000		200,000	166,021.76	17.0%
CONSERVATION AND EDUCATION										
100	SCHOOL EDUCATION PROGRAMS		60,000			60,000		60,000	9,522.00	84.1%
101	PUBLIC INFORMATION AND EDUCATION		260,000			260,000		260,000	91,721.24	64.7%
102	SPONSORSHIPS		0			0		0	950.00	NA
103	TRANSFER TO PASS WATER AGENCY FOUNDATION		32,000			32,000		32,000	10,000.00	68.8%
104	65th ANNIVERSARY CELEBRATION		20,000			20,000		20,000	9,180.00	54.1%
105	TOTAL CONSERVATION AND EDUCATION		372,000		0	372,000		372,000	121,373.24	67.4%
MAJOR AND CAPITAL EXPENDITURES										
BUILDING AND EQUIPMENT										
109	BUILDING		50,000			50,000		50,000	0.00	100.0%
110	FRONT LANDSCAPING		75,000			75,000		75,000	0.00	100.0%
111	FURNITURE AND OFFICE EQUIPMENT		25,000			25,000		25,000	0.00	100.0%
112	OTHER EQUIPMENT		20,000			20,000		20,000	0.00	100.0%
113	VEHICLES		125,000			125,000		125,000	0.00	100.0%
OTHER ITEMS										
115	SITES RESERVOIR		560,000			560,000		560,000	560,000.00	0.0%
116	TOTAL MAJOR AND CAPITAL EXPENDITURES		855,000		0	855,000		855,000	560,000.00	34.5%
118	TRANSFERS TO OTHER FUNDS					0				
120	TOTAL GENERAL FUND EXPENSES		20,980,000		0	20,980,000		20,980,000	6,220,490.27	70.4%
122	GENERAL FUND NET INCOME YTD		4,867,000		0	4,867,000		4,867,000	8,241,797.21	

**SAN GORGONIO PASS WATER AGENCY
APPROVED BUDGET FOR FY 2024-25
FOR THE SEVEN MONTHS ENDING ON JANUARY 31, 2025**

						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 %	42%
CONSIGNED - SWP SUPPORT FUND - INCOME										
INCOME										
130	UNITARY TAX REVENUE ALLOCATED		7,200,000			7,200,000		4,411,157.85		-38.7%
131	INTEREST		240,000			240,000		315,436.11		31.4%
132	OTHER INCOME		0			0		0.00		NA
133	TOTAL SWP SUPPORT FUND INCOME		7,440,000		0	7,440,000		4,726,593.96		-36.5%
CONSIGNED - SWP SUPPORT FUND - EXPENSES										
EXPENDITURES										
139	TAX COLLECTION CHARGES		18,000			18,000		11,220.66		37.7%
140	OTHER EXPENSES		0			0		0.00		NA
141	TOTAL SWP SUPPORT FUND EXPENSES		18,000		0	18,000		11,220.66		37.7%
143	TRANSFERS TO OTHER FUNDS									
145	CONSIGNED - SWP SUPPORT FUND NET INCOME YTD		7,422,000		0	7,422,000		4,715,373.30		

**SAN GORGONIO PASS WATER AGENCY
APPROVED BUDGET FOR FY 2024-25
FOR THE SEVEN MONTHS ENDING ON JANUARY 31, 2025**

		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 %	42%
DEBT SERVICE FUND - INCOME						
INCOME						
153	TAX REVENUE	29,400,000		29,400,000	18,159,834.26	-38.2%
154	INTEREST	1,000,000		1,000,000	1,623,340.08	62.3%
155	CONTRIBUTIONS - GOVERNMENT	0		0	0.00	NA
156	DWR CREDITS - BOND COVER, OTHER	3,400,000		3,400,000	1,723,665.20	-49.3%
157	TOTAL DEBT SERVICE FUND INCOME	33,800,000	0	33,800,000	21,506,839.54	-36.4%
DEBT SERVICE FUND - EXPENSES						
EXPENSES						
161	SALARIES	500,000		500,000	258,821.40	48.2%
162	PAYROLL TAXES	35,000		35,000	12,580.26	64.1%
163	BENEFITS	320,000		320,000	100,553.79	68.6%
164	SWP LEGAL SERVICES	0		0	0.00	NA
165	SWP UTILITIES	10,000		10,000	3,903.13	61.0%
166	STATE WATER CONTRACT AUDIT	7,000		7,000	6,495.00	7.2%
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	29,775.70	70.2%
170	EBX CONTRACT OPERATIONS	400,000		400,000	0.00	100.0%
171	SWP ENGINEERING AND MAINTENANCE	3,400,000		3,400,000	3,356.20	99.9%
172	WATER TRANSFERS	2,500,000		2,500,000	1,951,205.50	22.0%
173	STATE WATER CONTRACT PAYMENTS	25,600,000		25,600,000	17,636,569.00	31.1%
174	TAX COLLECTION CHARGES	160,000		160,000	69,828.65	56.4%
175	TOTAL DEBT SERVICE FUND EXPENSES	33,117,000	0	33,117,000	20,073,088.63	39.4%
177	TRANSFERS FROM RESERVES			0.00	0.00	
179	DEBT SERVICE NET INCOME YTD	683,000	0	683,000	1,433,750.91	

**SAN GORGONIO PASS WATER AGENCY
APPROVED BUDGET FOR FY 2024-25
FOR THE SEVEN MONTHS ENDING ON JANUARY 31, 2025**

		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	292,664.18	NA
195	SOUTH MESA WATER COMPANY	5,000,000		5,000,000	5,847,530.11	-17.0%
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	6,140,194.29	-2.3%
202	GAP FUNDING PROGRAM NET BALANCE YTD	-3,404,000	0	-3,404,000	-6,140,194.29	

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	
RPTTF	Redevelopment Property Tax Trust Fund	Proceeds of redevelopment properties that are sold and distributed to County entities.
SAWPA	Santa Ana Watershed Project Authority	Coordinates activities to protect the Santa Ana watershed
SBE	State Board of Equalization	AKA Unitary taxes
SBVMWD	San Bernardino Valley Municipal Water District	State Water Contractor in San Bernardino County and a partner with EBX
SCADA	Supervisory Control and Data Acquisition	Electronic monitoring and control system used by DWR and other water purveyors
SCWC	Southern California Water Coalition	
SGMA	Sustainable Groundwater Management Act	A legislative package that requires local agencies to form GSAs and develop GSPs.
SMIF	Surplus Money Investment Fund	State of California depository for government funds that are not currently needed
SMWC	South Mesa Water Company	Retail water agency within Agency boundaries
SRJP	Sites Reservoir Joint Powers Authority	Joint powers authority formed to construct and manage Sites Reservoir
STAINS	Standard Insurance Company	Disability insurance provider
SWC	State Water Contractors	Professional organization representing districts and agencies that have a water supply contract with the state of California
SWP	State Water Project	System of reservoirs, aqueducts, and pump stations that distributes water throughout 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

San Gorgonio Pass Water Agency

List of Some Acronyms and Vendors and Their Functions

Acronym	Name	Function and Information
USGS	U.S. Geological Survey	Federal agency that provides groundwater data and modeling
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 250131

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	250131	LEGAL SERVICES JANUARY 2025	25,916.72

TOTAL PENDING INVOICES FOR APPROVAL FEBRUARY 2025

25,916.72

San Gorgonio Pass Water Agency
 Gap Funding Program
 Summary Report
 Report Date: February 13, 2025

OVERALL Current Balance: 6,235,940.59 (Owed to Agency)

Cabazon Water District #1	(CWD owes us) - Current Balance: 388,409.88
Gap Funding Maximum: 1,300,000	
Approximate Project Cost: 1,700,000.00	Approximate Gap Funding Available: 911,590.12
Payments Made to CWD: 1,576,885.54	Payments Received from CWD: 1,188,475.66
12/2/24	292,664.18

South Mesa Water Company	(SMWC owes us) - Current Balance: 5,847,530.71
Gap Funding Maximum: 7,000,000	
Approximate Project Cost: 10,300,000.00	Approximate Gap Funding Available: 1,152,469.29
Payments Made to SMWC: 6,325,017.73	Payments Received from SMWC: 477,487.02
8/27/24	722,239.02
10/22/24	3,027,547.72
1/14/25	2,097,743.37
	9/25/24
	477,487.02

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 GORGONIO PASS
WATER AGENCY
A California State Water Project Contractor

February 18, 2025

SENT VIA EMAIL: DCP-WR-Petition@waterboards.ca.gov
State Water Resources Control Board
Administrative Hearings Office
P.O. Box 100
Sacramento, CA 95812-0100

RE: SGPWA Policy Statement for the Delta Conveyance Project CPOD

Dear Presiding Hearing Officer Nicole Kuenzi,

My name is Lance Eckhart, and I serve as the General Manager of the San Gorgonio Pass Water Agency ("SGPWA"). I am writing to express our strong support for the Change in Point of Diversion ("CPOD") petition for the Delta Conveyance Project ("DCP").

Established in 1961, the SGPWA serves approximately 100,000 residents across a 225-square-mile region in Southern California, including several communities that are economically disadvantaged. A significant portion of the region's population faces economic challenges, particularly in areas such as Banning, Beaumont, Cabazon, and Calimesa, highlighting the importance of ensuring equitable access to reliable water resources for all residents.

In the 1960s, SGPWA contracted for 17,300 acre-feet of imported Table A water annually from the State Water Project ("SWP") through the Department of Water Resources ("DWR"). However, it took nearly four decades for the SWP infrastructure to reach our service area. By the time SGPWA gained access to the imported supply it was contractually entitled to, the expected water deliveries had been significantly reduced due to climate change and regulatory constraints. In fact, the annual allocation has been nearly cut in half, averaging just 9,200 acre-feet for SGPWA. Despite not receiving its full Table A allocation each year, SGPWA has made substantial investments in the SWP to secure a reliable water supply for our region.

Compounding these challenges, SWP water must travel more than 500 miles to reach our service area, placing SGPWA at the literal end of the line for the SWP. This geographic reality makes our region especially vulnerable to supply shortages, delivery constraints, and infrastructure limitations, further straining our ability to meet the long-term water needs of our communities. The ongoing reduction in available water has had a disproportionate impact on economically disadvantaged and severely disadvantaged populations, as well as local tribal communities, all of whom depend on a stable, affordable water supply for their health, livelihoods, and overall quality of life.

To compensate for this water deficit, the San Gorgonio Pass region has made significant investments in recycled water infrastructure, with many communities featuring dual-plumbed homes that have access to both potable and recycled water. Despite these efforts, the reduction in imported water remains a critical challenge. Additionally, our region is

President
Mickey Valdivia

Vice President
Chander Letulle

Treasurer
Robert Ybarra

Secretary
Kevin Walton

Directors
Dr. Blair M Ball
Sarah Wargo
Larry Smith

General Manager
Lance Eckhart,
PG, CHG

Legal Counsel
Jeffrey Ferre

heavily reliant on groundwater, making the availability of imported SWP water increasingly vital. Across California, the implementation of the Sustainable Groundwater Management Act (“SGMA”) is shifting how groundwater is managed, requiring agencies to carefully balance extractions with long-term sustainability. At the same time, new unfunded regulatory mandates regarding hexavalent chromium will require either expensive water treatment or require blending with SWP water to maintain water quality standards. The DCP is a necessary investment to modernize the SWP, ensuring long-term water reliability and helping to mitigate the growing impacts of climate change and regulatory constraints on our region’s water supply.

Access to clean, reliable water is a fundamental human right. The DCP will provide the following benefits:

1. Collaboration for the Common Good:

The project brings together State, environmental, agricultural, municipal, and industrial interests to maximize the use of water resources. Each State Water Contractor has unique advantages and challenges, and through collaboration, agencies are working together to ensure the most efficient and beneficial use of available water supplies. By strategically leveraging each other's assets, including storage, conveyance, and operational flexibility, the goal is to increase the overall efficiency of imported water and enhance regional resilience. The DCP plays a critical role in this system-wide approach, improving supply reliability not just for individual agencies but for all stakeholders from north of the Delta to Southern California.

2. Climate Change Response and Infrastructure Modernization:

Due to climate change, it is expected that more precipitation will fall as rain rather than snow, increasing peak flows during storm events and reducing the natural snowpack storage that has historically sustained California’s water supply. Additionally, rising sea levels threaten to degrade the quality of exported water from the SWP. The existing SWP infrastructure is not equipped to fully capture excess flows during high-inflow events or safeguard exported water quality against sea level rise.

The DCP represents a responsible response to these climate change and regulatory realities by modernizing the SWP infrastructure, enhancing its ability to capture and store excess flows during wet periods, and improving SWP water quality resilience against rising sea levels. Without these critical upgrades, our ability to secure a reliable water supply for the future will remain increasingly vulnerable to changing hydrologic conditions and regulatory constraints.

3. Environmental and Economic Benefits:

The DCP supports California's Water Supply Strategy by improving water supply reliability, adapting to climate change, and reducing impacts to the Delta in an environmentally responsible manner. The project also provides economic benefits by supporting agricultural productivity and local economies, particularly in rural areas.

For SGPWA, the DCP is crucial for ensuring long-term water reliability for our service area, which includes economically disadvantaged and severely disadvantaged communities. The project offers several key benefits to our agency and the region:

- Improved Water Supply Reliability to Meet Regional Water Needs – The San Geronio Pass region requires a stable and reliable water supply to support existing and future water demands. SGPWA’s current investment in the DCP is expected to nearly restore our full

contractual 17,300 acre-feet of Table A water, which has been significantly reduced due to climate change and regulatory constraints. The DCP will enhance the consistency of SWP water deliveries, ensuring our ability to meet regional water needs while also providing additional flexibility in how we manage our groundwater resources. As regulatory and environmental factors continue to shape water management decisions statewide, a reliable imported supply is critical for maintaining long-term sustainability and resilience in our region.

- **Mitigation of Water Quality Challenges** – As new unfunded regulatory mandates on hexavalent chromium treatment takes effect, the ability for SGPWA to blend imported SWP water with local groundwater will be critical to meeting drinking water standards in the San Geronio Pass region. Hexavalent chromium is present in one of our retail water agencies. The cost of the treatment is expected to be over \$60M to implement. This water retailer serves a disadvantaged community who would find this cost difficult to bear. Blending imported water with native groundwater supplies is another, much cheaper option. The DCP enhances our access to high-quality imported water, supporting compliance with evolving water quality regulations.
- **Increased Resiliency Against Drought and Climate Change** – The San Geronio Pass region is highly vulnerable to prolonged drought conditions. With climate change making water availability less predictable, the DCP provides a critical infrastructure upgrade that will improve SWP resilience and enhance our ability to capture and store excess flows when available, particularly in wet years. As part of our long-term water management strategy, SGPWA actively invests in water harvesting by storing surplus SWP water in local groundwater basins during wet periods. This stored water can then be extracted during dry years, reducing our immediate need to import water from the Delta when supplies are constrained. By leveraging this conjunctive use approach, SGPWA can optimize water availability while decreasing reliance on Delta exports, ensuring that imported water is used strategically and efficiently. This proactive approach not only strengthens our regional water supply sustainability but also contributes to the overall resilience of the SWP system by easing demand on Delta exports when they are most strained.
- **Economic Stability for Local Communities** – Water supply reliability directly impacts economic development and local businesses. Many industries in our service area, including logistics, healthcare, and small businesses, depend on a secure and affordable water supply. The DCP helps prevent water shortages that could stifle economic development, ensuring continued investment and job opportunities in the region.
- **Protection of Disadvantaged Communities** – Several communities within our service area, including Banning, Beaumont, Cabazon, and Calimesa, are economically disadvantaged and depend on stable water supplies for public health and quality of life. Ensuring a reliable water source through the DCP supports environmental justice goals by preventing supply interruptions that could disproportionately impact vulnerable populations.

By modernizing California’s water infrastructure, the DCP ensures that agencies like SGPWA can continue to serve their communities reliably and equitably, protecting both environmental resources and regional economic stability. Without this project, our ability to plan for future development,

comply with regulatory requirements, and maintain economic resilience will be severely compromised.

4. Food Security:

Ensuring that the State of California has a more reliable water supply is essential for maintaining agricultural productivity, which is the backbone of food security for both the State and the Nation. While the San Geronio Pass region itself does not have a significant agricultural sector, our residents rely on the food grown in other parts of California that depend on a stable water supply. Without the DCP, water shortages will continue to threaten agricultural production, jeopardizing food security and leading to reduced crop yields and higher food costs.

This impact is especially concerning for our region, as many of our residents are economically disadvantaged and already face financial challenges. Any increase in food prices caused by water shortages would disproportionately affect these vulnerable communities, making it even more difficult for families to afford fresh, healthy food. By providing a dependable water source for irrigation, the DCP helps protect the State's food supply, stabilize food prices, and mitigate economic burdens on disadvantaged populations, ensuring that all Californians, including those in our region, continue to have access to affordable, nutritious food.

5. Affordable Housing:

A reliable and affordable water supply is a critical component of California's housing strategy, ensuring that affordable housing remains financially feasible for both developers and residents. Imported water from the SWP plays a key role in maintaining housing affordability by stabilizing water costs, supporting responsible development, and allowing local water agencies to make long-term investments in infrastructure. Without projects like the DCP to modernize and secure imported water supplies, the cost of delivering water to communities will rise, further driving up housing costs across the state.

The San Geronio Pass region has undergone a slow transition from agriculture to urbanization, requiring significant investment in water infrastructure to support this shift. Unlike historical agricultural water use, urban development demands a more consistent and affordable water supply to sustain housing and economic development. As our region completes this transition, ensuring access to cost-effective and reliable imported water is essential for maintaining a sustainable housing supply.

For the San Geronio Pass region, affordability is especially critical. Many of our communities, including Banning, Beaumont, Cabazon, and Calimesa, are home to economically disadvantaged and severely disadvantaged populations that struggle with rising housing costs. Water availability directly impacts the feasibility of new housing developments, as developers must demonstrate long-term water supply reliability before projects can be approved. Without infrastructure modernization and access to affordable water sources, new housing development will be constrained, increasing costs and limiting options for low-income families.

By investing in critical water infrastructure like the DCP, SGPWA and other water agencies statewide can ensure that water remains affordable and accessible for housing development. Without this project, communities across California, especially in regions like the San Geronio Pass, will face increasing barriers to maintaining and expanding affordable housing, exacerbating economic

challenges for vulnerable populations. The DCP is a forward-thinking investment that not only strengthens water security but also supports long-term housing affordability and economic stability for the state.

The San Geronio Pass Water Agency firmly supports the DCP. It is an innovative and essential infrastructure project that addresses our region's and State's water supply challenges. By modernizing the SWP infrastructure, the DCP ensures that the State will have increased water supply reliability, enhanced environmental sustainability, enhanced economic resiliency, and bolstered food security. Additionally, it is a vital component of our climate change adaptation strategy.

We urge the State Water Resources Control Board to approve the Petition for Change in the Point of Diversion associated with the DCP. This project is a vital step towards securing California's sustainable and resilient water future.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Lance Eckhart". The signature is stylized and cursive.

Lance Eckhart
General Manager

DATE: February 18, 2025

TO: Board of Directors

FROM: Heather Dyer, CEO/General Manager
Wen Huang, Assistant General Manager/Chief Operating Officer

SUBJECT: Notification of Emergency Actions in response to the Overflow Incident at the Citrus Reservoir

Staff Recommendation

Staff recommend the Board of Directors (BOD) receive notification of actions taken by CEO/General Manager as outlined below in response to the overflow incident at the Citrus Reservoir, which occurred on February 2, 2025, and direct CEO/General Manager to continue the proposed actions.

Background

Staff previously informed the Board of Directors, via BCC (blind carbon copy) email communication, of an overflow incident which occurred at the Citrus Reservoir on February 2, 2025. The overflow resulted in erosion and damage to Opal Avenue and its drainage channel and mobilized and deposited thousands of plastic rhomboids¹ in the roadway, in land adjacent to Redlands Municipal Airport, and in the Santa Ana River floodplain. Pursuant to District's Resolution No. 1186, (Resolution that establishes and designates expenditure authority to the CEO/General Manager) the CEO/General Manager directed District Staff to take necessary and immediate corrective actions in response to this emergency condition. To date, all repairs to Opal Ave and the drainage channel have been completed and the rhomboids have been collected from along Opal Ave. There remain a few patches of rhomboids on Redlands Airport lands and in the Santa Ana River floodplain between Opal Ave. and Judson Street. We expect to finish collecting rhomboids from these areas in the coming next weeks. Corrective actions performed to date are detailed below along with proposed actions for consideration by the Board of Directors.

¹ Due to the proximity of Citrus Reservoir to the Redlands Airport, as part of the implementation of the Wildlife Mitigation Plan, the water surface of the Citrus Reservoir is covered with plastic floating rhomboidal balls. The rhomboids were added to the reservoir to deter waterfowl and mitigate against bird strike for aircraft operating in and out of Redlands Airport.

Summary

Following the January pipeline maintenance shutdown, while refilling the SWP facilities, an overflow incident occurred at the Citrus Reservoir. This incident happened in the early morning hours on Sunday, February 2, 2025. The Department of Water Resources (DWR) staff were operating the system when the incident occurred. Our staff was on-call over the weekend, as is typical when the East Branch Extension (EBX) pump stations are not operational.

We believe the water overflowed for several hours before our staff was contacted, at approximately 5am on Sunday morning, by DWR and shut off the valve. The overflow of water and mobilization of rhomboids resulted in several areas of erosion along the flow pathway including the Citrus Reservoir site and the Opal Avenue right-of-way (ROW), which is a public road but only routinely used by the rock crushing business adjacent to the reservoir. Rhomboids also flowed down Opal Avenue into the Santa Ana River floodplain via land owned by Redlands Airport. After the initial response by our staff on Sunday to assess the situation, the CEO/General Manager directed District Staff to take necessary and immediate corrective actions pursuant to Paragraph c. of Resolution No. 1186. Initial activities taken by District staff using District-owned heavy equipment immediately following the incident include clearing the rhomboids and sediments from the ROW and closing off sections of damaged roadway from public access. Our staff also began coordinating with multiple agencies regarding the situation and proposed emergency work including San Bernardino County, California Department of Fish and Wildlife, the Santa Ana Regional Board, and U.S. Fish and Wildlife Service. On Wednesday February 5th, several external contractors began the emergency repairs to the roadway and culvert and collection/removal of rhomboids from the Opal Ave ROW. Starting February 6th, collection of rhomboids from the Santa Ana River floodplain began using hired contractors, California Conservation Corps, District staff, and volunteers from many partner agencies and organizations in the watershed.

Following a phone call with the DWR Director of Operations and Maintenance on Wednesday February 5th, we directed our staff to meet the following day to begin a joint investigation into the root cause and contributing factors to the incident.

- The priority of the emergency work was given to ROW restoration, including repairs to roadway erosion, storm channel re-stabilization and cleaning, and clear and removal of rhomboids, sediment, and debris. Additionally, certain surface erosion within the Citrus Reservoir Site was also addressed. This work started on February 5 and was substantially completed on February 6 with Opal Avenue resuming normal operation at the end of day on February 6.

- It is estimated that up to approximately 700,000 rhomboids were mobilized by the overflow, with the bulk deposited along the flow pathway in the fields near the north end of Opal Avenue (Redlands Municipal Airport) and the Santa Ana River floodplain, down to the Mountain View Avenue crossing. Given the sensitive nature of the areas where the rhomboids were rested, in addition to obtaining necessary permits from resource agencies and gaining access from respective property owners, a pre-action biological survey was conducted along with continuous biological monitoring while collection and removal efforts are taking place. With the combination of forces consisting of District staff, contractors, volunteers, and other agencies' staff, collection and removal of rhomboids from the Santa Ana River floodplain started on February 6. As of February 12, 2025, substantial progress has been made; it is estimated that approximately 75-85% of the rhomboids have been collected. Due to the forecast of significant rain events for the area between February 13 and 15, work performed from February 10 through 12 was focused on clearing remaining rhomboids from the Santa Ana River and Redlands Airport and bagging and staging them on the elevated grounds away from incised channels to be collected following the storm events to minimize being washed further downstream.
- Joint Investigation with DWR: District staff participated in a meeting with DWR field and management staff on February 6, 2025, to collaboratively discuss and identify factors to the breakdown of infrastructure that caused the incident to occur and the processes that delayed the response and corrective action. Possible causes and associated corrective measures were identified for DWR and the District, respectively, generally including improvements to the system alarm notifications and acknowledgement by the operator on duty, troubleshooting, reprogramming, testing of the inlet valves to the reservoir to ensure proper function/shutoff, update to the communication protocol between DWR and District on-call and management staff, and evaluation of District staff possibly manning the Citrus PS during reservoir filling (*i.e.* 24-hour staff). District staff will continue to work with DWR to ensure all corrective measures are implemented accordingly.

As ROW restoration work was just completed late last week and collection and removal of rhomboids is still underway, detailed expenditures for the emergency work are not yet available. However, based on the efforts to date, it is estimated that approximately \$350,000 was expended for the emergency work between February 3 and February 12, 2025. As a reminder, the State Water Project is a beneficiary pays system, therefore, the District and the San Geronio Pass Water Agency are responsible for all costs associated with the East Branch Extension facilities. Thus, if DWR was to lead this response effort, the District would still bear the cost of repairs and cleanup but there would also be the cost of DWR overhead, often an additional amount of 30-40%. For this reason, staff believes that this course of action was the best option as we could respond much

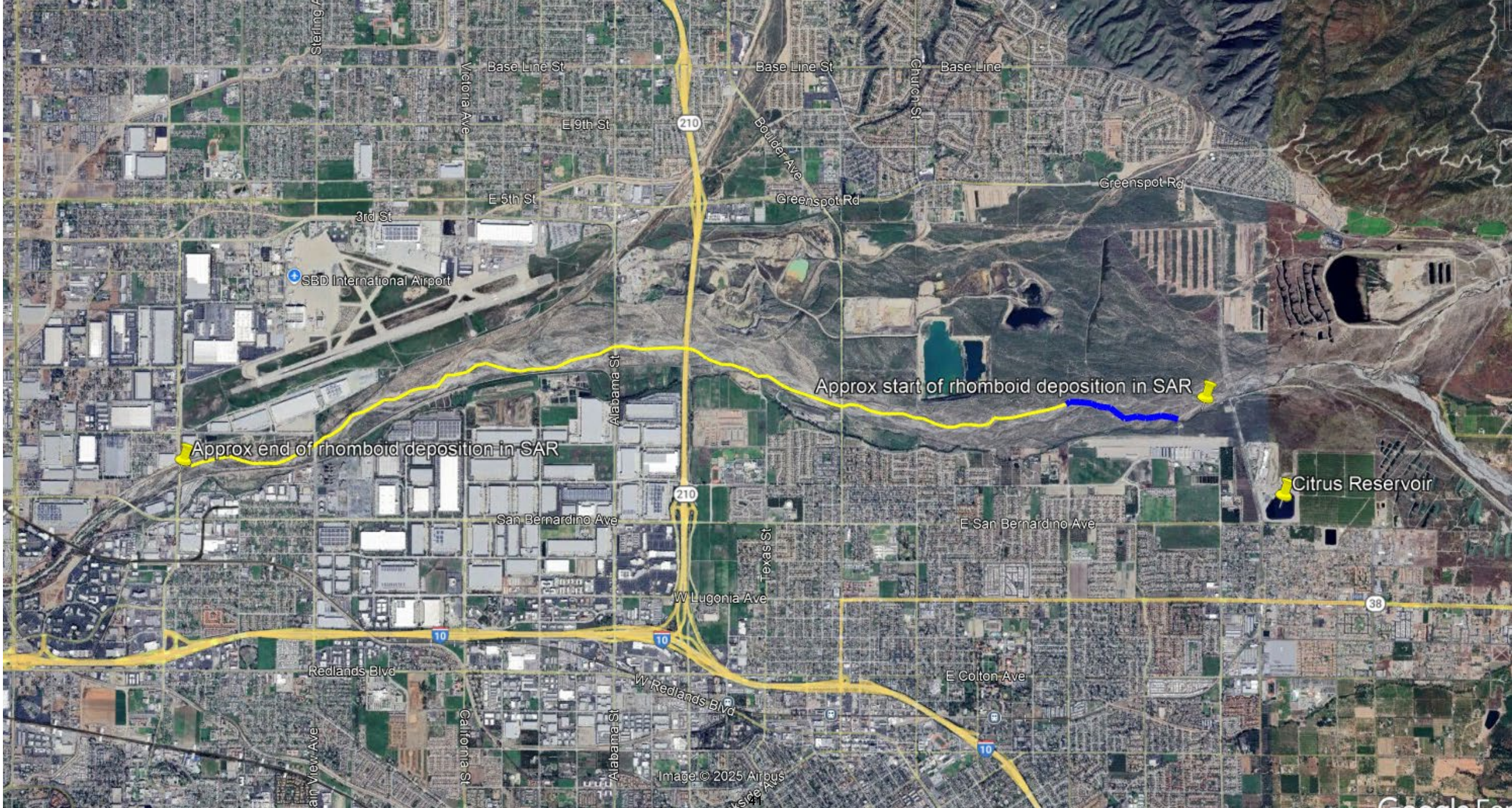
more timely to make repairs and limit further damage and it was less costly than if DWR provided the response and billed us.

Following the rain events on February 14, Staff will re-assess the condition and intends to resume the collection and removal of the remaining rhomboids from the floodplain and fields adjacent to the Redlands Municipal Airport on February 18, 2025. It is estimated there will be an additional cost of \$150,000 to complete the work with an estimated time of up to 2 weeks. Staff will provide an update from the posting of the agenda to the current status of the incident at today's Board of Directors' meeting.

Attachments

Resolution No. 1186

Map of Incident Response Area



Approx end of rhomboid deposition in SAR

Approx start of rhomboid deposition in SAR

Citrus Reservoir

Discussion Item 3.4 (pg. 43)

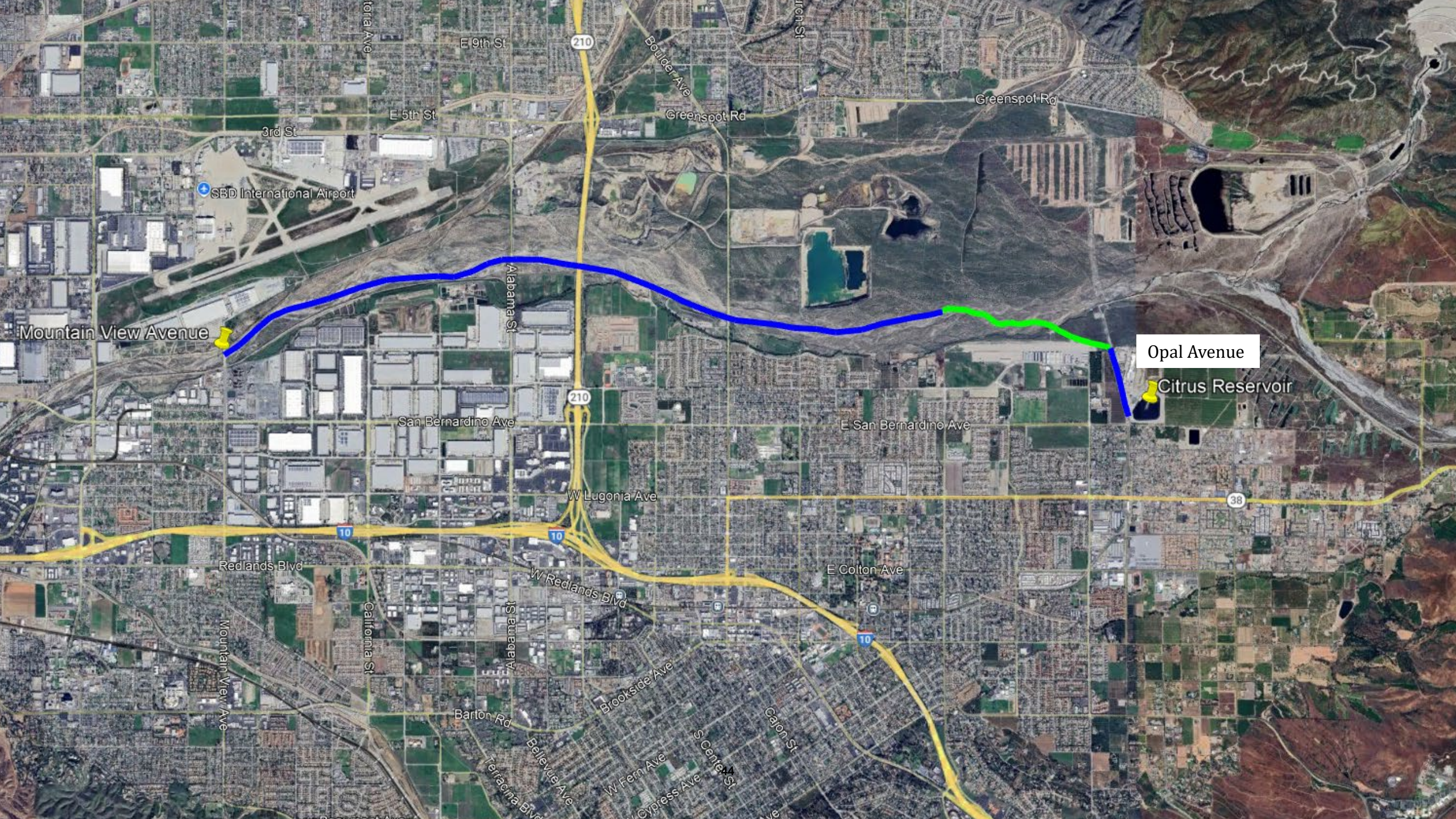
Heather Dyer, MS, MBA - Chief Executive Officer/General Manager

Wen Huang, PE, MS - Assistant General Manager/Chief Operating Officer

Notification of Emergency Actions in response to the Overflow Incident at the Citrus Reservoir

Background

- Initial refilling Citrus Reservoir at 59 cfs following the January pipeline maintenance shutdown
- Occurred around 1 a.m., Sunday, February 2, 2025
- DWR staff notified SBV Ops staff around 5 a.m.
- Valves were shut off manually by SBV Ops staff within ~1 hour.
- Approx. 25 AF of water overflowed and mobilized estimated 700k-800k rhomboids from the reservoir



Mountain View Avenue

SBD International Airport

Alabama St

210

210

San Bernardino Ave

E San Bernardino Ave

Opal Avenue

Citrus Reservoir

Redlands Blvd

10

W Redlands Blvd

W Lugonia Ave

E Colton Ave

38

Mountain View Ave

California St

Alabama St

Barton Rd

Terracina Blvd

Bellevue Ave

W Fern Ave

Cypress Ave

S Center St

Cajon St

Initial Responses

- Assess situation and clear rhomboids on Opal Avenue
- Closing off sections of damaged roadway from public access on Opal Avenue
- Assessment of the extent of deposition of rhomboids in Santa Ana River floodplain and Redlands Airport property
- Contacting Contractor to mobilize for emergency repairs
- Coordinating with resources agencies and impacted property owners for permits and access





Emergency Actions

- Right-of-way restoration: repairs to roadway erosion, storm channel re-stabilization and clearing, and clear and removal of rhomboids, sediments, and debris
- Removal of Rhomboids: ~6 miles Santa Ana River floodplain and Redlands Airport property
- Initiation of Joint Investigation with DWR: Identify factors to the breakdown of infrastructure that caused the incident to occur





Thank you to Agencies & Volunteers Participating in Rhomboid Pickup!

- Inland Empire Resource Conservation District (IERCD)
- Santa Ana Watershed Association (SAWA)
- Santa Ana Watershed Project Authority (SAWPA)
- Riverside County Regional Park and Open Space District
- South California Mountains Foundation
- California Dept. of Fish and Wildlife
- Bear Valley Mutual Water Company
- City of San Bernardino
- California Conservation Corps
- Urban Conservation Corps (UCC)
- Bureau of Land Management (BLM)
- Cal State-SB Fellows + other students
- City of Riverside
- Caltrans



Estimated Cost for Emergency Actions

- To-date: Est. \$350k, including roadway and drainage restoration, all labor and material cost associated with rhomboids removal and collection
- Proposed Action: Staff is proposing to continue the efforts pending favorable weather and river conditions for consideration by the Board:
 - Estimated up to \$150k for work completed in last few days and remaining rhomboid removal costs
- Cost to be shared between SBV (76%) and SGPWA (24%)

Director Comments and Discussion



**T. Milford
Harrison**
President



Gil J. Botello
Vice President



Susan Longville
Treasurer



Paul Kielhold
Director



Jose Velasquez
Director

Staff Recommendation:

Staff recommends the Board of Directors (BOD) review actions taken by CEO/General Manager in response to the overflow incident at the Citrus Reservoir and direct CEO/General Manager to continue the proposed actions.

Water Conditions Report

Board of Directors Meeting
February 24, 2025



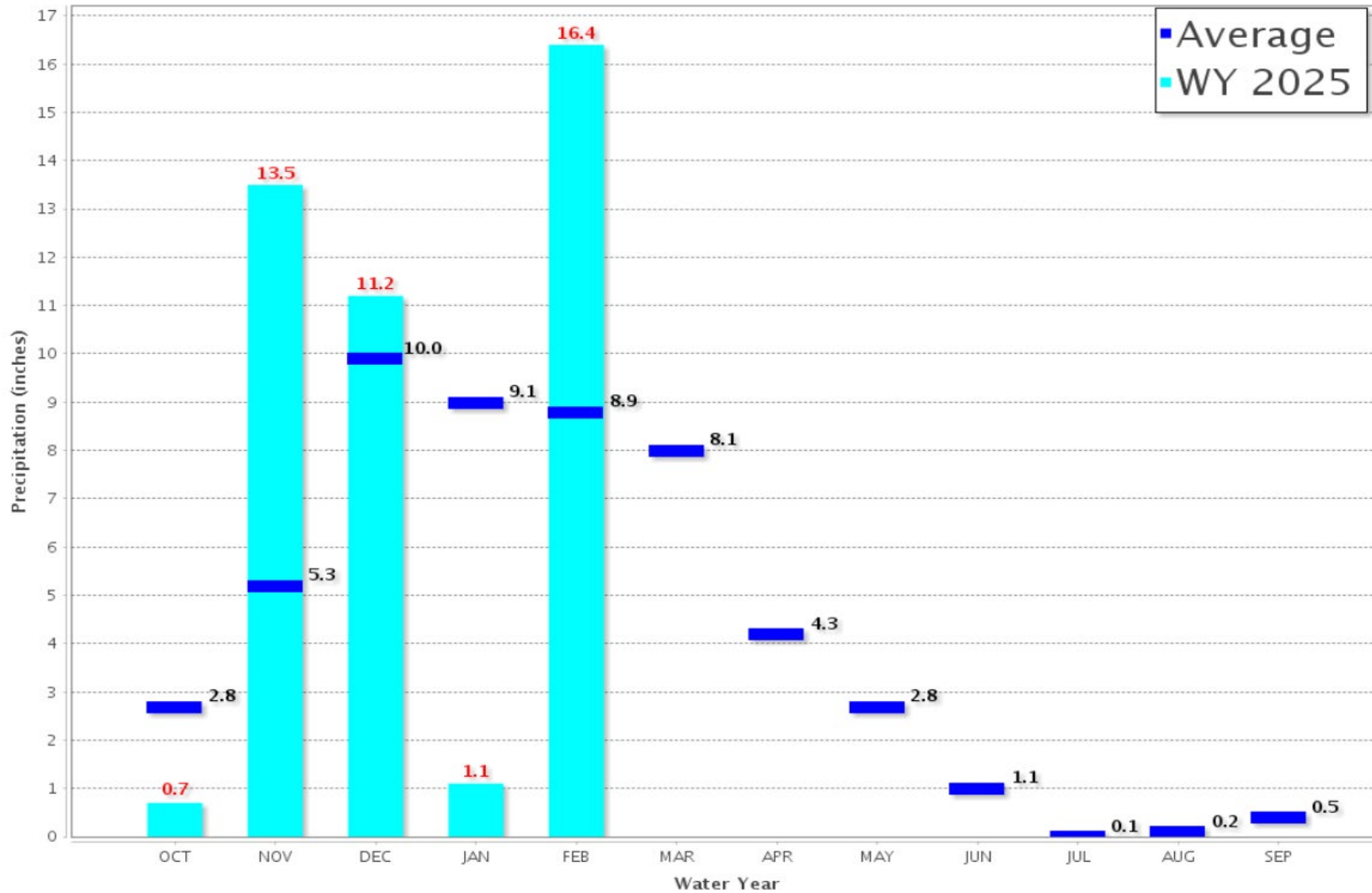


Northern Sierra 8-Station

Precipitation Index for Water Year 2025 – Updated on February 19, 2025 02:33 PM

Note: Monthly totals may not add up to seasonal total because of rounding

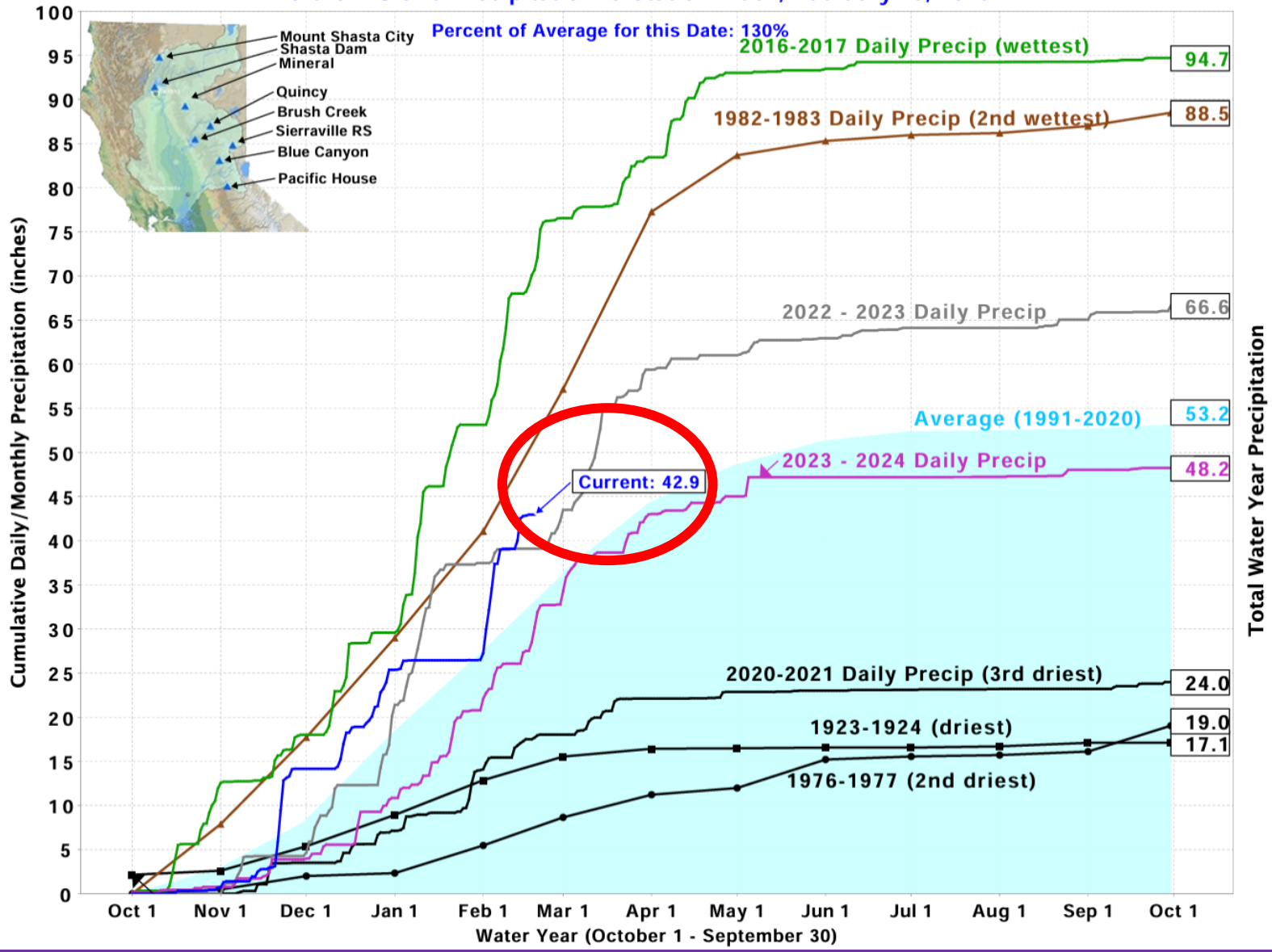
Water Year Monthly totals are calculated based on Daily precipitation data from 12am to 12am PST



State Precipitation Stations – North Sierra



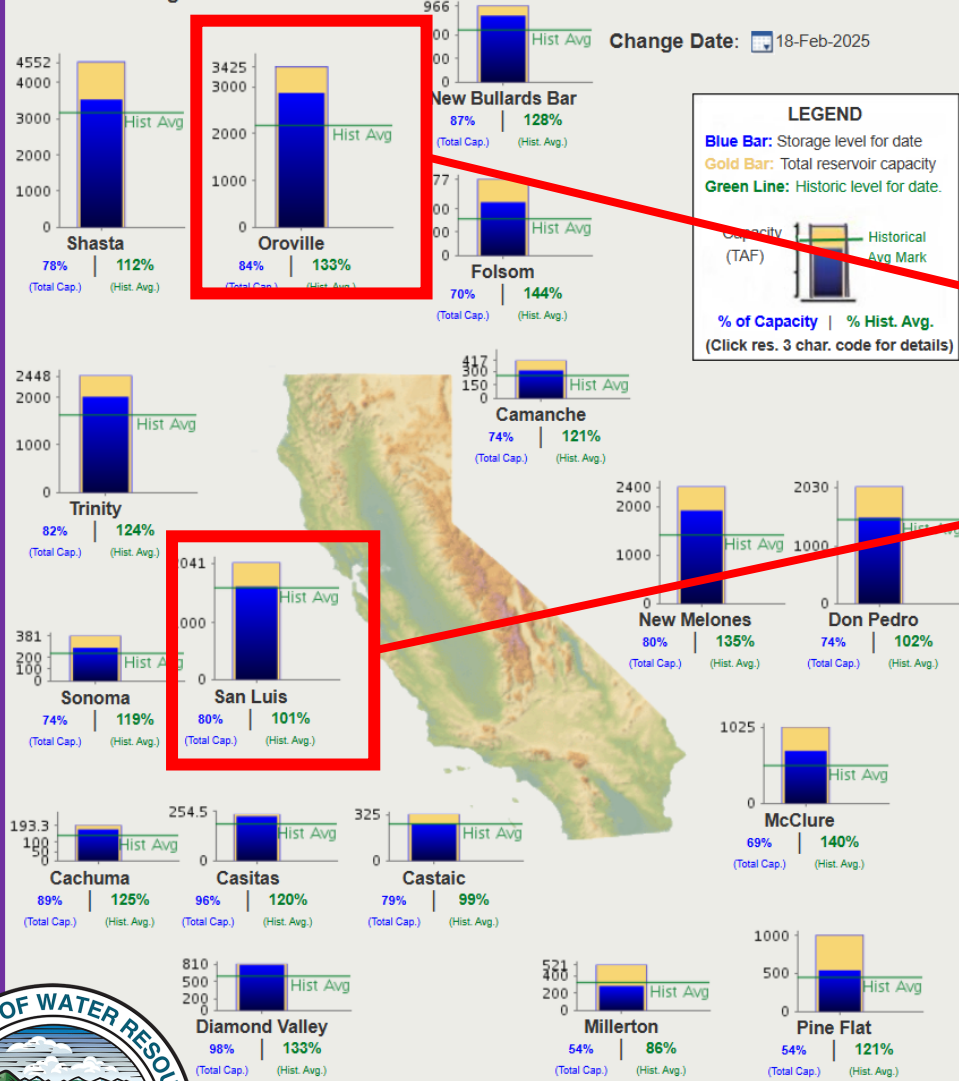
Northern Sierra Precipitation: 8-Station Index, February 19, 2025



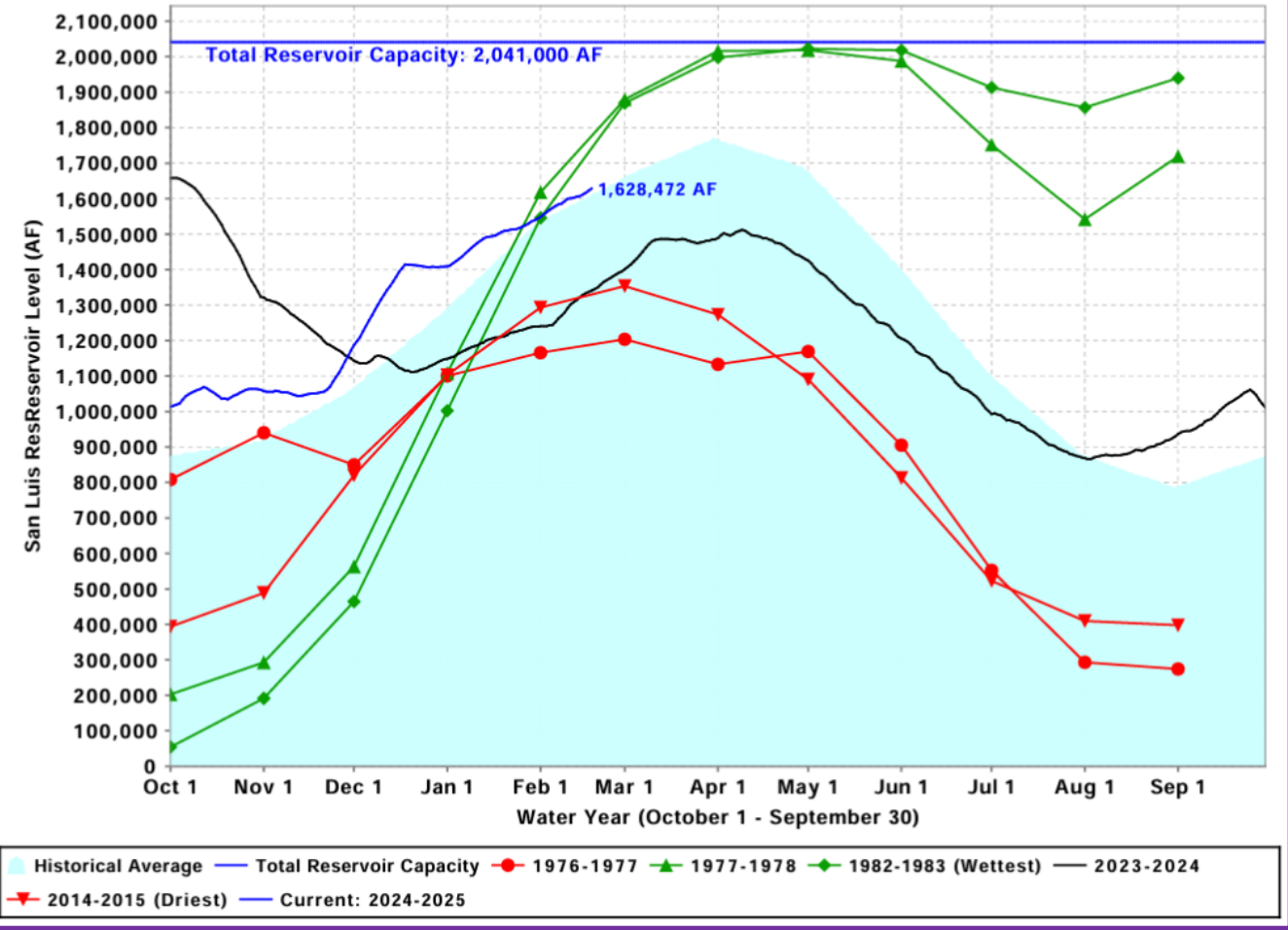
Precipitation Stations – North Sierra

CURRENT CONDITIONS: MAJOR WATER SUPPLY RESERVOIRS:18-FEB-2025

Data as of Midnight: 18-Feb-2025



San Luis Res Levels: Various Past Water Years and Current Water Year, Ending At Midnight February 18, 2025



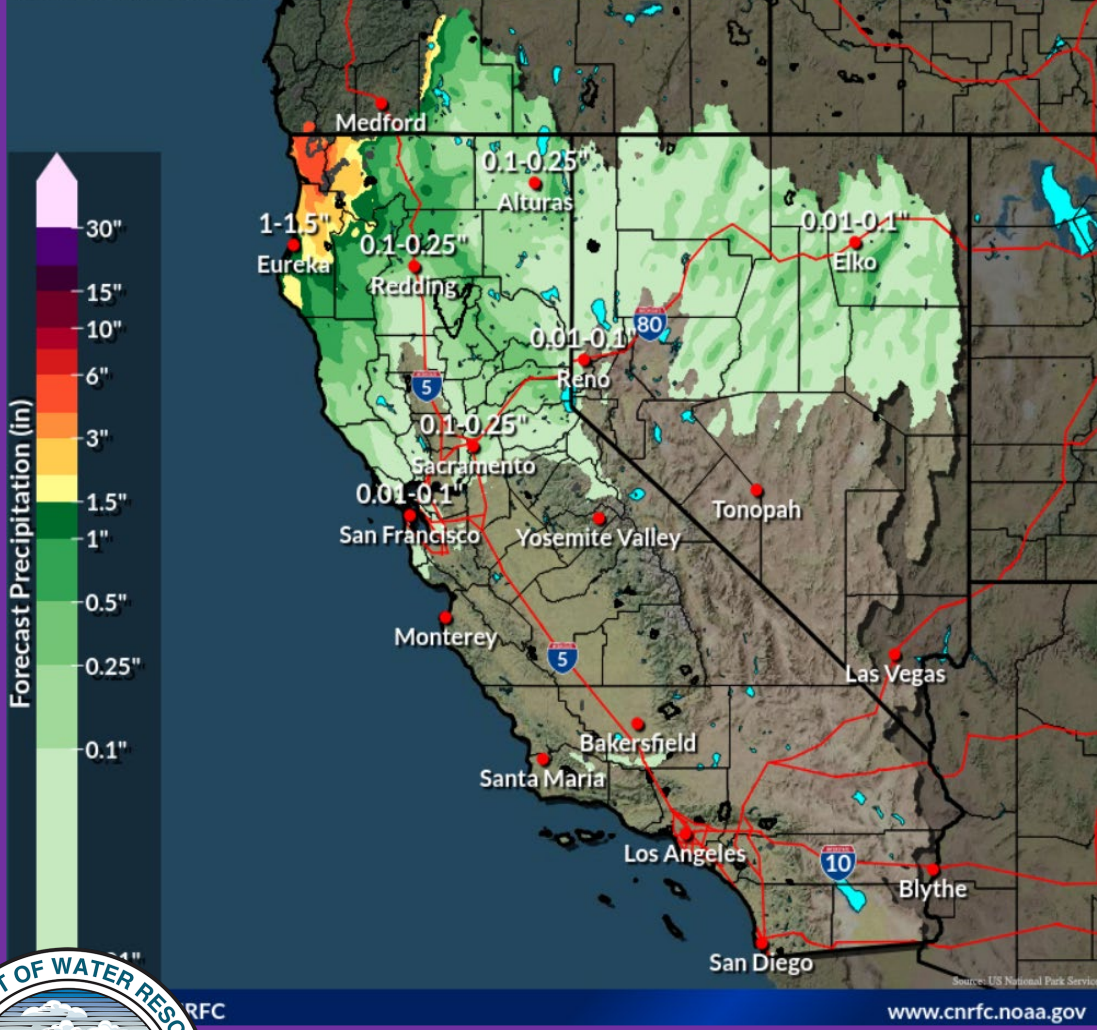
Current Reservoir Conditions

6-Day Forecast Precipitation

River Forecast Center
Sacramento, CA



Wed Feb 19, 2025 4 AM PST to Tue Feb 25, 2025 4 AM PST Issued Feb 19, 2025 12:32 PM PST

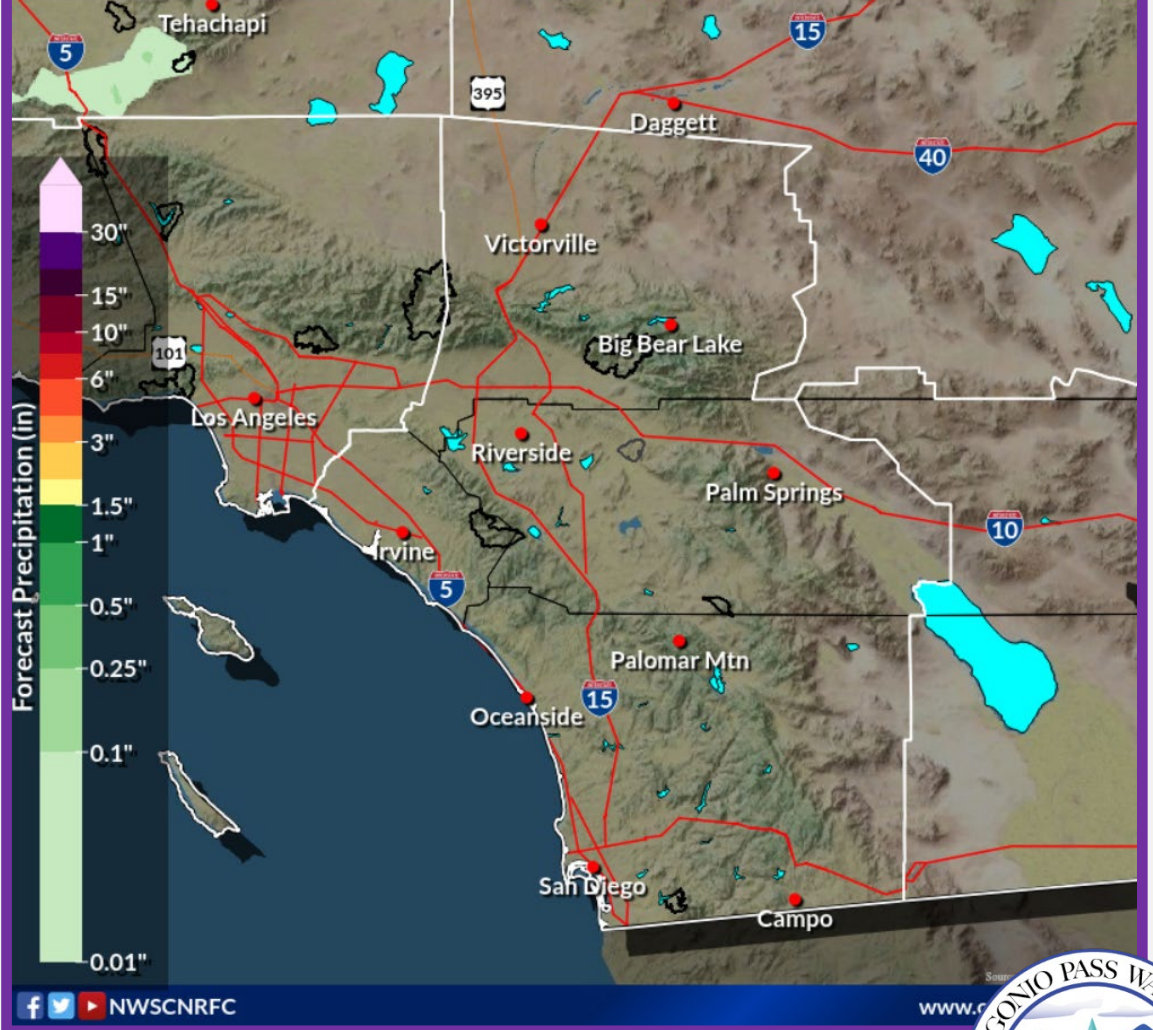


6-Day Forecast Precipitation

River Forecast Center
Sacramento, CA



Wed Feb 19, 2025 4 AM PST to Tue Feb 25, 2025 4 AM PST Issued Feb 19, 2025 12:33 PM PST



Forecasted Hydrologic Conditions

CURRENT REGIONAL SNOWPACK FROM AUTOMATED SNOW SENSORS

% of April 1 Average / % of Normal for This Date



Statewide Average: 73% / 96%

NORTH	
Data as of February 18, 2025	
Number of Stations Reporting	26
Average snow water equivalent (Inches)	24.0
Percent of April 1 Average (%)	92
Percent of normal for this date (%)	122

CENTRAL	
Data as of February 18, 2025	
Number of Stations Reporting	53
Average snow water equivalent (Inches)	19.5
Percent of April 1 Average (%)	70
Percent of normal for this date (%)	91

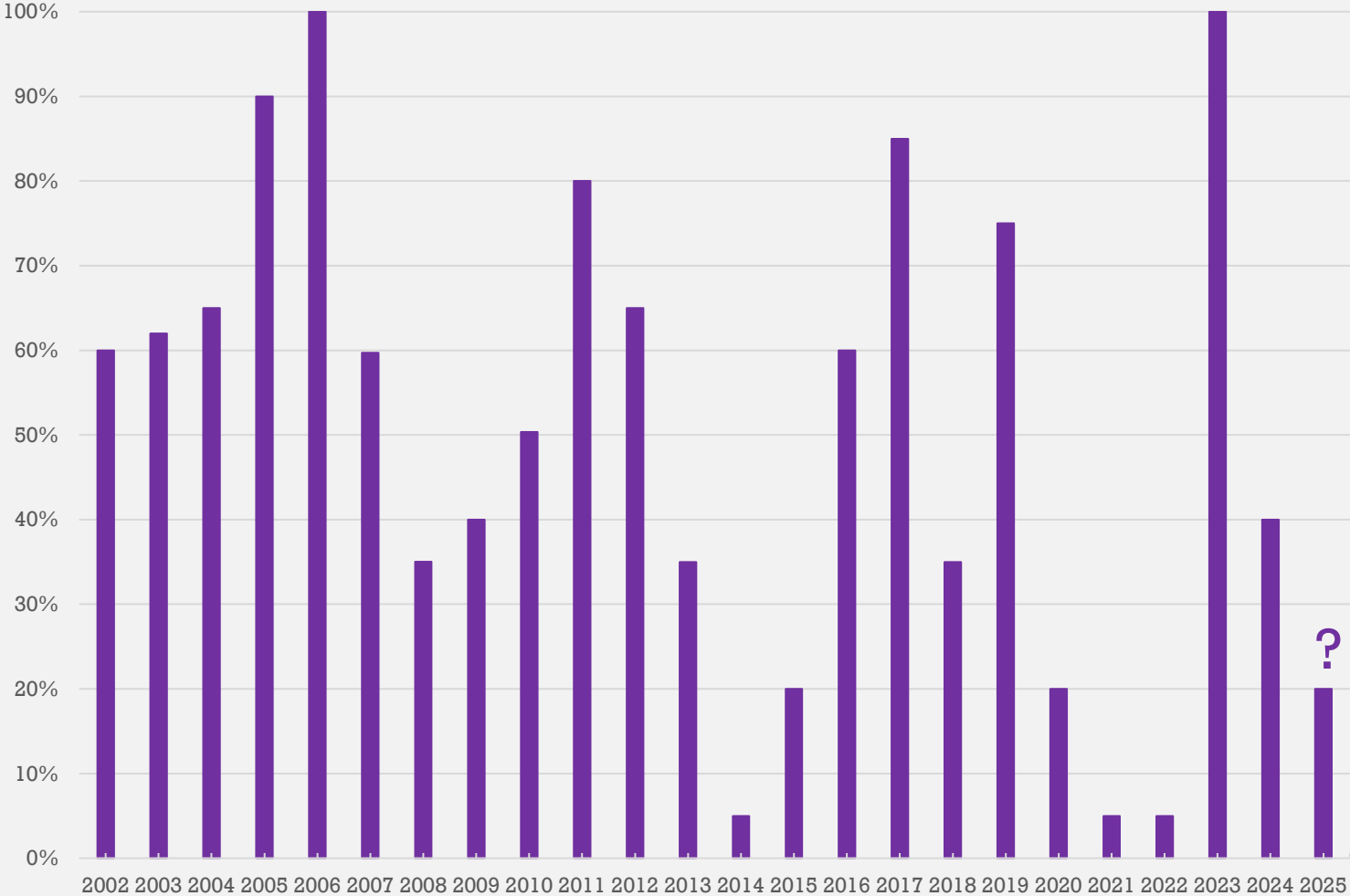
SOUTH	
Data as of February 18, 2025	
Number of Stations Reporting	28
Average snow water equivalent (Inches)	13.4
Percent of April 1 Average (%)	59
Percent of normal for this date (%)	77

STATE	
Data as of February 18, 2025	
Number of Stations Reporting	107
Average snow water equivalent (Inches)	19.0
Percent of April 1 Average (%)	73
Percent of normal for this date (%)	96



February Snowpack Report

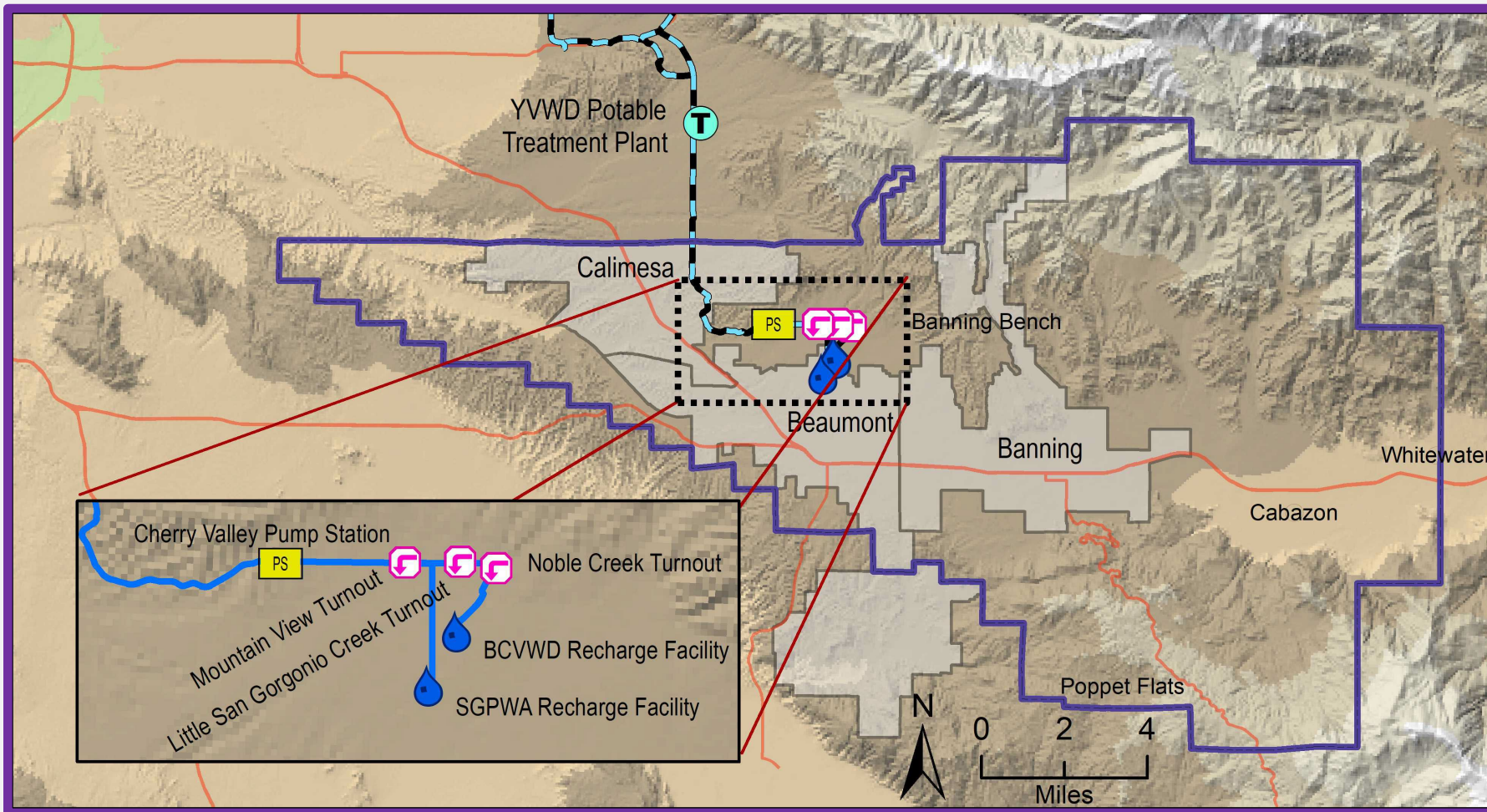
Historic SWP Allocations



SGPWA Portfolio @ 20%		
Source	Total (AF)	Delivered
SWP – Carryover	1,217	✓
SWP – Table A	3,460	
SWP – Ventura	2,000	
Non-SWP - Nickel Water	1,700	
Total Available Supply	8,377	



2025 SWP Allocation & Portfolio Update



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Total
Recharge	53	900											953
Direct	0	0											0

**Estimated*
**From Local Storage*



Local Deliveries 2025 (acre-feet)

Subject to Final Verification





Brookside East Recharge Facility



BCVWD Recharge Facilities



February Recharge Photos



San Geronio Pass Water Agency

Mid-Year Budget Review
FY 2024-25

Finance and Budget Committee
February 19, 2025

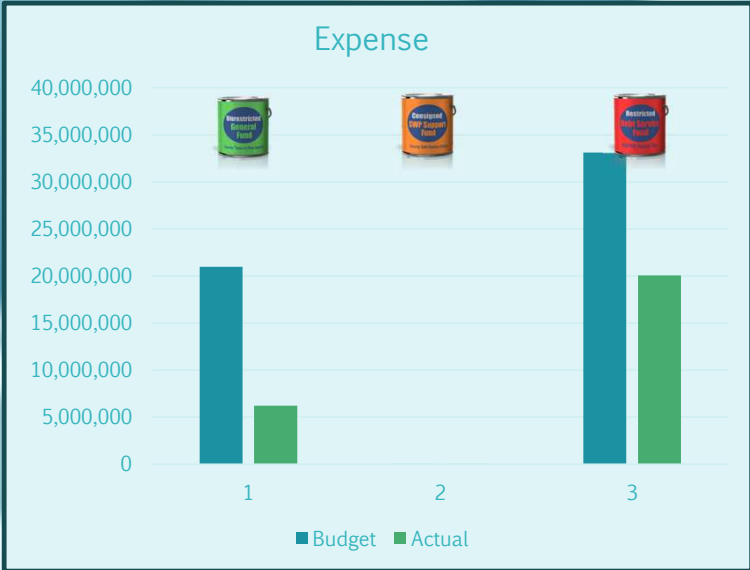
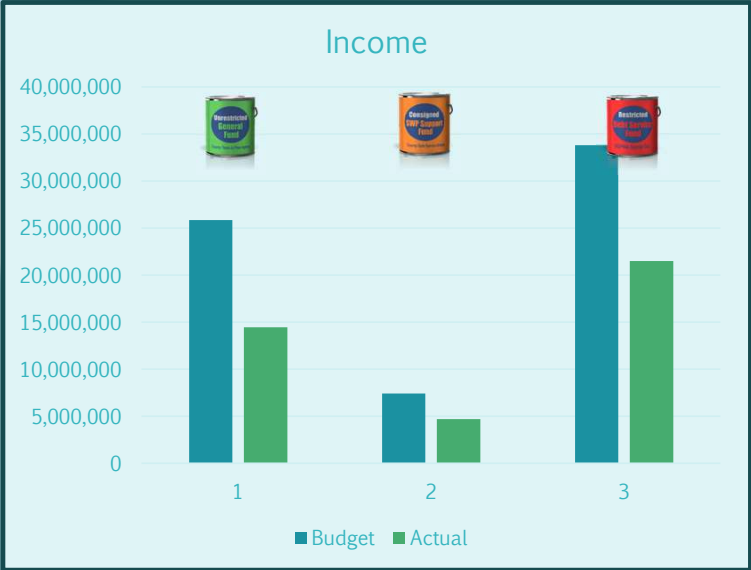


Executive Summary

- Mid-Year
 - as of January 2025
 - six months of real activity
 - compare to 50% of budget
- All Funds performing as projected



Income and Expense Budget vs. Actual





Recommendations

- Increase General Fund expenses by \$275,000
- Increase Debt Service Fund expenses by \$1,800,000 for Water Purchases
- Do not pay off bonds early



San Geronio Pass Water Agency

DATE: February 19, 2025
TO: Finance and Budget Committee
FROM: Lance Eckhart, General Manager
BY: Tom Todd, Jr., Chief Financial Officer
SUBJECT: MID-YEAR BUDGET REVIEW FY 2024-25

Executive Summary

Overall, the expenditure and income levels are performing as expected in all budget buckets and almost all budget categories. The Agency is on-track to end the fiscal year with surpluses as planned.

Because financial activity and reporting is generally delayed by about a month, this review compares seven months of activity as if the year was just half over. So, 50% of the annual approved budget amount would be a suggested target to review income and expenditure levels.

In the General Fund, the overall percentage of income received is about 56%, which is a typical pattern. The percentage of expenditures is less, at about 30%, due primarily to the large Consulting and Engineering Services budget, of which little has been expended in the first half of the fiscal year.

In the Debt Service Fund, a higher percentage of income has been received, about 63%, which is again typical of the income pattern experienced in both buckets. Expenditures are very close to 61%, which is expected because of the large EBX payment in September.

Unrestricted Funds – General Fund – ‘The Green Bucket’ Revenue

General Fund income is derived primarily from two sources, water sales and tax revenue. Both of these revenue sources are out of phase with a six-month cycle, for different reasons.

Revenue generated by water sales always lags by one or two months from the time it was delivered. By including January information, November and December payments have been received, which increases the total to about \$7.3 million. In addition, This year’s revenue is markedly different than last year, as the Agency sold 6,000 AF to Westside Water Authority, for an additional unexpected sum of \$3,000,000. Water sales are ahead of budget at this time



and even considering the current low allocation for deliveries for 2025, water sales will meet the FY24-25 budgeted amount at fiscal year-end.

Revenue received for the Agency allocation of the 1% property tax assessed by Riverside County usually is divided into two major portions. The first portion is delivered starting in December and extending through February. As of the end of January, the Agency had received about 55% of its expected tax revenue.

Finally, income from interest on investments has significantly increased. The state of the economy really impacts interest, so it has been hard to predict what Agency interest income will be. At this time, General Fund allocated interest has exceeded the budget for the entire year.

Expenditures

Expenditures for the General Fund are grouped into major categories for context. The first category is Commodity Purchases. This includes purchased water invoices from the Department of Water Resources (DWR), through invoices commonly known as variable invoices. The invoices arrive mid-month following the delivery month and are paid that month. At the beginning of the calendar year, we usually received the invoices for Nickel Water as well. As of January, about 46% of the budget had been used.

Legal Services billing comes in the month after services have been performed. Currently, the January balance in the general ledger includes services provided through December 2024. Increases in legal fees include review of Agency policies, and review of agreements, including the Heli-Hydrant, County Line Projects, and additional review of agreements for the Sites Project.

Major and Capital Expenditures includes potential expenditures for building maintenance and replacements for office equipment and furniture and other equipment. At this time, no expenditures have been made in this category.

Unrestricted Funds - Consigned State Water Project (SWP) Fund – ‘The Orange Bucket’

The Board authorized the SWP Fund starting in FY 2021-22, with the provision that expenditures would not be authorized by the Board for two to three years. At this time, no expenditures have been authorized by the Board.

As mentioned under the General Fund, interest income allocated to the Consigned SWP Fund continues to exceed expectations.



Restricted Funds – Debt Service Fund – ‘The Red Bucket’ Revenue

Debt Service Fund tax revenue follows a similar pattern of timing as the General Fund, but with slightly larger percentages. As of January, the Agency has received about 63% of the expected Debt Service revenue.



Expenditures

Expenditures for the Debt Service Fund tend to have a wider range of variances, depending on the type of expense. Salaries and related expenses, Utilities and Tax Collection Services track evenly throughout the year. The SWC Audit gets paid at the beginning of the year, so it currently is under budget for the first half of the fiscal year, but because no more invoices are expected, it will be within budget at the end of the fiscal year.

Other line items come in chunks, rather than being evenly spread over 12 months. Water Transfers are usually one-time payments, so look inactive, then exceed the monthly guide after the payment is made. Invoices for SWP Engineering and Maintenance and EBX Contract Operations come in when billed, depending on repairs needed and the amount of water delivered.

Finally, State Water Contract Payments are generally even month to month, with the exception of September (largest EBX payment) and March (large EBX payment), with slight increases in January and July, all of which relate to making bond payments.

And because State Water Contract Payments make up almost 75% of all the expenditures for the Debt Service Fund, any variance in that line item affects the total Debt Service expenditure percentage more significantly than any other item. That being said, expenditures for the first half of the fiscal year overall are within budget.

Gap Funding Program

The current balance of the Gap Funding program is \$6,235,940.59. The largest portion of the funding is being utilized by South Mesa Water Company. A reimbursement for a significant amount of their outstanding balance is due soon. Additional funds have been allocated to Cabazon Water District. Additional agreements are expected later this fiscal year.

Considerations and Recommendations General Fund

In looking forward to the second half of the fiscal year, Staff recommend making the following adjustments to the General Fund Budget categories for FY 2024-25:

- Salaries and Employee Benefits: \$188,000
- Administrative and Professional Services: \$25,000



- Legal Services: \$60,000

The total for the above items is about \$275,000. This represents an addition of about 1.3% for the General Fund Expenditure budget for FY 2024-25.

Debt Service Fund

After reviewing all Debt Service Expenditures, contract stipulations with the Department of Water Resources (DWR), and input with legal counsel, Staff recommends allowing the Debt Service fund to pay for commodity purchases from DWR.

For the rest of this fiscal year, this would represent a transfer of expenses from the General Fund to the Debt Service Fund of an estimated \$1,800,000 for FY 2024-25.

Expenses for Nickel water payments to AVEK and Kern County would still be charged to the General Fund. Operationally, this would free up additional funds for capital projects and purchases of water from other sources. It would also allow for additional flexibility in future General Fund budgets.

Early Bond Payoff

Staff has given serious thought to the Board's request to consider paying off selected EBX bonds early, to mitigate the increase in payments projected between 2026 and 2029. It is estimated that the payments in those years would increase about \$20 million over the average payment through to the end of 2035.

As the Agency has reserved sufficient funds to meet these additional payments and tax revenue to meet these payments has increased in the last 10 years, the main purpose of paying bonds early would be to reduce the amount of interest paid on those bonds.

At this time, Staff do not recommend pursuing this suggestion for the following reasons:

- Current interest rates offset the interest rate of the bonds. Interest rates for bonds to be paid off in 2026 range from 0.92% to 5%. Interest rates for bonds to be paid off in 2029 range from 1.41% to 5%. Given current economic conditions, trends suggest that the Agency would earn more interest on its reserves than it would save by paying off bonds early.
- DWR has been involved in a years-long reconciliation of costs associated with various projects and the bonds issued to pay for those projects. Preliminary findings presented by the State Water Project Accounting Office (SWPAO) indicate that the Agency will be receiving a \$16.6 million credit towards EBX bonds as a result of their findings, which significantly offsets the amount of the 'balloon' payments.



State Water Project Fundamentals

Table A and Allocations

BOARD OF DIRECTORS

FEBRUARY 24, 2025

Previous State Water Project Fundamentals

- SWP Overview
- Water Supply Contract

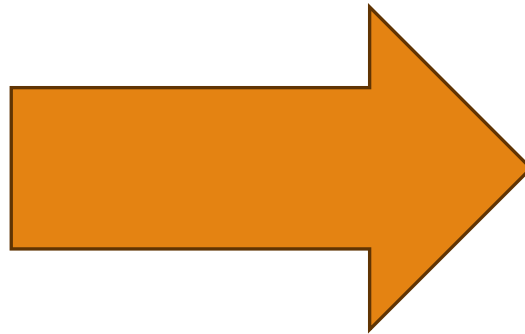
An acre-foot is...

- A unit of volume
- Equal to 325,000 gallons
- Enough water for approximately 3 households each year

Table A is a table in the water supply contract that states how much water the Agency is entitled to on an annual basis

The Agency originally contracted for 15,000 acre-feet but increased it to 17,300 in 1964

15,000
Acre-Feet



17,300
Acre-Feet

The 17,300 acre-feet is an “up-to” amount; the State makes the final decision on how much water is available and proportionally allocates water to all the State Water Contractors



The State allocates water based on the Agency’s proportional share of the project



SGPWA has about 0.4% of the total share of the State Water Project



There is about 4 million acre-feet of Table A spread among 29 State Water Contractors

EXAMPLE: If DWR commits to delivering 2 million acre-feet in a year

This translates into a 50% allocation



SGPWA would get 50% of the contracted 17,300 acre-feet or 8,650 acre-feet

To be continued...

San Gorgonio Pass Water Agency

DATE: February 24, 2025
TO: Board of Directors
FROM: Lance Eckhart, General Manager
BY: Emmett Campbell, Senior Water Resources Planner
SUBJECT: Consideration and Approval of a 3,000 Acre-Foot Water Purchase from the City of Yuba City

RECOMMENDATION

Authorize the General Manager to execute a Water Transfer Agreement with the City of Yuba City for the purchase of 3,000 acre-feet of carryover water at a rate of \$225 per acre-foot. Additionally, authorize the General Manager to complete all necessary documentation required by the Department of Water Resources, which may include any non-substantive revisions to the agreement between the City of Yuba City and the San Gorgonio Pass Water Agency.

PREVIOUS CONSIDERATIONS

- No Previous Considerations

BACKGROUND AND ANALYSIS

As of February 20, 2025, the Department of Water Resources (“DWR”) has set the State Water Project (“SWP”) allocation at 20%. Currently, many reservoirs throughout the state are at or near capacity, with the San Luis Reservoir approaching full storage. At the start of 2025, there was approximately 800,000 acre-feet of carryover water, increasing the likelihood that carryover stored in San Luis Reservoir could “spill” or be reclassified into Table A water.

To mitigate the risk of losing San Gorgonio Pass Water Agency (SGPWA) carryover water due to a spill, staff is proactively clearing out the Agency’s carryover storage. It is anticipated that all carryover water will be fully delivered by the end of February 2025. With the current 20% allocation, and the water stored in the Beaumont Basin, SGPWA’s 2025 water portfolio includes approximately 10,000 acre-feet. However, the total water order demand for 2025 current year water is 12,900 acre-feet, leaving a deficit of approximately 3,000 acre-feet. To bridge this gap, SGPWA must procure additional water from other State Water Project contractors with surplus supplies available for sale.

One such potential seller is the City of Yuba City (“Yuba”), which has 3,000 acre-feet of carryover water available for sale. SGPWA and Yuba have been negotiating the terms of a water transfer agreement, which are outlined as follows:

1. Yuba will transfer 3,000 acre-feet of carryover water to SGPWA.

2. SGPWA will take delivery of as much of this water as possible before any spill event occurs.
3. For each acre-foot successfully delivered, SGPWA will pay Yuba \$225.
4. SGPWA will not be required to pay for any Yuba carryover water that spills.
5. The Agency anticipates starting delivery of this purchased water in early March 2025, and completing the delivery in April. If all 3,000 acre-feet are successfully delivered, the total cost of the transfer will amount to \$675,000.

This agreement provides an opportunity for SGPWA to secure additional water supply at a predictable cost while mitigating the risks associated with potential spills at San Luis Reservoir.

STRATEGIC PLAN NEXUS

The water purchase from Yuba helps advance various aspects of the Agency's Strategic Plan, including:

Strategic Goal 1: Align with the current and future water landscape, supporting the region's long-term needs by diversifying the local supply portfolio and advancing water sustainability.

Objective 1 – Establish relationships and expand collaborative opportunities at the local, regional, state, and federal levels that will enhance the water supply of the region.

CEQA ANALYSIS

The execution of the Agreement is statutorily exempt from CEQA under State CEQA Guidelines section 15282(u), which exempts temporary changes in the point of diversion, place of use, or purpose of use due to a transfer or exchange of water or water rights. Here, the Project involves the one-time exchange of a certain amount of the Yuba's water for the year 2025. The Project merely changes the place of use, and does not involve construction of any additional facilities to service this transfer of water. As the Project involves a one-time exchange, it also satisfies the definition of "temporary change" under State CEQA Guidelines section 15282(u) pursuant to Water Code section 1728.

Additionally, the Project is categorically exempt from environmental review under CEQA pursuant to State CEQA Guidelines section 15301 (Class 1 – Existing Facilities), which exempts from CEQA the operation of existing public structures, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination. The Project will use existing facilities and will not require the construction of additional facilities to affect the delivery of the water.

Finally, the Project is exempt pursuant to State CEQA Guidelines section 15061(b)(3) which exempts those activities for which it can be seen with certainty that there is no

potential to result in significant environmental effects. The Project involves the transfer of an existing allocation of water within existing facilities.

FISCAL IMPACT

The purchase price for the transferred water is \$225 per acre-foot. If all 3,000 acre-feet of transfer water is delivered, then the total cost to the Agency will be \$675,000.

This is considered a transfer from another State Water Contractor, so the final cost will be charged to the Debt Service Fund (the Red Bucket), line item 'Water Transfers' (line #172). The budget for FY24-25 is \$2.M; currently about \$1.95M has been spent.

ACTION

Authorize the General Manager to execute a Water Transfer Agreement with the City of Yuba City for the purchase of 3,000 acre-feet of carryover water at a rate of \$225 per acre-foot. Additionally, authorize the General Manager to complete all necessary documentation required by the Department of Water Resources, which may include any non-substantive revisions to the agreement between the City of Yuba City and the San Geronio Pass Water Agency.

ATTACHMENTS

1. Water Transfer Agreement Between City of Yuba City and San Geronio Pass Water Agency

TRANSFER AGREEMENT

This Transfer Agreement (“Agreement”) is made and entered into as of February ____, 2025 (“Effective Date”), by and between the CITY OF YUBA CITY, a municipal corporation (“CITY”) and the SAN GORGONIO PASS WATER AGENCY, a public agency (“SGPWA”). CITY and SGPWA are sometimes individually referred to herein as a “Party” and collectively as the “Parties.”

RECITALS

A. CITY provides retail water service to its customers. SGPWA is a regional water agency that provides water on a wholesale basis to retail water providers and other entities within its service area.

B. CITY has a long-term water supply contract (“Water Supply Contract”) with the Department of Water Resources of the State of California (“DWR”) that permits CITY to receive water supply, storage and conveyance services from the State Water Project (“SWP”). CITY has a contractual right to the delivery of 9,600 acre-feet (“AF”) per year (“AFY”) of water from the SWP in its Water Supply Contract.

C. SGPWA has a Water Supply Contract with DWR that permits SGPWA to receive water supply, storage and conveyance services from the SWP. SGPWA has a contractual right to the delivery of 17,300 AFY of water from the SWP in its Water Supply Contract.

D. The CITY’s and SGPWA’s respective Water Supply Contracts allow for the transfer of SWP water under certain conditions and subject to DWR approval. Specifically, Article 56(c) provides for the transfer of Article 56 Carryover Water from CITY to another SWP contractor such as SGPWA, in accordance with Article 56(c)(4).

E. In 2025, CITY has Article 56 Carryover Water available to it after its 2024 water use and has agreed to transfer up to 3,000 AF of this water (“Transfer Water”) to SGPWA in 2025, subject to the terms and conditions hereinafter set forth (“Transfer”).

F. The Parties wish to enter into this Agreement to address water supply needs for this current year. The Parties desire to work collaboratively to provide for the efficient use of water supplies, in areas of the state where water supplies are needed.

AGREEMENT

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

1. **Term.** Subject to DWR’s approval, the term of this Agreement shall commence on the Effective Date and terminate on June 30, 2025, or upon satisfaction of the Parties’ respective obligations pursuant to this Agreement, whichever is sooner (“Term”).

2. Transfer and Release of Transfer Water in 2025. CITY shall take any and all actions necessary to make all of the Transfer Water available at the Point of Transfer, as defined in Paragraph 3, prior to June 30, 2025. SGPWA shall take as much Transfer Water at the Point of Transfer as is available under the terms of this Agreement, based upon operations of San Luis Reservoir and before any spill of San Luis Reservoir.

3. Point of Transfer

(a) Both Parties have access to water supplies and conveyance capacity in the California Aqueduct and San Luis Reservoir facilities, which are part of the SWP. For accounting and operational purposes, it is hereby acknowledged that the Transfer will be made in San Luis Reservoir, which shall be deemed to be the “Point of Transfer” of the Transfer Water.

(b) Neither Party is making any representation or warranty concerning the quality of the water transferred under this Agreement.

4. Cooperation in Obtaining DWR Approvals

(a) The Parties will take the necessary actions to fulfill their respective obligations, including but not limited to their respective obligations in coordinating with DWR to obtain DWR’s approval of the Transfer.

(b) As soon as practicable after the Effective Date, CITY will submit a request to DWR that DWR deliver the Transfer Water to SGPWA pursuant to the delivery schedule agreed upon by the Parties. CITY will coordinate with DWR to confirm the quantity of Transfer Water available for delivery to SGPWA pursuant to this Agreement.

(c) The Parties will cooperate as follows:

(i) Coordination with DWR for processing and obtaining DWR approvals necessary for the approval and implementation of this Agreement.

(ii) Coordination with DWR for delivery of the Transfer Water.

(iii) CITY, in coordination with SGPWA, will submit the water delivery schedule to DWR for delivery of the Transfer Water.

5. Water Availability. SGPWA will coordinate with DWR to track Transfer Water availability before any spill occurs at San Luis Reservoir. SGPWA has no obligation to pay for any Transfer Water that is not available and released from San Luis Reservoir to SGPWA due to the operations of the SWP that cause San Luis Reservoir to spill. CITY has no obligation to provide SGPWA water to make up for any portion of the Transfer Water that is unavailable due to the operations of the SWP that cause San Luis Reservoir to spill.

6. Article 21 Water. If DWR makes “Article 21 Water” available during the Term of this Agreement, SGPWA will prioritize the delivery of the available Article 21 Water, which will

result in suspending or reducing the delivery of Transfer Water as necessary. Once the availability of Article 21 Water ends, SGPWA will resume delivery of any remaining Transfer Water that did not spill.

7. Payment and Reconciliation

(a) The purchase price for Transfer Water shall be Two Hundred and Twenty-Five Dollars (\$225.00) per AF.

(b) Within thirty (30) days after SGPWA has acquired all Transfer Water that will be available by June 30, 2025, or at the conclusion of the Transfer of the full amount of Transfer Water during the Term, SGPWA shall pay CITY the purchase price for all Transfer Water available and released from San Luis Reservoir to SGPWA. The total cost shall be calculated by multiplying the purchase price per AF by the total acre-feet of Transfer Water available and released from San Luis Reservoir to SGPWA.

8. Costs and Expenses

(a) SGPWA will be responsible for the following costs and expenses:

(i) Costs and expenses in connection with taking delivery of the Transfer Water at the Point of Transfer.

(ii) DWR's variable charges for conveying the Transfer Water from the Point of Transfer to SGPWA's service area.

(iii) SGPWA's internal and transaction costs in connection with SGPWA's activities under this Agreement including, but not limited to, costs for review and processing of required agreements, environmental documents, and other transaction costs.

(b) CITY will be responsible for the following costs and expenses:

(i) Costs and expenses in connection with delivering the Transfer Water to the Point of Transfer.

(ii) California Environmental Quality Act (CEQA) compliance costs per Paragraph 8(c).

(iii) CITY's internal and transaction costs in connection with CITY's activities under this Agreement including, but not limited to, costs for review and processing of required agreements, environmental documents, and other transaction costs.

9. Approvals and Requirements. The Transfer and Exchange provided for in this Agreement shall be subject to satisfaction of all applicable approvals and requirements and shall be governed by the terms and conditions of such approvals and any other applicable legal requirements. Each Party is responsible for satisfying their respective requirements, as applicable, including but not limited to the following:

- (a) complying with each Party's respective Water Supply Contract;
- (b) obtaining all permits, consents, entitlements, and approvals necessary to perform this Agreement; and
- (c) fully and completely complying with the California Environmental Quality Act ("CEQA"). The lead agency for the purposes of CEQA will be SGPWA. The Parties shall cooperate with each other and DWR in determining and completing any environmental reviews associated with the activities under this Agreement.

10. Conditions Precedent. This Agreement is subject to the following condition precedent:

(a) DWR's written approval of the Transfer. CITY and SGPWA anticipate that DWR's approval will be provided in the form of a Change in Point of Delivery Agreement ("DWR Approval Agreement"). In the event of a conflict between the terms of this Agreement and the DWR Approval Agreement, the terms of the DWR Approval Agreement shall govern.

(b) In the event DWR does not approve this Agreement, or does not provide approval with sufficient time to complete the Transfer by June 30, 2025, then either Party may terminate this Agreement prior to expiration of the Term.

11. Termination.

(a) This Agreement may be terminated in accordance with the following:

(i) Default. In the event a Party fails to perform any of its obligations under this Agreement ("Defaulting Party"), the other Party ("Non Defaulting Party") may demand in writing that the Defaulting Party cure such non-performance. The Defaulting Party shall have 90 days after receipt of such demand to cure the default. In the event the Defaulting Party fails to cure the default within the 90 day period, the Non Defaulting Party may terminate this Agreement and take any and all actions in law or in equity which may be available to enforce this Agreement.

(ii) Mutual consent. This Agreement may be terminated at any time by mutual written consent of both Parties.

(iii) Failure of One or More Conditions Precedent. In the event any condition precedent to this Agreement has not been satisfied by April 1, 2025, due to circumstances outside of the responsibility or control of the Parties, as applicable, the Parties will meet and confer to discuss whether to amend, suspend, or terminate this Agreement. If mutual agreement is not reached on or before April 15, 2025, then either Party may terminate this Agreement.

12. Force Majeure. The respective obligations of each party shall be suspended while it is prevented from complying by acts of God, war, riots, civil insurrection, acts of civil or military authority, fires, floods, earthquakes, labor accidents or incidents, rules and regulations of any governmental agency (other than the Parties themselves), or other cause of the same or other character any of which are beyond the reasonable control of either Party (collectively, "Force

Majeure”). In the event of a suspension due to the Force Majeure, the Party whose obligations are suspended shall promptly notify the other Party in writing of such suspension and the cause and estimated duration of such suspension.

13. Defense. In the event of any legal action by a third party to challenge this Agreement and/or the Transfer described herein, the Parties agree to cooperate in the defense thereof and to share equally in the costs of such defense, utilizing counsel mutually acceptable to the Parties.

14. Power and Authority to Execute and Perform this Agreement. Each Party has the power and authority to enter into this Agreement and to perform its obligations and all necessary approvals and authorizations have been obtained for entering into this Agreement.

15. General Provisions

(a) Remedies Not Exclusive. Remedies provided in this Agreement for enforcement of its terms are intended and shall be construed as cumulative rather than exclusive and shall not be deemed to deprive either Party from also using any other remedies provided by this Agreement or by law.

(b) Subject to Applicable Law. The Parties acknowledge and agree that this Agreement and the rights and obligations of the Parties shall be subject to the laws governing public agencies as they now exist and as they may be amended or codified by the Legislature of the State of California.

(c) Entire Agreement. This Agreement contains the entire understanding between the Parties with respect to its subject matter, and supersedes all prior agreements, oral or written, and all prior or contemporaneous discussions or negotiations between the Parties. This Agreement cannot be amended except in writing signed by both Parties.

(d) No Waiver. Any failure or delay on the part of either Party to exercise any right under this Agreement shall not constitute a waiver of the right and shall not preclude such Party from exercising or enforcing the right, or any other provision of this Agreement, on any subsequent occasion.

(e) Notices. All notices or other communications required or desired to be given pursuant to this Agreement shall be in writing and shall be delivered in person, by email, or sent by a reputable overnight courier service providing delivery confirmation. Each such notice or communication shall be deemed to be duly given when hand-delivered or one day after being emailed or deposited for next day delivery with an overnight courier. Each such notice or communication shall be addressed to the Parties at their respective addresses set forth next to their signatures below, or such other address as a Party notifies the other in writing.

(f) Headings; Section References. Captions and headings appearing in this Agreement are inserted solely as reference aids for ease and convenience; they shall not be deemed to define or limit the scope or substance of the provisions they introduce, nor shall they be used in construing the intent or effect of such provisions.

(g) Severability. If any provision of this Agreement is finally determined by a court to be invalid or unenforceable as written, the provision shall, if possible, be enforced to the extent reasonable under the circumstances and otherwise shall be deemed deleted from this Agreement. The other provisions of this Agreement shall remain in full force and effect so long as the material purposes of the Agreement and understandings of the Parties are not impaired.

(h) Binding Effect on Successors and Assigns. This Agreement shall be binding on and inure to the benefit of the Parties, and their respective successors and permitted assigns.

(i) Attorneys' Fees. In the event that any action or proceeding is brought to enforce one or more of the terms of this Agreement, to restrain an alleged violation of this Agreement, or to determine the validity of this Agreement or any part, the prevailing Party in any such action or proceeding shall be entitled to recover from the other its reasonable costs and attorneys' fees, in addition to any other remedies available to it in law or equity. If both Parties are successful in one or more causes of action during any such proceeding, the costs and fees shall be apportioned as determined by the court.

(j) Governing Law and Venue. This Agreement is a contract governed in accordance with the laws of the State of California. The Parties hereby agree that venue for any action brought to enforce the terms of this Agreement shall be in a court of competent jurisdiction in the County of Riverside, California, and consent to the jurisdiction thereof.

(k) Counterparts; Delivery by Email; Electronic Signatures. The Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which when taken together shall constitute one and the same document. Counterparts may be delivered via electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

[Signatures follow on the next page]

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

City of Yuba City

SAN GORGONIO PASS WATER AGENCY

Date: _____

Date: _____

By: _____

By: _____

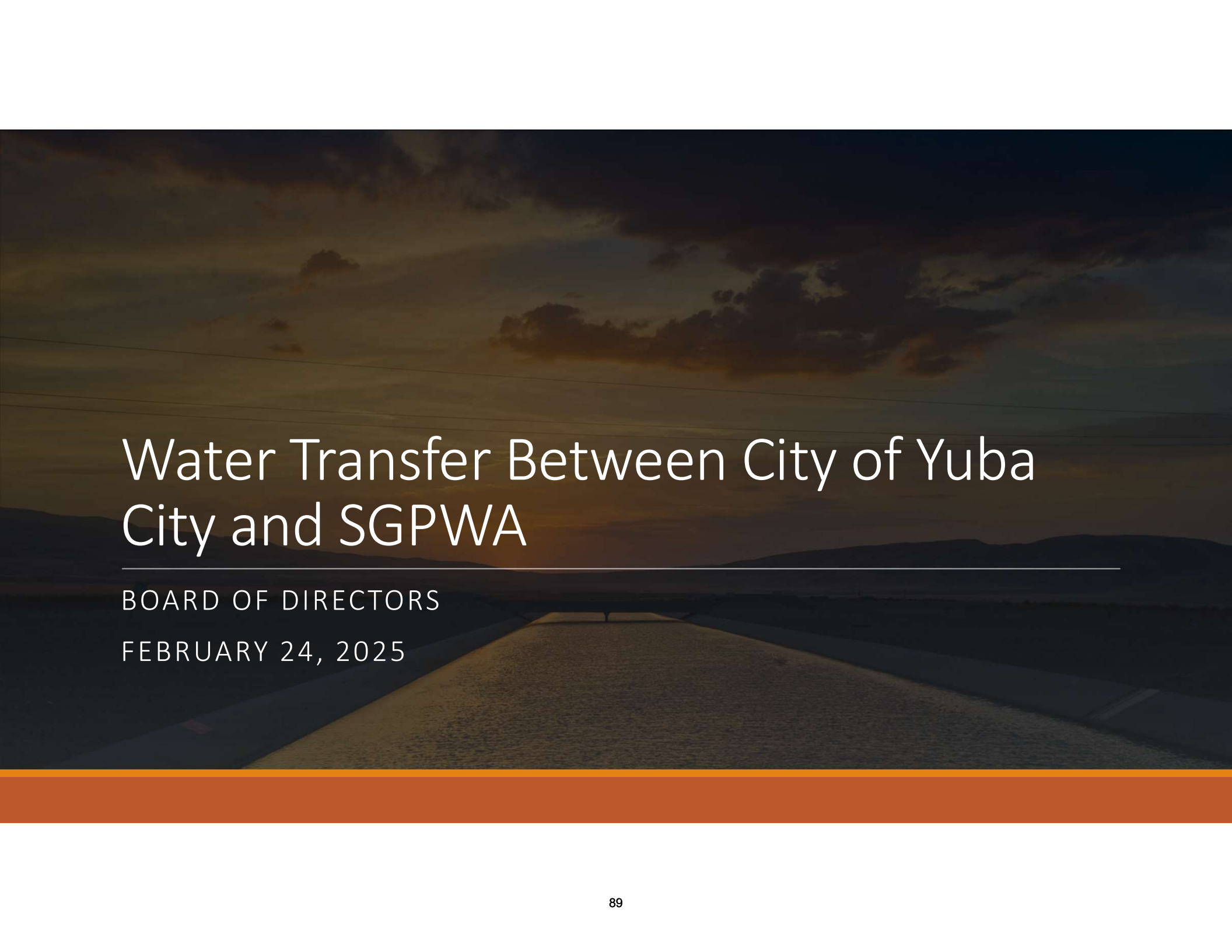
Diana Langley
City Manager

Lance Eckhart, PG, CHG
General Manager/Chief Hydrogeologist

City of Yuba City
1201 Civic Center Boulevard
Yuba City, CA 95993
Email: dlangley@yubacity.net

San Gorgonio Pass Water Agency
1210 Beaumont Ave.
Beaumont, CA 92223
Email: LEckhart@sgpwa.com

DRAFT



Water Transfer Between City of Yuba City and SGPWA

BOARD OF DIRECTORS

FEBRUARY 24, 2025

2025 Water Orders

All Values in Acre-Feet

	Direct Delivery	Current Year Replenishment	Pre-Stored Water
Banning	0	1,500	250
BCVWD	0	11,200	5,000
YVWD	200	0	0
Total	200	12,700	5,250

Current year demands for water in the SGPWA service area are about 13,000 acre-feet

2025 Water Supply

All Values in Acre-Feet

	20%
Table A	5,400
Carryover	1,200
Nickel Water	1,700
Dry Year Water	300
Pre-Stored Water	1,500
AVEK Return	3,200*
Total Available Supply	10,000

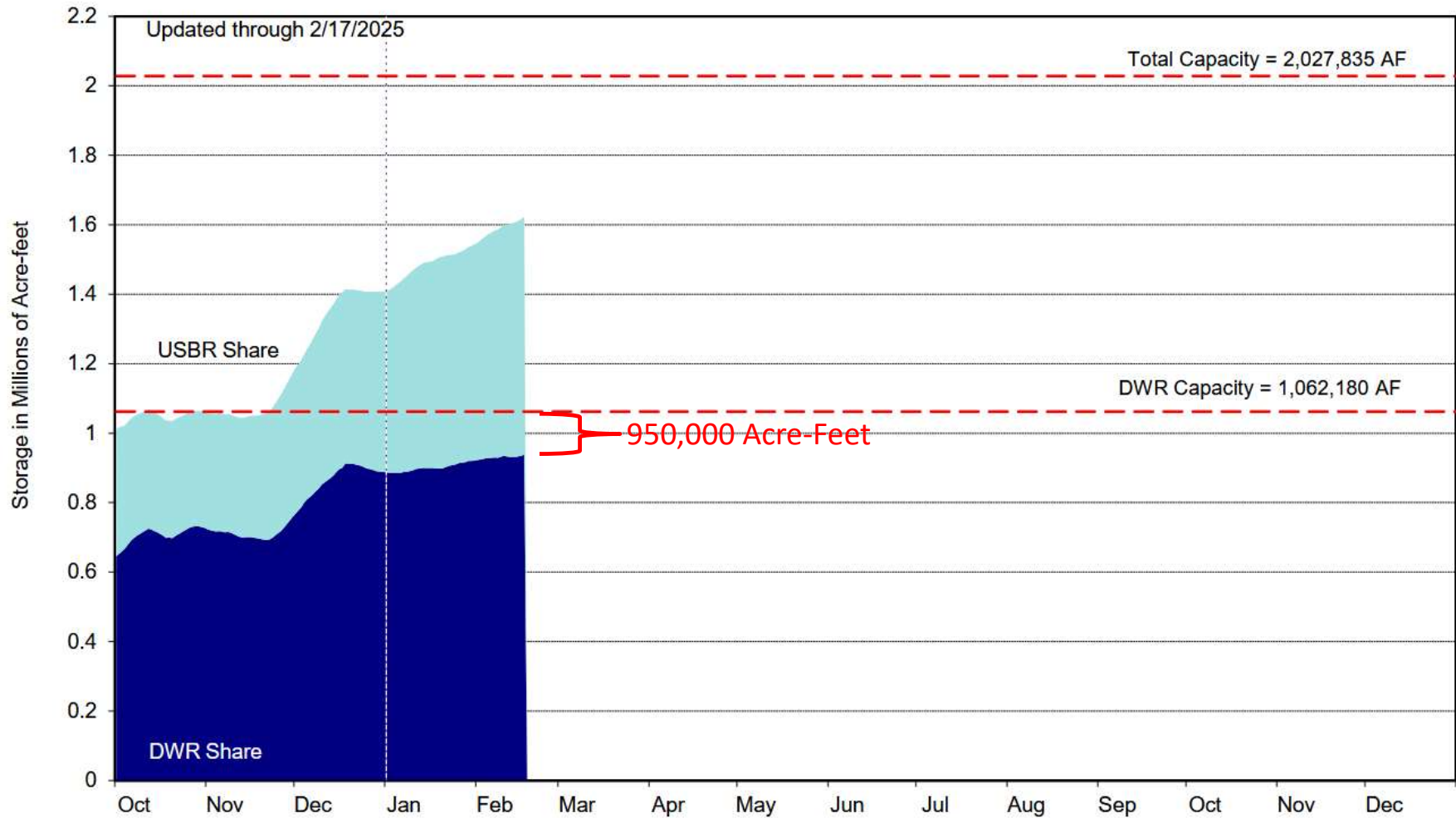
* AVEK return water is available in 30% or higher allocations

At a 20% allocation, the Agency has a about 10,000 acre-feet of available supply to meet water orders. This leaves a deficit of around 3,000 acre-feet.

San Luis Reservoir Storage

Combination Water/Calendar Year

	State	Federal
Current Storage	950,000	690,000
Max Storage	1,062,000	965,000
Unused Storage	112,000	305,000



City of Yuba City has 3,000 acre-feet of water available for sale

1. Yuba will transfer 3,000 acre-feet of carryover water to SGPWA.
2. SGPWA will take delivery of as much of this water as possible before any spill event occurs.
3. For each acre-foot successfully delivered, SGPWA will pay Yuba \$225.
4. SGPWA will not be required to pay for any Yuba carryover water that spills.
5. The Agency anticipates starting delivery of this purchased water in early March 2025, and completing the delivery in April. If all 3,000 acre-feet are successfully delivered, the total cost of the transfer will amount to \$675,000.

Recommendation

Authorize the General Manager to execute a Water Transfer Agreement with the City of Yuba City for the purchase of 3,000 acre-feet of carryover water at a rate of \$225 per acre-foot. Additionally, authorize the General Manager to complete all necessary documentation required by the Department of Water Resources, which may include any non-substantive revisions to the agreement between the City of Yuba City and the San Geronio Pass Water Agency.