



**SPECIAL NOTICE REGARDING
CORONAVIRUS DISEASE 2019 (COVID-19)
AND PARTICIPATION IN PUBLIC MEETINGS**

On March 4, 2020, Governor Newsom declared a State of Emergency resulting from the threat of COVID-19. On September 16, 2021, Governor Newsom signed Assembly Bill No. 361 into law. Assembly Bill No. 361 amends Government Code section 54953(e) by adding provisions for remote teleconferencing participation in meetings by members of a legislative body, without the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions. The San Bernardino Valley Municipal Water District adopted a resolution determining, by majority vote, that, as a result of the declared State of Emergency, a meeting in person would present imminent risks to the health or safety of attendees. Accordingly, it has been determined that all Board and Workshop meetings of the San Bernardino Valley Municipal Water District will be held pursuant to the Brown Act and will be conducted via teleconference. There will be no public access to the meeting venue.

**REGULAR MEETING OF THE BOARD OF DIRECTORS
TUESDAY, MARCH 1, 2022 – 2:00 P.M.**

PUBLIC PARTICIPATION

Public participation is welcome and encouraged. You may participate in the March 1, 2022, meeting of the San Bernardino Valley Municipal Water District online and by telephone as follows:

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

Meeting ID: 684 456 030

PASSCODE: 3802020

<https://sbvmwd.zoom.us/j/684456030>

If you are unable to participate online or by telephone, you may also submit your comments and questions in writing for the District's consideration by sending them to comments@sbvmwd.com with the subject line "Public Comment Item #" (insert the agenda item number relevant to your comment) or "Public Comment Non-Agenda Item". Submit your written comments by 6:00 p.m. on Monday, February 28, 2022. All public comments will be provided to the President and may be read into the record or compiled as part of the record.

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



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

REGULAR MEETING OF THE BOARD OF DIRECTORS

AGENDA

2:00 PM Tuesday, March 1, 2022

CALL TO ORDER/PLEDGE OF ALLEGIANCE/ROLL CALL

1) PUBLIC COMMENT

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

2) APPROVAL OF MINUTES

2.1 February 15, 2022, Meeting(Page 3)
[BOD Minutes 021522](#)

3) DISCUSSION AND POSSIBLE ACTION ITEMS

3.1 Consider "Class 8" State Water Contractors Amended and Restated Memorandum of Understanding for Election Procedures for the Delta Conveyance Design and Construction Joint Powers Authority(Page 15)

[Staff Memo - Consider "Class 8" State Water Contractors Amended and Restated Memorandum of Understanding for Election Procedures for the Delta Conveyance Design and Construction Joint Powers Authority.docx](#)

[Amended and Restated Memorandum of Understanding, Class 8 Member Agencies Election Procedures for Delta Conveyance Authority Board of Directors](#)

3.2 Adoption of an Updated District Debt Management Policy(Page 21)

[Staff Memo - Adoption of Updated District Debt Management Policy](#)
[Updated Red-Lined Debt Management Policy](#)

3.3 Discuss return to in-person or hybrid Board of Directors meetings or adoption of Resolution 1147 extending period for teleconference meetings until March 30, 2022.(Page 30)

[Staff Memo - Discuss return to in-person or hybrid Board of Directors meetings or adoption of Resolution 1147 extending period for teleconference meetings until March 30, 2022](#)
[Resolution No. 1147](#)

4) REPORTS (Discussion and Possible Action)

- 4.1 CEO/General Manager's Report(Page 35)
[Staff Memo - CEO/General Manager's Report](#)
- 4.2 Directors' Report of Activities(Page 37)
[SBVMWD Director Fees and Expenses paid in January 2022](#)
[Director Botello Activity Report - January](#)
[Director Harrison Activity Report - January](#)
[Director Hayes Activity Report - January](#)
[Director Kielhold Activity Report - January](#)
[Director Longville Activity Report - January](#)
- 4.3 Treasurer's Report(Page 43)
[Treasurer's Report - January 2022](#)
- 4.4 Board of Directors' Workshop - Resources - February 3, 2022(Page 56)
[Summary Notes BOD Workshop - Resources 020322](#)
- 4.5 Board of Directors Workshop - Engineering - February 8, 2022 (Page 59)
[Summary Notes BOD Workshop - Engineering 020822](#)
- 4.6 Board of Directors' Workshop - Branding - February 9, 2022 (Page 66)
[Summary Notes BOD Special Workshop 020922](#)
- 4.7 Board of Directors' Workshop - Policy - February 10, 2022 (Page 71)
[Summary Notes BOD Workshop - Policy 021022](#)

5) FUTURE BUSINESS

6) ANNOUNCEMENTS

- 6.1 List of Announcements (Page 77)
[List of Announcements 030122](#)

7) CLOSED SESSION

8) ADJOURNMENT

PLEASE NOTE:

Materials related to an item on this Agenda submitted to the Board after distribution of the agenda packet are available for public inspection in the District's office located at 380 E. Vanderbilt Way, San Bernardino, during normal business hours. Also, such documents are available on the District's website at www.sbvmd.com subject to staff's ability to post the documents before the meeting. The District recognizes its obligation to provide equal access to those individuals with disabilities. Please contact Melissa Zoba at (909) 387-9228 two working days prior to the meeting with any special requests for reasonable accommodation.

**MINUTES
OF
THE
REGULAR BOARD MEETING
SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT**

February 15, 2022

Directors Present: Gil J. Botello, T. Milford Harrison, June Hayes, Paul R. Kielhold, and Susan Longville

Directors Absent: None

Staff Present:

Heather Dyer, MS, MBA – Chief Executive Officer/General Manager
 Joanna Gibson, MS – Executive Director Upper SAR Habitat Conservation Program
 Jose Macedo, ML, CPT-P (USA Retired) – Chief of Staff/Clerk of the Board
 Cindy Saks, CPA – Deputy General Manager/Chief Financial Officer
 Bob Tincher, PE, MS – Deputy General Manager/Chief Water Resources Officer
 Melissa Zoba, MBA, MPA – Chief Information Officer

Michael Esquer – Senior Project Manager
 Kristeen Farlow, MPA – Strategic Communications Manager
 Anthony Flordelis – Business Systems Analyst
 Tom Holcombe – Water Operations Manager
 Matthew E. Howard, MS – Water Resources Senior Planner
 Adekunle Ojo, MPA – Water Resources Manager
 Karen Resendez, MA – Human Resources / Risk Manager
 Shavonne Turner, MPA – Water Conservation Program Manager

Bradley Neufeld, Varner & Brandt, District Counsel

Members of the Public in Attendance:

Melody McDonald, San Bernardino Valley Water Conservation District
 John Longville, San Bernardino Valley Water Conservation District
 Madeline Blua, Yucaipa Valley Water District
 Jennifer Ares, Yucaipa Valley Water District
 James Morales, East Valley Water District
 Benjamin Kelly, Western Heights Water District
 Brian Dickinson, City of Colton
 Cris Fealy, Fontana Water Company
 Jacquelyn Mercado, Metropolitan Water District
 Liz Skrzat, Chino Basin Water Conservation District
 Robert Stewart
 Sam Fuller, Bear Valley Mutual Water Company

The regular meeting of the Board of Directors was called to order by President Kielhold at 2:00 p.m. Director Susan Longville led the Pledge of Allegiance. A quorum was noted present by roll call.

The meeting was conducted by teleconference only. All actions taken by the Board at the meeting were conducted by a roll-call vote.

Agenda Item 1. Public Comment

Audience attendance will be recorded in the minutes based on registration information generated in the teleconference or by stating their name during this time. There were no email comments or Zoom requests to speak on non-agendized items.

President Kielhold stated that any member of the public wishing to make any comments to the Board may do so.

Ms. Elizabeth Skrzat, general manager of the Chino Basin Water Conservation District introduced herself and invited the Board to the Waterwise Community Center in Montclair. She noted shared interest in the greater Santa Ana Watershed, described the purpose of the Chino Basin Water Conservation District, and shared some of its programs. She extended an invitation to an event on March 17.

Agenda Item 2. Approval of Minutes of the February 1, 2022 Board meeting.

The minutes of the February 1, 2022, Regular Board meeting were approved by the following roll-call vote:

MOVED: Harrison	SECONDED: Hayes	APPROVED: 5-0
AYES:	Botello, Harrison, Hayes, Kielhold, Longville	
NOES:	None	
ABSTAIN:	None	
ABSENT:	None	

Agenda Item 3.

3.1) Presentation on Staff Priorities for 2022. Chief Executive Officer/General Manager Heather Dyer presented an overview of goals and priorities which the staff feels are most important to accomplish or make progress. She reminded the Board about the upcoming goal setting workshop and discussed the following departmental goals:

Water Resources Department

- Complete the Climate Adaptation and Resilience Plan
- Finalize a comprehensive Demand Management Program
- New regional initiative through the Basin Technical Advisory Committee (BTAC) to develop operational ranges to manage water within the Basin and optimize it for the long term

Engineering and Operations

- Finish construction of the Weaver Basins to begin recharging with recycled water
- Activate the Waterman Turnout Hydroelectric Generation Plant
- Finalize contractor selection for the \$60 million Santa Ana River Enhanced Recharge Phase IB and begin construction

Upper Santa Ana River Habitat Conservation Program

- Approve and adopt the Habitat Conservation Plan and Environmental Impact Report and submit it to the Fish & Wildlife Service
- Approve a Joint Powers Authority agreement for the partnership of 11 different water agencies to get projects permitted over the next 50 years
- Break ground at two Santa Ana River tributary restoration sites

Business Information Services

- Develop and implement the ESRI Enterprise Resources Program
- Continued implementation of Threat Protection and Defense Measures

Human Resources and Safety

- Update of employee handbook and policy development
- Develop and implement a new performance appraisal system based on competencies
- Succession planning and employee development
- Continue implementation of the ACWA JPIA safety program

Administration

- Establish formal processes and systems
- Continue cross-training throughout the department to facilitate workflow and build an organization that supports everyone to maximize time
- Provide high-level service to the Board, public, and staff

Strategic Communications

- Develop goals and objectives in support of the Strategic Plan
- Continue working on the re-branding initiative
- Complete and implement the Strategic Communications and Engagement Plan
- Build on the Water Forums to find pathways to collaboration and increase engagement and awareness

Executive Office / Finance:

- Work toward resolving the Seven Oaks Dam lawsuit / settlement framework

- San Bernardino County Flood Control agreement for a joint water recharge program
- Complete the Watershed Connect WIFIA loan agreement
- Identify ways to pay for local infrastructure and develop a long-term financial strategy to build needed projects

Director Harrison commented this is very thorough and pleased to see staff working through all these goals.

Agenda Item 4. (Discussion and Possible Action Items).

4.1) Consider Adoption of Resolutions 1145 and 1146 appointing Heather Dyer as Valley District's Representative to the Western-San Bernardino and Santa Ana River Watermaster Committees, respectively. Chief Executive Officer/General Manager Heather Dyer reminded the Board about discussion of this item at the Engineering Workshop and of the two historic judgments along the Santa Ana River.

The Santa Ana River Watermaster Committee and the Western-San Bernardino Watermaster Committee are obligated to submit annual reports to the Court, she noted. Valley District technical staff works together with staff from the Western Municipal Water District (WMWD), Orange County Water District, and Inland Empire Utilities Agency to develop the data and assure that all watermasters are comfortable with the submittal to the Court explaining continued compliance with the judgment, she explained.

Having the General Manager of Valley District as the Watermaster provides a good forum for General Managers from all the agencies to work together and have open dialogue on a regular meeting basis, Ms. Dyer explained.

Chief Engineer / Deputy General Manager Wen Huang requested the change to allow him to concentrate on the other capital projects, she advised.

Resolution No. 1145 appointing Heather Dyer as Valley District's Representative to the Western-San Bernardino Watermaster Committee and Resolution No. 1146 appointing Heather Dyer as Valley District's Representative to the Santa Ana River Watermaster Committee were adopted by the following roll-call vote:

MOVED: Longville	SECONDED: Botello	APPROVED: 5-0
AYES:	Botello, Harrison, Hayes, Kielhold, Longville	
NOES:	None	
ABSTAIN:	None	
ABSENT:	None	

RESOLUTION NO. 1145

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT NOMINATING HEATHER DYER AS ITS REPRESENTATIVE ON THE WESTERN-SAN BERNARDINO WATERMASTER COMMITTEE

(See Resolution Book)

RESOLUTION NO. 1146

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT NOMINATING HEATHER DYER AS ITS REPRESENTATIVE ON THE SANTA ANA RIVER WATERMASTER COMMITTEE

(See Resolution Book)

4.2) Approval of the Basin Technical Advisory Committee's 2022 Regional Water Management Plan. Chief Executive Officer/General Manager Heather Dyer reminded the Board that the 2020 Upper Santa Ana River Watershed Integrated Regional Urban Water Management Plan (UWMP) requires the development of an annual Regional Water Management Plan (RWMP) by the Basin Technical Advisory Committee (BTAC). The plan is to be presented, considered, and approved by the BTAC and submitted to the Santa Ana River Watermaster, the Western-San Bernardino Watermaster and the WMWD.

The 2022 RWMP was approved by BTAC at its December 6, 2021, meeting. It recommends a recharge threshold and helps avoid the high groundwater conditions that were seen in the past, Ms. Dyer explained. Dyer reviewed the goals of the RWMP. This year, the recommended artificial recharge threshold is 471,000 acre-feet (36,000 af higher than in 2021). She indicated that due to the low water year, it is not expected that threshold will be reached.

The Board of Directors approved the Basin Technical Advisory Committee's 2022 Regional Water Management Plan by the following roll-call vote:

MOVED: Harrison	SECONDED: Botello	APPROVED: 5-0
AYES:	Botello, Harrison, Hayes, Kielhold, Longville	
NOES:	None	
ABSTAIN:	None	
ABSENT:	None	

4.3) Approval of Continued Participation in the State Water Project (SWP) Municipal Water Quality Investigations Program. Chief Executive Officer/General Manager Heather Dyer reminded the Board that this item came to the Resources Workshop on February 23, 2022. The Municipal Water Quality Investigations Program monitors, forecasts, and reports on the water quality in the Delta and the State Water Project (SWP) as source water for municipal use, she explained. Because this water recharges the groundwater basin, there is need to understand water quality issues, she noted.

This is a joint program that Valley District pays into proportionally (3.46 percent) based on Table A allocation as a State Water Contractor, Ms. Dyer continued. The total program cost is \$3.1 million per year, with Valley District's share at \$112,840 annually, she advised. She enumerated the program objectives and advised that the existing agreement ending on December 31, 2022 was approved by the Board in February 2019.

Ms. Dyer advised that Deputy General Manager/Chief Water Resources Officer Bob Tincher has done a lot of work with the Regional Board that demonstrates the high quality of State Project Water (SPW) and the advantage of recharge into the Basin in diluting the total dissolved solids (TDS) and salt and nutrients. This program affords a better understanding of overall water quality issues within the Basin, she noted.

The Board of Directors authorized the CEO/General Manager to execute the 2023-2025 Municipal Water Quality Investigations Program Agreements for a not-to-exceed total cost of \$338,520, or \$112,840 annually by the following roll-call vote:

MOVED: Botello	SECONDED: Hayes	APPROVED: 5-0
AYES:	Botello, Harrison, Hayes, Kielhold, Longville	
NOES:	None	
ABSTAIN:	None	
ABSENT:	None	

4.4) Consider a Budgetary Amendment for the 2021 Water Supply Contingency Program to Meet the Bear Valley Mutual Water Company In-Lieu Water Demand. Chief Executive Officer/General Manager Heather Dyer reminded the Board of the presentation last week and explained the 2021 Water Supply Contingency Program, intended to meet Bear Valley Mutual Water Company's in-lieu water demands.

The Board authorized \$600,000 for development of alternative groundwater sources to meet the demand program, Ms. Dyer continued. When water supply becomes tight and requires creative solutions, this is a good example of working with other local agencies to identify ways to maximize the value of all resources. It enabled Valley District to carry over water that will be available for the upcoming year that may not have been otherwise, she stated.

In anticipation of another low SPW allocation for 2022, Bear Valley and its shareholders were able to produce additional supply to help Valley District meet its in-lieu water supply for 2021, Ms. Dyer continued. Many retail agencies want direct delivery of SPW and the more to save for the following year, the better, she explained. The engineering team worked on this program throughout the year, resulting in approximately \$200,000 in well rehabilitation costs, \$662,000 for well production, operations, and maintenance costs, and an estimated \$80,000 needed for Groundwater Council assessments or well production assessments, she advised.

The Board was requested to approve the final amount for the project, Dyer explained. She further detailed the program and advised that the total project cost was \$942,000 to meet the demand from Bear Valley, which makes a payment of \$1.6 million to cover the costs. The change to the authorized budget being requested is \$342,000.

The Board of Directors approved the 2021-22 Fiscal Year budgetary amendment to the General Fund in the amount of \$342,000 for the 2021 Water Supply Contingency Program to meet the Bear Valley Mutual Water Company In-Lieu water demands by the following roll-call vote:

MOVED: Botello	SECONDED: Hayes	APPROVED: 5-0
AYES:	Botello, Harrison, Hayes, Kielhold, Longville	
NOES:	None	
ABSTAIN:	None	
ABSENT:	None	

4.5) Consider Cost-Share with the City of Redlands for Well Rehabilitation and Improvements to the San Bernardino Avenue Well. Chief Executive Officer/General Manager Heather Dyer explained that Valley District acquired this production well in the City of Redlands and staff proposes partnering with the city to share the total cost of \$314,000 including a ten percent contingency for well rehabilitation and improvements.

The City would like to partner, as they have been using this well for their municipal supply, Ms. Dyer advised. This is a good opportunity for a needed project and is a win-win solution, she said.

The Board of Directors approved the cost-share arrangement with the City of Redlands for well rehabilitation and improvements to the San Bernardino Avenue Well in the amount of up to \$157,000 by the following vote:

MOVED: Harrison	SECONDED: Botello	APPROVED: 5-0
AYES:	Botello, Harrison, Hayes, Kielhold, Longville	
NOES:	None	
ABSTAIN:	None	
ABSENT:	None	

4.6) Consider Adoption of the San Bernardino Valley Municipal Water District Strategic Plan. Chief Executive Officer/General Manager Heather Dyer indicated the Strategic Plan has been in progress since approximately 2019 and has been developed into a foundational document that will guide the work of the District for many years to come. She noted the development and adoption of the plan is the beginning of the strategic planning process and will kick off some meaningful discussion of goals and objectives.

She emphasized that the intention of the strategic plan is “to use the plan to set priorities, establish focused goals, create annual action plans and problem solve with integrity.” The next step will be regular meetings of the Board to focus on development of goals and objectives for the six identified strategies. The detailed work will then be assembled into an update of the plan or a companion document, she noted.

Ms. Dyer reminded that this first-ever strategic plan is the culmination of the work of the Board over the last two years. She explained that the main content is to solidify the mission, vision, values, strategies, and priorities for the District. She reviewed the mission, vision, and values:

- *Mission: To work collaboratively to provide a reliable and sustainable water supply to support the changing needs of our region’s people and environment*
- *Vision: A diverse, equitable and resilient water supply and healthy watershed for future generations*
- *Values: Collaborative, trustworthy, innovative, and driven*

Vice President Hayes indicated she is uncomfortable with the plan as it stands and reminded that she has voiced some concerns and stated ways in which she can support it. She indicated that she supports the document as a beginning step, and it is a good job, but it is incomplete.

Director Longville posited the determination of real priorities and establishment of goals and an action plan will give the strategic plan its muscle and meat. When updating it in future years, accomplishments will be apparent. She indicated that she is satisfied and proud of the document. She suggested a redesign for the handouts for this year that highlights the information regarding how the plan will be used, and the next steps.

Director Botello commended Ms. Dyer on her guidance of the process. He stated the plan is a standalone, foundational, guiding document. He reminded the Board that a week was dedicated to discuss and design the plan, followed by a meeting dedicated to reviewing it page by page. At this late date, to suggest that it is not up to par, or ready for publication is unacceptable. The consultants did an excellent job and helped deliver the guiding document as requested; the action plan comes later, he added. He expressed concern that these late suggestions indicate to the public that the plan may have shortcomings.

Director Harrison said he is pleased and feels this is a great guideline for what is to be done in the future. He agreed with Director Longville relative to fleshing it out to create the guideline and the action plan; but this will be the overall guiding force as the District moves ahead with specific tasks, goals, and objectives. He also complimented Ms. Dyer, staff, and consultants on an admirable job.

In response to President Kielhold, Ms. Dyer stated the original intention for this Strategic Plan was to have a long-lasting, durable document that did not need to be updated often, with a subset of separate documents on annual or bi-annual action plans that would look at goals and objectives to be achieved within a certain time frame. She acknowledged the suggestion of Vice President Hayes regrading a sleeve to insert the work plans or subsequent documents, but said she imagined this as an overarching document with a series of different workplans for the different priorities that are listed on the Valley District website.

Director Harrison pointed to Valley District's 14 retail agencies and noted that the Strategic Plan will be the umbrella plan for the various work plans to be developed based on the Strategic Plan.

Director Botello reiterated the Strategic Plan is a standalone document, and any subsequent work plans are also standalone. In its current form, the Strategic Plan is streamlined, to the point, and informational. The audience of stakeholders, ratepayers, water policy experts, and individuals can quickly derive the mission, vision, and values guiding the work of the Board and Valley District, he said; the action plans come later. As a document, it is ready to go, he said.

Vice President Hayes pointed out that at all the strategic planning meetings, she has stated that she believes the goals are part of the plan. Her research showed that almost all strategic plans include action plans, and she said she was hoping for a compromise on this document.

Two differing ideas about the document, President Kielhold stated, indicates that it is not ready to go. The intention was to consider approval today with the possibility of introducing the document at the Water Forum tomorrow, President Kielhold said he is not comfortable with those actions given the comments. He suggested going back to a workshop to get it sorted out.

Director Longville agreed with the additional workshop and delay of adoption of the Plan. Director Botello moved to adopt the plan per staff recommendation.

The Board declined the staff recommendation and did not adopt the Strategic Plan.

Adopt the San Bernardino Valley Municipal Water District Strategic Plan:
failed by the following vote:

MOVED: Botello	SECONDED: Harrison	MOTION FAILED: 3-2
AYES:	Botello, Harrison	
NOES:	Longville, Hayes, Kielhold	
ABSTAIN:	None	
ABSENT:	None	

Agenda Item 5. Reports (Discussion and Possible Action Items)

5.1) SAWPA Meeting Report

Vice President Hayes reported on the following items taken at the February 15, 2022 Commission Meeting:

- Authorized the issuance of a Request for Proposal (RFP) for Audit Services commencing the fiscal year ending June 30, 2022
- Approved and authorized staff to submit the portfolio of projects and funding allocations for consideration by DWR for up to \$5 million in Proposition 1 IWRM Disadvantaged Community Involvement (DACI) Grant Set-Aside funding made available through the 2021 Urban and Multi-benefit Drought Relief Grant Program

5.2) State Water Project Report

Deputy General Manager/Chief Water Resources Officer Bob Tincher reviewed State Water Project allocations and advised that two days after the last report to the Board, the allocation was increased from zero to 15 percent. In 2014, there was a five percent allocation, but a 20 percent allocation the following year, and this is on track to happen again this year. He pointed out that most of the years are above 20 to 30 percent, showing that the SWP provides a good source of supply of high-quality water for this valley and is a great investment for the region.

The Department of Water Resources Precipitation Index showed the current water year started on a wet trajectory, but has been flatlining, Mr. Tincher said. If it remains flatlined, precipitation is still on track with 2019-2020 that had a 20 percent allocation, he noted, but it is hoped that more rain will come in March and April.

Mr. Tincher noted that the reservoirs feeding the SWP are at about 78 and 59 percent of average, and snow water content is a little below average.

In preparation for a dry year, staff has been working with retail agencies and has identified a starting point for proportioning water for direct deliveries, Mr. Tincher advised. He shared a video on the Delta Conveyance Project from the State Water Contractors.

The Sites Reservoir status report is in the Board packet, Tincher said. It now includes the scope of work for the contract amendment that the Board has executed, and there are many tasks to complete over the three-year period, he noted.

Vice President Hayes commented on the video and asked about the impact on the Sites Reservoir project naysayers. Mr. Tincher indicated that the project is being paid for by the beneficiaries primarily in southern California but there are some who will remain against movement of water to the south despite capture of new water. The video could help people with more information. He reminded of lessons learned and indicated there is an effort to do a better job of disseminating information to both northern and southern California.

Director Longville said she was surprised to see the salmon report in Mr. Tincher's report. He explained the inclusion of the report in response to earlier negative articles; the salmon is actually doing better than was thought, and the news is positive. Valley District invests in science in the Delta through the State Water Contractors, he noted.

Director Harrison advised that in a recent ACWA workshop, a northern California farmer revealed that she had changed her position that southern California was stealing their water. He requested a copy of the reservoir report.

5.3) Operations Report. Water Resources Senior Planner Matt Howard presented the Report. In January 2022, 56 acre-feet of imported water was delivered to the District. In response to Vice President Hayes, Mr. Holcombe advised that no deliveries were made to WVWD in January.

Agenda Item 6. Future Business.

The following items were added:

- Workshop discussion on returning to in-person or hybrid meetings

MOVED: Kielhold	SECONDED: Botello	APPROVED: 5-0
AYES:	Botello, Harrison, Hayes, Kielhold, Longville	
NOES:	None	
ABSTAIN:	None	
ABSENT:	None	

- Workshop discussion on Strategic Plan issues (By consensus. There was no vote.)

Agenda Item 7. Announcements.

7.1) List of Announcements. President Kielhold pointed out the list of announcements.

Vice President Hayes thanked Mr. Macedo for communicating the calendar items.

Director Longville advised that she adjusted her schedule to be able to attend the Weaver Basins dedication.

Agenda Item 8. Closed Session. District Counsel Brad Neufeld introduced the Closed Session items. President Kielhold adjourned the meeting to Closed Session at 3:48 p.m.

8.1) Public Employee Performance Evaluation

Pursuant to Government Code §54957

Title: CEO/General Manager

President Kielhold returned the meeting to Open Session at 3:58 p.m. District Counsel Brad Neufeld reported that no reportable action was taken in closed session.

Agenda Item 8. Adjournment.

The meeting was adjourned at 4:00 p.m.

<p>APPROVAL CERTIFICATION</p> <p>I hereby certify to approval of the foregoing Minutes of San Bernardino Valley Municipal Water District.</p> <p>_____</p> <p>Secretary</p> <p>Date _____</p>

Respectfully submitted,

Lynda J. Kerney
Contract Assistant



DATE: March 1, 2022

TO: Board of Directors

FROM: Bob Tincher, Chief Water Resources Officer/Deputy General Manager

SUBJECT: Consider "Class 8" State Water Contractors Amended and Restated Memorandum of Understanding for Election Procedures for the Delta Conveyance Design and Construction Joint Powers Authority

Staff Recommendation

Staff is recommending the Board authorize execution of the *Amended and Restated Memorandum of Understanding Class 8 Member Agencies Election Procedures for Delta Conveyance Authority Board of Directors*

Summary

The Board approved the *Memorandum of Understanding Class 8 Member Agencies Election Procedures for Delta Conveyance Authority Board of Directors* on November 17, 2020. The amended and restated MOU clarifies the election process that will be utilized this fiscal year. All other provisions remain the same. These changes were reviewed by House Counsel and approved as to form.

Background

To assist the Department of Water Resources (DWR) in the project management of the design, construction and financing of California WaterFix, Valley District and the other participating public water agencies (PWAs) with a contract with DWR for water through the State Water Project (SWP) entered into a Joint Powers Agreement in 2018 that formed the Delta Conveyance Design and Construction Joint Powers Authority (DCA) and the Delta Conveyance Finance Authority. The DCA essentially functions as the owner's representative, or project manager, giving the PWAs

that are investing in the DCP direct control over the design and construction. When the project changed from the two-tunnel California WaterFix project to the potential single-tunnel Delta Conveyance project, the participating PWAs amended the Joint Powers Agreement to modify the governance structure to align with the new participation levels. The governance structure includes two members and two alternates for the Class 8 State Water Contractors (Class 8) that are generally located along the East Branch of the State Water Project. Class 8 developed a Memorandum of Understanding (MOU) for the process to select members and alternates which serve two-year terms. Bob Tincher is currently serving as one of the alternates.

Fiscal Impact

There is no fiscal impact associated with approval of these amendments.

Attachment

Amended and Restated Memorandum of Understanding, Class 8 Member Agencies Election Procedures for Delta Conveyance Authority Board of Directors

AMENDED AND RESTATED MEMORANDUM OF UNDERSTANDING

Class 8 Member Agencies Election Procedures for Delta Conveyance Authority Board of Directors (rev date – 1/13/22)

This Amended and Restated Memorandum of Understanding (hereinafter referred to as “MOU”) is entered into by and among Class 8 Member Agencies of the Delta Conveyance Design and Construction Joint Powers Authority (“DCA”) who are signatory to this MOU and referenced herein individually as a “Party” or collectively as “Parties”, to establish agreed upon criteria to be adhered to by the signatories to this MOU when evaluating and nominating candidates to serve on the Board of Directors of DCA and the procedures for the Class 8 Member Agencies to nominate and elect Directors and Alternate Directors

NOW THEREFORE, the Parties to this MOU agree as follows:

Section 1 Guidelines Regarding Qualifications of Nominees

- a. DCA Board member nominees should have knowledge of the State Water Project and possess the knowledge and expertise relevant to the financial and technical decisions to be made by the DCA Board regarding the design, construction, and financing of the Delta Conveyance Project.
- b. DCA Board member nominees should be able to understand and effectively communicate both the consensus and potential dissenting opinions of the participating Class 8 Member Agencies to the DCA Board as well as to relate the technical and financial decisions being considered at the DCA Board to the Class 8 member representatives.
- c. DCA Board member nominees should be able to serve the full duration of their DCA term, if elected, as a representative of the organization.

Section 2 Nominations

- a. Each participating Class 8 Member Agency (“Agency”) may follow its own procedures in making a nomination.
- b. An Agency may have as many as two persons serving on the DCA Board, one as a Director and one as an Alternate. To that end, an Agency may nominate up to two nominees, subject to §3(g).
- c. All nominees must be willing to serve as either the Director or the Alternate.
- d. Making a nomination is optional.
- e. Nominations will be delivered to the Class 8 Group by each Agency’s representative.
- f. The Agency’s representative shall be the General Manager or his/her designee.
- g. Nominations must be presented to the Class 8 Group no later than December 15 in 2020 and no later than March 31 in all subsequent election years.

Section 3 Elections

- a. All nominee names will be placed on the ballot for the Director seat.
- b. Each Agency may have its representative cast one vote for each available Director seat. For example, the Agency may cast two votes if there are two Director seats available.
- c. The nominee receiving the most number of votes for each Director seat shall fill the Director position for that vacancy.
- d. The nominees for the Alternate seat(s) will be provided from the available names remaining after the election of the Director(s).
- e. Following the election of the Director seats each Agency may have their representative cast one vote for each Alternate seat. For example, the Agency may cast two votes if there are two Alternate seats available.
- f. The nominee receiving the most number of votes for each Alternate seat shall fill the Alternate position for that vacancy.
- g. No Agency shall hold both Director seats simultaneously.
- h. At least two of the four elected seats must be held by staff members of the Agencies.
- i. In the event of ties for either the Director or the Alternate seats, votes will be re-tallied based on the weighted contracted proportionate share in the Delta Conveyance Project of the voting Agencies.
- j. The election shall occur no earlier than two weeks and no later than two months after the presentation of nominees to the Class 8 Group.

Section 4 Terms

For 2020, the Class 8 members hereby elect one Director and Alternate to hold seats that have a term of two years while the other Director and Alternate hold seats that have a one-year term. All subsequent terms for each seat and alternate seat will be for two years and shall commence on July 1st.

Section 5 Removal Procedures

- a. The DCA JPA states that “6.1.9 Directors and Alternate Directors serve at the pleasure of the Member, Class of Members, or Classes of Members”.
- b. There may be some special instances where a Director or Alternate from the Class 8 Group may not be fulfilling their duties in their positions in a manner expected by the Class 8 members. Therefore, a removal procedure for these positions is necessary to ensure that the interests of the members are met. Examples of where a Director or Alternate may not be serving the interests of the members include, but are not limited to, the inability of a Director or Alternate to attend meetings or where the Director or Alternate is not representing the general interest of the Class 8 members.
- c. If needed, this matter will be discussed at a Class 8 meeting (regular or special) and the Director or Alternate in question shall be provided the opportunity to address the Class 8 members’ concerns.

- d. If a majority of the Agency representatives determine that the responses are not satisfactory, the Director or Alternate will be notified no less than 30 and no more than 60 days before an action is taken at a subsequent Class 8 meeting to determine whether to remove the Director or Alternate.
- e. The removal shall be effective based on a vote of at least seven (7) of the nine (9) Agency representatives.
- f. After the removal, the vacancy may be filled by an Alternate (for Director seat) or a special election may be necessary to fill the seat.

Section 6 This MOU will be effective after execution by seven (7) of the nine (9) Parties hereto.

Section 7 This MOU may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This MOU amends and supersedes that prior Memorandum of Understanding dated 10/29/20.

Memorandum of Understanding for Class 8 Agencies regarding voting procedures for Class 8
Delta Conveyance Authority's Directors and Alternates

Executed and effective by and between the undersigned Parties on the last date noted below.

_____	_____
Antelope Valley-East Kern Water Agency	Date
_____	_____
Coachella Valley Water District	Date
_____	_____
Crestline-Lake Arrowhead Water Agency	Date
_____	_____
Desert Water Agency	Date
_____	_____
Mojave Water Agency	Date
_____	_____
Palmdale Water District	Date
_____	_____
San Bernardino Valley Municipal Water District	Date
_____	_____
San Gabriel Municipal Water District	Date
_____	_____
San Geronio Pass Water Agency	Date



DATE: March 1, 2022

TO: Board of Directors

FROM: Heather Dyer, CEO / General Manager
Cindy Saks, CFO / Deputy General Manager

SUBJECT: Adoption of an Updated District's Debt Management Policy

Staff Recommendation

Approve the updated Debt Management Policy for minor clarifications to the policy adopted in 2011. The updated policy is necessary in preparation of the Water Infrastructure Finance and Innovation Act (WIFIA) loan process and Sites Reservoir contract amendment.

Background

The Board adopted a Debt Management Policy on April 5, 2011, in preparation of the bond issuance for the Baseline Feeder Well Replacement Project. The policy is required to ensure the District secures the best credit rating and lowest financing cost in regards to any bond issuance.

This policy documents the District's goals for the use of debt instruments and provides guidelines for the use of debt for financing the District's infrastructure needs. The policy is designed to: 1) establish parameters for issuing debt, 2) provide guidance to decision makers with respect to all options available to finance infrastructure and other capital projects, 3) document the objectives to be achieved, 4) promote objectivity in the decision making process; and 5) facilitate the financing process by establishing important policy decisions in advance.

The policy has been reviewed by House Counsel, Brad Neufeld.

Fiscal Impact

There is no fiscal impact for adoption of the updated District's Debt Management Policy

Attachment

Updated Red-Lined District's Debt Management Policy.

SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT

DEBT MANAGEMENT POLICY

POLICY STATEMENT

This policy documents the San Bernardino Valley Municipal Water District's ("SBVMWD" or the "District") goals for the use of debt instruments and provides guidelines for the use of debt for financing the District's infrastructure needs. While capital programs are primarily funded by reserves in accordance with the District's existing practice and while the District intends to limit long-term borrowing to capital improvements or projects that cannot be financed from current revenues or that represent regional partnership projects, the District will evaluate on a case by case basis the merits of debt financing as part of the successful implementation of its goals and objectives.

SBVMWD's primary objective when issuing debt is to respond to and provide for the infrastructure and capital project needs of its customers while ensuring that debt is issued and managed prudently in order to maintain a sound fiscal position and protect credit quality. The District issues debt instruments, administers District-held debt proceeds and makes debt service payments, acting with prudence, diligence, and attention to prevailing economic conditions.

SBVMWD will endeavor to pay for all infrastructure and other projects from a combination of current revenues, user fees (rates), use of available reserves on a pay-as-you-go basis and prudently issued debt. The pay-as-you-go method (using current revenues to pay for long-term infrastructure and other projects) may be the preferred means of financing when sufficient revenues and reserves are available as it avoids interest expense. It is SBVMWD's intent to issue debt only when necessary to meet the capital improvement costs which exceed amounts reasonably available through pay-as-you-go funding, where a dedicated use-based revenue stream is attached to the project, or which represent regional partnership projects. The District believes that upon approval by its Board the issuance of debt can provide not only an equitable means of financing projects but also access to new capital that is needed for future infrastructure and project needs. Debt will be used to finance projects if: (i) there is an identified source of repayment, (ii) the project is of regional partnership nature, and (iii) it is fiscally prudent, responsible, and diligent under the prevailing economic conditions.

I. PURPOSE OF POLICY

SBVMWD's debt management policy is designed to:

- ◆ Establish parameters for issuing debt;

- ◆ Provide guidance to decision makers with respect to options available to finance infrastructure and other capital projects so that the most prudent, equitable and/or cost effective method of financing can be chosen;
- ◆ Document the objectives to be achieved by staff both prior to issuance and subsequent to issuance;
- ◆ Promote objectivity in the decision-making process; and
- ◆ Facilitate the financing process by establishing important policy decisions in advance.

When issuing public debt, SBVMWD will adhere to the following legal requirements:

- ◆ The state law which authorizes the issuance of the debt;
- ◆ The federal and state laws which govern the eligibility of the debt for tax-exempt status;
- ◆ The federal and state laws which govern the issuance of taxable debt; and
- ◆ The federal and state laws which govern disclosure, sale and trading of the debt.

The Board may waive aspects of this policy in connection with individual financings if the Board determines such waiver to be in the best interest of the District so long as such waiver does not violate applicable law.

II. GENERAL PROVISIONS

SBVMWD will provide for a periodic review of its financial performance, and review its performance relative to the financial policies outlined herein. These financial policies will be taken into account during the capital planning, budgeting and rate setting process.

Necessary appropriations for annual debt service requirements will be routinely included in SBVMWD’s annual budget.

The District will maintain proactive communication with the investment community, rating agencies, credit enhancers and investors, as needed and if applicable, to ensure future capital market access at the lowest possible rates.

SBVMWD utilizes a Capital Improvement Plan (“CIP”) to determine its long-term infrastructure and other project needs with a specific emphasis on the next 5 years. The District’s CIP is reviewed and adjusted annually. SBVMWD evaluates each project in relation to established levels of reserves, current rate structure, expected asset life/replacement timeline, and available revenue sources to ensure that adequate financial resources are available to support the District’s financial obligations. In addition, SBVMWD utilizes a dynamic water rate model which projects funding the CIP over the next ten years.

Based on the assumptions used in the model, current revenues, use of reserves, rate increases and borrowing provide the necessary funding for the long-term financial stability of the District.

SBVMWD's Debt Management Policy, Operating Budget Policy, Reserve Policy and Investment Policy are integrated into the decision-making framework utilized in the budgeting and capital improvement planning process. As such the following principles outline the District's approach to debt management:

- ◆ SBVMWD will evaluate funding for each capital project on a case-by-case basis. The District will assess whether to pay for such projects from current revenues and available reserves prior to or in combination with the use of debt. In general, debt will only be issued when necessary to meet the CIP costs which exceed amounts reasonably available through pay-as-you-go funding, where a dedicated use-based revenue stream is attached to the project, or for special projects of regional partnership nature.
- ◆ SBVMWD will not issue debt to cover operating or minor routine repair and replacement needs.
- ◆ SBVMWD will issue debt only in the case where there is an identified source of repayment. Bonds will be issued to the extent that (i) projected existing revenues and reserves are sufficient to pay for the proposed debt service together with all existing debt service covered by such existing revenues, or (ii) additional projected revenues have been identified as a source of repayment in an amount sufficient to pay for the proposed debt.
- ◆ Debt issuance for a capital project will not be considered unless such project has been incorporated into the Capital Improvement Plan and approved by the Board.
- ◆ Property taxes, user fees and rates will be set at adequate levels, which are fair and nondiscriminatory, to generate sufficient revenues to pay all operation and administration expenses, to maintain sufficient operating reserves, and to pay debt service costs.

III. CONDITIONS FOR DEBT ISSUANCE

The following policies formally establish parameters for evaluating, issuing, and managing SBVMWD's debt. The policies outlined below are not intended to serve as a list of rules to be applied to SBVMWD's debt issuance process, but rather to serve as a set of guidelines to promote sound financial management.

Before issuing debt and accessing the capital markets, SBVMWD will evaluate the availability of grants and low interest loans such as the State Revolving Fund loans.

In issuing debt, SBVMWD's objectives will be to:

- ◆ Achieve the lowest cost of capital;
- ◆ Ensure ratepayer equity;
- ◆ Maintain high credit ratings and access to credit enhancement; and
- ◆ Preserve financial flexibility.

Standards for Use of Debt Financing

When appropriate, SBVMWD will use long-term debt financing to achieve an equitable allocation of capital costs/charges between current and future customers, to provide more manageable rates in the near and medium term, and to minimize rate volatility.

SBVMWD shall not construct or acquire a project if it is unable to adequately provide for the subsequent annual operation and maintenance costs of the project throughout its expected life.

Capital projects financed through debt issuance will not be financed for a term longer than the expected useful life of the project.

Financing Criteria

Each debt issuance should be evaluated on an individual basis within the framework of SBVMWD's dynamic water rate model, as well as within the context of SBVMWD's overall financing objectives and current market conditions.

SBVMWD will evaluate alternative debt structures (and timing considerations) to ensure the most cost-efficient financing under prevailing market conditions.

- ◆ *Credit Enhancement* – SBVMWD will consider the use of credit enhancement on a case-by-case basis if and as applicable. Only when clearly demonstrable savings can be realized shall credit enhancement be utilized.
- ◆ *Cash-Funded Reserve vs. Surety* – If the issuance of debt requires a cash-funded Debt Service Reserve Fund, then SBVMWD may purchase a surety policy or replace an already existing cash-funded Debt Service Reserve Fund when deemed prudent and advantageous. SBVMWD may permit the use of guaranteed investment agreements for the investment of reserve funds pledged to the repayment of any SBVMWD debt when it is approved by the Board.
- ◆ *Call Provisions* – In general, SBVMWD's securities should include optional call provisions. SBVMWD will avoid the sale of non-callable, long-term fixed rate bonds, absent careful evaluation of the cost and value of the call option.

- ◆ *Additional Bonds Test/Rate Covenants* – The amount and timing of debt issuance will be planned to comply with the additional bonds tests and rate covenants outlined in the appropriate legal and financing documents, and these policies.
- ◆ *Short-Term Debt* – SBVMWD may utilize short-term borrowing to serve as a bridge for anticipated revenues, construction financing or future bond issues.
- ◆ *Use of Variable Rate Debt* – SBVMWD will not issue variable interest rate debt unless: (i) the proposed debt, (a) can be converted to a fixed rate, or (b) is hedged (SBVMWD has an offsetting position, or investment, to insulate itself from adverse interest rate changes either for an interim period, or to maturity) by use of a put-type mode, swap agreement or hedging mechanism [e.g., interest rate cap], or (ii) all outstanding (un-hedged) variable rate debt, including the proposed new variable debt, does not exceed 100% of SBVMWD’s “hedge position” in aggregate. For this purpose, SBVMWD’s hedge position will be calculated as SBVMWD’s unrestricted cash reserves only (i.e., excluding restricted reserves) multiplied by 150%.
- ◆ *Investment of Bond Proceeds* – Bond proceeds will be invested in accordance with the permitted investment language outlined in the bond documents for each transaction, unless further restricted or limited in SBVMWD’s Investment Policy. SBVMWD will seek to maximize investment earnings within the investment parameters set forth in the respective debt financing documentation. The reinvestment of bond proceeds will be incorporated into the evaluation of each financing decision; specifically addressing arbitrage/rebate position, and evaluating alternative debt structures and refunding savings on a “net” debt service basis, where appropriate.

Refinancing Outstanding Debt

The ~~Finance Manager~~Chief Financial Officer (CFO) in consultation with the Chief Executive Officer (CEO) / General Manager and the Board, as applicable, shall have the responsibility to evaluate potential refunding opportunities. SBVMWD will consider the following issues when analyzing potential refinancing opportunities:

- ◆ *Debt Service Savings* – SBVMWD shall establish a target savings level equal to **3%** of the par of debt refunded on a net present value (NPV) basis. This figure will serve only as a guideline; SBVMWD shall evaluate each refunding opportunity on a case-by-case basis. In addition to the savings guideline, the following shall be taken into consideration:
 - The remaining time to maturity;
 - Size of the issue;
 - Current interest rate environment;
 - Annual cash flow savings; and
 - The value of the call option.

The decision to take all savings upfront or on a deferred basis will be reviewed and ultimately approved by the ~~Finance Manager~~CFO in consultation with the CEO / General Manager and the Board, as applicable.

- ◆ *Restructuring* – SBVMWD may seek to refinance a bond issue on a non-economic basis, in order to restructure debt, to mitigate irregular debt service payments, accommodate revenue shortfalls, release reserve funds, or comply with and/or eliminate rate/bond covenants.
- ◆ *Term/Final Maturity* – SBVMWD may consider the extension of the final maturity of the refunding bonds in order to achieve a necessary outcome, provided that such extension is legal. The term of the bonds shall not extend beyond the reasonably expected useful life of the asset being financed. SBVMWD may also consider shortening the final maturity of the bonds. The remaining useful life of the assets and the concept of inter-generational equity should guide these decisions.
- ◆ *Economic versus Legal Defeasance* – When evaluating an economic versus legal defeasance, SBVMWD shall take into consideration both the financial impact on a net present value basis as well as the rating/credit impact. SBVMWD shall take all necessary steps to optimize the yield on its refunding defeasance escrows investments and avoid negative arbitrage. A defeasance escrow is efficient if the yield on the defeasance escrow is as close as possible (i.e., generally less than 100th of a basis point) to the arbitrage yield on the refunding bonds. The ~~Finance Manager~~CFO will select the appropriate defeasance securities.

Outstanding Debt Limitations

Prior to issuance of new debt, SBVMWD shall consider and review the latest credit rating agency reports and guidelines, if applicable, as well as update its water rate model to ensure SBVMWD's existing credit ratings, if any, and/or projected future credit ratings as well as SBVMWD's financial flexibility remain at levels consistent with the most highly-rated comparable public agencies.

Method of Issuance

SBVMWD will determine, on a case-by-case basis, whether to sell its bonds competitively or through negotiation.

- ◆ *Competitive Sale* – In a competitive sale, SBVMWD's bonds shall be awarded to the bidder providing the lowest true interest cost ("TIC"), as long as the bid adheres to requirements set forth in the official notice of sale.
- ◆ *Negotiated Sale* – SBVMWD recognizes that some bond issues are best sold through negotiation with a selected underwriter. SBVMWD has identified the following circumstances below in which this would likely be the case:
 - Issuance of variable rate or taxable bonds;
 - Complex structures or credit considerations (such as non-rated bonds), which require a strong pre-marketing effort;

- Significant par value, which may limit the number of potential bidders;
 - Unique/proprietary financing mechanism (such as a financing pool), or specialized knowledge of financing mechanism or process;
 - Market volatility, such that SBVMWD would be better served by flexibility in the timing of its sale in a changing interest rate environment;
 - When an underwriter has identified new financing opportunities or presented alternative structures that financially benefit SBVMWD; and
 - As a result of an underwriter’s familiarity with the project/financing, that enables SBVMWD to take advantage of efficiency and timing considerations.
- ◆ *Private Placement* – From time to time SBVMWD may elect to issue debt on a private placement basis. Such method shall be considered if it is demonstrated to result in cost savings or provide other advantages relative to other methods of debt issuance, or if it is determined that access to the public market is unavailable or inefficient at the given point in time and timing considerations require that a financing be completed.

Market Communication, Debt Administration and Reporting Requirements

Rating Agencies – Once SBVMWD has established a credit profile, the CEO / General Manager, or his (her) designee, shall be responsible for maintaining SBVMWD’s relationships with Standard & Poor’s Rating Services, Fitch Ratings and Moody’s Investors Service, as applicable. SBVMWD may, from time to time, choose to deal with one, two, or all of these agencies as circumstances dictate. In addition to general communication, the ~~Finance Manager~~CFO shall: (1) communicate with credit analysts at least once each fiscal year, and (2) prior to each competitive or negotiated sale, offer conference calls with agency analysts in connection with the planned sale.

Observance of Debt Covenants – The ~~Finance Manager~~CFO shall periodically, and at least annually, ensure that SBVMWD is, and is expected to remain, in compliance with all legal covenants for each debt issue.

Board Communication – The ~~Finance Manager~~CFO shall include in an annual report to the Board feedback from rating agencies and/or investors and the District’s– independent auditor regarding SBVMWD’s financial strengths and weaknesses and recommendations for addressing any weaknesses.

Continuing Disclosure – SBVMWD shall remain in compliance with Rule 15c2-12(b)(5) by filing its annual financial statements and other financial and operating data for the benefit of its bondholders as covenanted in each debt issue’s Continuing Disclosure Agreement. Pursuant to Government Code section 8855(k), the District will submit annual debt transparency reports for any debt for which it has submitted a report of final sale on or after

January 21, 2017 every year until the later date on which the debt is no longer outstanding and the proceeds have been fully spent

Record-Keeping – A copy of all debt-related records shall be retained at SBVMWD’s offices. At minimum, these records shall include all official statements, bid documents, bond documents / transcripts, resolutions, trustee statements, leases, and title reports for each SBVMWD financing (to the extent available). To the extent possible, SBVMWD shall retain an electronic copy of each document - preferably in PDF or CD-ROM format.

Arbitrage Rebate – The use of bond proceeds and their investments must be monitored to ensure compliance with all Internal Revenue Code Arbitrage Rebate Requirements. The ~~Finance Manager~~CFO shall ensure that all bond proceeds and investments are tracked in a manner which facilitates accurate calculation and that if a rebate payment is due, such payment is made in a timely manner.

Internal Controls – Pursuant to Government Code 8855(i)(1)(E), the District will maintain all debt-related records and proceeds of any debt shall be managed and accounted for in accordance with its governing documents and this Policy. No disbursements shall be made without the written approval of the ~~Finance Manager~~CFO, after consultation with designated project manager.

Adopted by the Board of Directors on April 5, 2011, updated and approved on March 1, 2022



DATE: March 1, 2022

TO: Board of Directors

FROM: Heather Dyer, CEO/General Manager

SUBJECT: Consider In-Person meetings or alternatively Resolution No. 1147 authorizing the San Bernardino Valley Municipal Water District to conduct remote meetings for the period March 1, 2022, through March 30, 2022

STAFF RECOMENDATION

Receive feedback from legal counsel and determine if the Board would like to return to in-person meetings in the month of March. If the Board decides to continue with virtual meetings, consider adoption of Resolution No. 1147 authorizing the San Bernardino Valley Municipal Water District to conduct remote meetings for the period February 1, 2022, through March 2, 2022.

BACKGROUND

During the February 15, 2022, regular Board meeting, the Board of Directors requested a future agenda item discussing returning to in-person or hybrid meetings.

Based on the current COVID-19 conditions, legal counsel will provide feedback on various options for in person, hybrid, or remote meetings and the specific requirements for each option.

On March 17, 2020, due to the COVID-19 global pandemic emergency, Governor Newsom issued Executive Order N-29-20, which allowed local agencies to hold meetings via teleconferences and to make meetings accessible electronically without violating the open meetings laws in the Brown Act by relaxing the teleconferencing rules.

On June 11, 2021, Governor Newsom issued Executive Order N-08-21, which replaced the text in Executive Order N-29-20. Executive Order N-08-21 stated the relaxed Brown Act provisions shall apply through September 30, 2021.

Assembly Bill No. 361 provides additional flexibility for local agencies looking to meet remotely in order to continue providing the public with essential services during a proclaimed state of emergency. The goal of Assembly Bill No. 361 is “to improve and enhance public access to state and local agency meetings during the COVID-19 pandemic and future emergencies by allowing broader access through teleconferencing options.”

Assembly Bill No. 361 allows a local agency to use teleconferencing without complying with certain Brown Act provisions in any of the following circumstances:

1. The legislative body holds a meeting during a proclaimed state of emergency, and state or local officials have imposed or recommended measures to promote social distancing.
2. The legislative body holds a meeting during a proclaimed state of emergency for the purpose of determining, by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.
3. The legislative body holds a meeting during a proclaimed state of emergency and has determined, by majority vote that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

Assembly Bill No. 361 went into effect on October 1, 2021. A local agency is authorized to use teleconferencing without complying with the teleconferencing requirements in the Brown Act when meetings are held during a declared state of emergency until January 1, 2024. In order to do so, the local agency must adopt a Resolution making the following findings by majority vote every 30 days:

1. The legislative body has considered the circumstances of the state-of-emergency; and
2. Any of the following circumstances exist:
 - a. The state-of-emergency continues to directly impact the ability of the members to meet safely in person; or
 - b. State or local officials continue to impose or recommend measures to promote social distancing.

FISCAL IMPACT

None

ATTACHMENT

Resolution No. 1147

RESOLUTION NO. 1147

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT PROCLAIMING A LOCAL EMERGENCY, RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY GOVERNOR GAVIN NEWSOM ON MARCH 4, 2020, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODIES OF SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT FOR THE PERIOD MARCH 1, 2022, THROUGH MARCH 30, 2022, PURSUANT TO BROWN ACT PROVISIONS.

WHEREAS, the San Bernardino Valley Municipal Water District (District) is committed to preserving and nurturing public access and participation in meetings of the Board of Directors; and

WHEREAS, all meetings of the San Bernardino Valley Municipal Water District's legislative bodies are open and public, as required by the Ralph M. Brown Act (Gov't Code § 54950 et seq.), so that any member of the public may attend, participate, and watch the District's legislative bodies conduct their business; and

WHEREAS, the Brown Act, Government Code section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, a proclamation is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the jurisdictions that are within the District's boundaries, caused by natural, technological, or human-caused disasters; and

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or, the state of emergency continues to directly impact the ability of the members to meet safely in person; and

WHEREAS, such conditions now exist in the District, specifically, a state of emergency has been proclaimed due to an outbreak of respiratory illness due to a novel coronavirus (a disease now known as COVID-19); and

WHEREAS, the San Bernardino County Department of Health has recommended measures to promote social distancing;

WHEREAS, the Board of Directors has determined that the state of emergency continues to directly impact the ability of the members to meet safely in person; and

WHEREAS, the Board of Directors does hereby find that the current state of emergency with respect to COVID-19, local official recommendations to promote social distancing, and conditions causing imminent risk to the health and safety of attendees have caused, and will continue to cause, conditions of peril to the safety of persons within the District that are likely to be beyond the control of services, personnel, equipment, and facilities of the District, and desires to proclaim a local emergency and ratify the proclamation of state of emergency by the Governor of the State of California; and

WHEREAS, as a consequence of the local emergency, the Board of Directors does hereby find that the legislative bodies of San Bernardino Valley Municipal Water District shall conduct their meetings without compliance with paragraph (3) of subdivision (b) of Government Code section 54953, as authorized by subdivision (e) of section 54953, and that such legislative bodies shall comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of section 54953;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT as follows:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Proclamation of Local Emergency. The Board hereby proclaims that a local emergency now exists throughout the District, and declares that meeting in person would not comply with local official recommendations to promote social distancing and would present imminent risk to the health and safety of attendees.

Section 3. Ratification of Governor's Proclamation of a State of Emergency. The Board hereby ratifies the Governor of the State of California's Proclamation of a State of Emergency, effective as of its issuance date of March 4, 2020.

Section 4. Remote Teleconference Meetings. The General Manager and legislative bodies of the San Bernardino Valley Municipal Water District are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

Section 5. Effective Date of Resolution. This Resolution shall take effect on March 1, 2022 and shall be effective until the earlier of (a) March 30, 2022, or (b) such time the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the legislative bodies of the San Bernardino Valley Municipal Water District may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

ADOPTED this 1st day of March 2022.

Paul Kielhold
President

Heather P. Dyer
Secretary



DATE: March 1, 2022
TO: Board of Directors
FROM: Heather Dyer, CEO/General Manager
SUBJECT: CEO/General Manager's Report

The following is an update from the CEO/General Manager on the status of a number of items at the District.

I. Upper Santa Ana River Mayors Breakfast

The Upper Santa Ana River Mayors' Breakfast is rescheduled for Wednesday, March 30, at the Mission Inn. An updated invitation will be emailed out this week. Speakers include Professor Kurt Schwabe from the University of California Riverside, Riverside Mayor Patricia Locke Dawson, and Rialto Mayor Deborah Robertson. The event will begin at 8 a.m. with breakfast, with the program beginning around 8:30 a.m. Please confirm your attendance with Jose by March 23.

II. Employee Updates

We have two new interns in the Water Resources department. Olivia Ramirez started with the District on January 24, and Laura Torres began on February 22. The interns will be supporting the efforts of the Water Resources department, including collecting data and assisting with creating a web-based rebate processing and data platform for water conservation; performance reporting, water use surveys, and evaluation of water efficiency programs; and water resources management support.

III. Woman of Distinction Award

I was recently surprised to find out that I was selected as a “Woman of Distinction” and a finalist for the 47th Assembly District Woman of the Year (Assemblymember Eloise Gomez Reyes’ district). I am incredibly humbled and honored to be considered for this award. Although I have been recognized for the award, it is truly based on the collective efforts of our Board, staff, and many partners that have achieved so much great work in the past year. The award reflects highly upon Valley District and our collaborative efforts to achieve common goals for the watershed in 2021 and beyond. There will be a virtual ceremony via Zoom on March 9, 2022, at 6pm if you would like to join.

IV. Upcoming Presentations

- March 3: American Public Works Association Inland Empire Branch. Bob Tincher will be speaking at this virtual event on “The Drought & Our Water Supply.” He will be talking about the drought that our region has been in for over 20 years and some of the ways we manage our water supply during these conditions.
- March 29-30: American Groundwater Trust Annual Groundwater Conference in Lakewood, CA. I will be speaking about the Yucaipa Basin Project and stormwater capture throughout our region.
- April 4-7: National Water Supply Alliance Roundtable in Arlington, VA.

VII. Recent Past Presentations

- February 22: Women in Water: presentation to the Women in Water Inland Empire group on the value and power of collaboration in creating a resilient environment.

Staff Recommendation

Receive and file.

**SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT
 RECAP OF DIRECTORS FEES AND EXPENSE REIMBURSEMENT
 PAID IN THE MONTH OF JANUARY 2022**

	GIL BOTELLO	MILFORD HARRISON	JUNE HAYES	PAUL KIELHOLD	SUSAN LONGVILLE
DIRECTOR COMPENSATION - DECEMBER MEETINGS	2,990.00	2,990.00	1,794.00	2,392.00	2,691.00
EXPENDITURES / REIMBURSEMENTS					
EDUCATION					
TRAVEL					
MILEAGE REIMBURSEMENT - MEETINGS OUTSIDE DISTRICT SERVICE AREA					
MILEAGE REIMBURSEMENT - MEETINGS WITHIN DISTRICT SERVICE AREA					
ACWA FALL CONFERENCE - PASADENA			119.72		
MEALS					
ACWA FALL CONFERENCE - PASADENA			122.95		
LODGING					
ACWA FALL CONFERENCE - PASADENA		963.04	722.28		
ADMINISTRATIVE					

THIS REPORT IS PROVIDED IN ACCORDANCE TO RESOLUTION 1100

EACH BOARD MEMBER SHALL BE PROVIDED WITH A MONTHLY REPORT SHOWING THE AMOUNT OF COMPENSATION OR REIMBURSEMENT REQUESTED BY EACH BOARD MEMBER.



Director's Activity Report

Director's Name **Gil J. Botello**

Month Reporting Activity **January 2022**

Date	Meeting/Activity Description	Explanation	Max 10/month	Travel Cost Estimate (Staff)
1 01/04/2022	Valley District Board Mtg 1	Valley District Provide description of the meeting or activity and brief explanation on the benefits to the District and work of the Board by your attendance. (Not required for Valley District meetings)	\$299	
2 01/06/2022	Workshop - Resources	SBVMWD	\$299	
3 01/10/2022	Other	Public Safety and Human Relations Commission	\$299	
4 01/11/2022	Workshop - Engineering	SBVMWD	\$299	
5 01/12/2022	Other	WIFIA TAC	\$299	
6 01/12/2022	Other	IVDA	\$0	
7 01/13/2022	Workshop - Policy	SBVMWD	\$299	
8 01/16/2022	Other	George Brown Legacy Project-8 lives Remembered (Marta Brown and Margaret Hill)	\$0	
9 01/18/2022	Valley District Board Mtg 2	SBVMWD	\$299	
10 01/18/2022	Other	Yucaipa Valley Financing Authority	\$0	
11 01/19/2022	Other	SB City Council Meeting	\$0	
12 01/21/2022	Other	SBVMWD GM Evaluation Due	\$0	
13 01/24/2022	CSDA Mtg	Special Districts Meeting (Ensen Mason)	\$299	
14 01/26/2022	Other	The Climate Center (Mobility Sustainability)	\$299	
15 01/31/2022	Other	HCP Overview (Joanna Gibson)	\$299	
Total Requested Compensation			\$ 2,990.00	

The undersigned certifies that the claims hereby stated are for authorized activities as described in the District's approved Resolution establishing rules and procedures for compensation of Directors.

Signed: _____

Date: 01/31/2022



Director Request for Compensation & Public Disclosure Form

Director's Name **T. Milford Harrison**

Month Reporting Activity **JANUARY, 2022**

Date	Meeting/Activity Description	Explanation	Max 10/month	Travel Cost Estimate (Staff)
1 01/04/2022	Valley District Board Mtg 1	PUBLISHED AGENDA	\$299	
2 01/05/2022	WIFA	PUBLISHED AGENDA	\$299	
3 01/06/2022	Workshop - Resources	PUBLISHED AGENDA	\$299	
4 01/07/2022	CSDA Mtg	PUBLISHED AGENDA	\$299	
5 01/11/2022	Workshop - Engineering	PUBLISHED AGENDA	\$299	
6 01/12/2022	WIFA	PUBLISHED AGENDA	\$299	
7 01/13/2022	Workshop - Policy	PUBLISHED AGENDA	\$299	
8 01/17/2022	CSDA Mtg	SPECIAL DISTRICTS BOARD MEETING	\$299	
9 01/18/2022	Valley District Board Mtg 2	PUBLISHED AGENDA	\$299	
10 01/19/2022	STORMWATER RESOURCES PLAN	PUBLISHED AGENDA	\$299	
11 01/24/2022	CSDA Mtg	MONTHLY SPECIAL DISTRICTS DINNER	\$0	
12 01/28/2022	CSDA Mtg	CSDA LEGISLATIVE COMMITTEE MEETING	\$0	
13	Select from List		\$0	
14	Select from List		Per diem?	
15	Select from List		Per diem?	
Total Requested Compensation			\$ 2,990.00	\$ 0.00

The undersigned certifies that the claims hereby stated are for authorized activities as described in the District's approved Resolution establishing rules and procedures for compensation of Directors.

Digitally signed by T. MILFORD HARRISON
Date: 2022.01.31 19:20:42 -08'00'

Signed: **T. MILFORD HARRISON**

Date: **01/31/2022**



Director's Activity Report

Director's Name **JUNE HAYES**

Month Reporting Activity **January 2022**

	Date	Meeting/Activity Description	Explanation Provide description of the meeting or activity and brief explanation on the benefits to the District and work of the Board by your attendance. <i>(Not required for Valley District meetings)</i>	Max 10/month	Travel Cost Estimate <i>(Staff)</i>
1	01/04/2022	Valley District Board Mtg 1		\$299	
2	01/05/2022	Other	IEUA Board meeting	\$299	
3	01/06/2022	Workshop - Resources		\$299	
4	01/07/2022	Other	WACO	\$299	
5	01/11/2022	Workshop - Engineering		\$299	
6	01/12/2022	SBV Water Conservation District Mtg		\$299	
7	01/13/2022	Workshop - Policy		\$299	
8	01/13/2022	Retail Agency Board Meeting	wwwd	\$0	
9	01/18/2022	SAWPA Mtg		\$0	
10	01/18/2022	Valley District Board Mtg 2		\$299	
11		Select from List		Per diem?	
12		Select from List		Per diem?	
13		Select from List		Per diem?	
14		Select from List		Per diem?	
15		Select from List		Per diem?	
Total Requested Compensation				\$ 2,392.00	

The undersigned certifies that the claims hereby stated are for authorized activities as described in the District's approved Resolution establishing rules and procedures for compensation of Directors.

Signed: **June D Hayes**

Digitally signed by June D Hayes
Date: 2022.01.28 11:13:08 -08'00'

Date: **01/28/2022**



Director's Activity Report

Director's Name Paul Kielhold

Month Reporting Activity January 2022

	Date	Meeting/Activity Description	Explanation	Max 10/month	Travel Cost Estimate (Staff)
1	01/04/2022	Valley District Board Mtg 1	Provide description of the meeting or activity and brief explanation on the benefits to the District and work of the Board by your attendance. (Not required for Valley District meetings)	\$299	
2	01/05/2022	Other	USAR WFA	\$299	
3	01/06/2022	Workshop - Resources	HCP CAAMP	\$299	
4	01/10/2022	Other	ARTP Policy Committee	\$299	
5	01/10/2022	San Geronio Pass Water Agency Mtg		\$0	
6	01/11/2022	Workshop - Engineering		\$299	
7	01/18/2022	Valley District Board Mtg 2		\$299	
8	01/18/2022	Other	YVWD-FA	\$0	
9	01/26/2022	Other	YSGMA - Plan Adoption, Public Hearing	\$0	
10	01/26/2022	Retail Agency Board Meeting	EVWD	\$299	
11		Select from List		Per diem?	
12		Select from List		Per diem?	
13		Select from List		Per diem?	
14		Select from List		Per diem?	
15		Select from List		Per diem?	
Total Requested Compensation				\$ 2,093.00	\$ 0.00

The undersigned certifies that the claims hereby stated are for authorized activities as described in the District's approved Resolution establishing rules and procedures for compensation of Directors.

Paul Kielhold

Date: 01/28/2022

Signed: _____



Director Request for Compensation & Public Disclosure Form


Director's Name **Susan Longville**



Month Reporting Activity **1/31/22**

Date	Meeting/Activity Description	Explanation	Max 10/month	Travel Cost Estimate (Staff)
1 01/04/2022	Valley District Board Mtg 1	Provide description of the meeting or activity and brief explanation on the benefits to the District and work of the Board by your attendance. (Not required for Valley District meetings)	\$0	
2 01/06/2022	Workshop - Resources		\$299	
3 01/11/2022	Other	Monthly meeting of the CA League of Women Voters Water Committee Zoom Meeting for members	\$0	
4 01/11/2022	Workshop - Engineering		\$299	
5 01/11/2022	Other	Virtual Hearing on DRAFT CDO to BTB in Strawberry Creek watershed by AHO	\$299	
6 01/12/2022	Select from List	Virtual Hearing on DRAFT CDO to BTB in Strawberry Creek watershed by AHO	\$299	
7 01/13/2022	Select from List	Virtual Hearing on DRAFT CDO to BTB in Strawberry Creek watershed by AHO	\$299	
8 01/14/2022	Select from List	Virtual Hearing on DRAFT CDO to BTB in Strawberry Creek watershed by AHO	\$299	
9 01/18/2022	Valley District Board Mtg 2		\$299	
10 01/19/2022	So. Cal. Water Coalition Mtg	Sierra Club webinar featuring Dr. Chad Hanson on his new book Debunking Wildfire Myths to Save our Forest and Climate	\$0	
11 01/21/2022	Other	Zoom webinar with Camille Touton, US BOR Commissioner	\$299	
12 01/24/2022	CSDA Mtg	Dinner Meeting at Cara Mia Italian Restaurant in Rancho Cucamonga	\$299	
13 01/26/2022	Other	Riverside Public Utilities District Workshop on using Nature Based Assets (trees and urban forests) for climate change resiliency	Per diem?	
14 01/27/2022	Other	Participated as guest speaker on the Water Zone radio broadcast hosted by Rob Starr on KCAA sharing public information about Valley District	\$299	
15	Select from List		Per diem?	
Total Requested Compensation				
			\$2999.00	

The undersigned certifies that the claims hereby stated are for authorized activities as described in the District's approved Resolution establishing rules and procedures for compensation of Directors.

Signed:  Date: 2/10/22



**SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT
TREASURER'S REPORT
FOR THE MONTH OF JANUARY 2022**

RECOMMENDATION:

APPROVE THE EXPENSES FOR THE MONTH OF JANUARY 2022
FOR THE FOLLOWING FUNDS:

STATE WATER CONTRACT FUND	\$	6,832,588.00
DEVIL CANYON / CASTAIC FUND	\$	421,151.00
GENERAL FUND	\$	19,885,094.48

STATE WATER CONTRACT FUND

Profit & Loss

January 2022

	<u>Jan 22</u>
Income	
4920 · INVESTMENT INCOME	(1,932,156.14)
4966 · PROPERTY TAXES	873,931.37
Total Income	<u>(1,058,224.77)</u>
Expense	
6380 · AUDIT FEES	3,393.00
6601 · CAPITAL COST DELTA	2,063,168.00
6605 · CAPITAL COST TRANSPORTATION	896,041.00
6610 · MINIMUM OMP&R TRANSPORTATION	1,587,775.00
6615 · MINIMUM OMP&R DELTA	497,870.00
6620 · VARIABLE	299,011.00
6625 · WATER SYSTEM REVENUE BOND	1,458,574.00
6630 · OFF AQUEDUCT VARIABLE	8,805.00
6635 · EAST BRANCH ENLARGEMENT	17,951.00
Total Expense	<u>6,832,588.00</u>
Net Income	<u><u>(7,890,812.77)</u></u>

STATE WATER CONTRACT FUND
Profit & Loss Budget vs. Actual
July 2021 through January 2022

	Jul '21 - Jan 22	Budget	\$ Over Budget	% of Budget
Income				
4920 · INVESTMENT INCOME	(3,202,154.14)	1,239,000.00	(4,441,154.14)	(258.4)%
4940 · SUCCESSOR AGENCY RDA PASS THRU	22,395,518.17	17,437,500.00	4,958,018.17	128.4%
4950 · RETURN OF RESERVES/BOND COVER	3,048,955.00	3,035,500.00	13,455.00	100.4%
4966 · PROPERTY TAXES	30,936,534.45	30,740,000.00	196,534.45	100.6%
Total Income	53,178,853.48	52,452,000.00	726,853.48	101.4%
Expense				
6280 · FIELD IMPROVEMENTS	369,414.84	372,000.00	(2,585.16)	99.3%
6380 · AUDIT FEES	33,934.00	34,100.00	(166.00)	99.5%
6410 · STATE WATER CONTRACTOR FEES	226,544.00	227,000.00	(456.00)	99.8%
6435 · ADMINISTRATIVE FEE	3,007,800.00	2,950,000.00	57,800.00	102.0%
6601 · CAPITAL COST DELTA	3,618,569.00	3,618,569.00	0.00	100.0%
6605 · CAPITAL COST TRANSPORTATION	1,766,266.00	1,766,266.00	0.00	100.0%
6610 · MINIMUM OMP&R TRANSPORTATION	10,664,251.00	10,664,251.00	0.00	100.0%
6615 · MINIMUM OMP&R DELTA	3,174,611.00	3,174,611.00	0.00	100.0%
6620 · VARIABLE	4,001,478.00	5,740,000.00	(1,738,522.00)	69.7%
6625 · WATER SYSTEM REVENUE BOND	2,831,467.00	2,831,467.00	0.00	100.0%
6630 · OFF AQUEDUCT VARIABLE	22,013.00	22,013.00	0.00	100.0%
6635 · EAST BRANCH ENLARGEMENT	110,130.00	110,130.00	0.00	100.0%
6640 · EAST BRANCH EXTENSION	14,798,223.00	14,798,223.00	0.00	100.0%
6645 · TEHACHAPI 2ND AFTERBAY	133,037.00	133,037.00	0.00	100.0%
Total Expense	44,757,737.84	46,441,667.00	(1,683,929.16)	96.4%
Net Income	8,421,115.64	6,010,333.00	2,410,782.64	140.1%

DEVIL CANYON/CASTAIC
Profit & Loss
January 2022

	<u>Jan 22</u>
Income	
4920 · INVESTMENT INCOME	2,667.37
4966 · PROPERTY TAXES	27,028.81
Total Income	<u>29,696.18</u>
Gross Profit	29,696.18
Expense	
6601 · OMP&R	113,552.00
6610 · DEBT SERVICE	307,599.00
Total Expense	<u>421,151.00</u>
Net Income	<u><u>-391,454.82</u></u>

DEVIL CANYON/CASTAIC
Profit & Loss Budget vs. Actual
July 2021 through January 2022

	<u>Jul '21 - Jan 22</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Income				
4920 · INVESTMENT INCOME	9,061.69	16,375.00	(7,313.31)	55.3%
4966 · PROPERTY TAXES	967,215.49	961,734.00	5,481.49	100.6%
Total Income	<u>976,277.18</u>	<u>978,109.00</u>	<u>(1,831.82)</u>	<u>99.8%</u>
Gross Profit	976,277.18	978,109.00	(1,831.82)	99.8%
Expense				
6435 · ADMINISTRATIVE FEE	95,900.00	95,000.00	900.00	100.9%
6601 · OMP&R	742,422.00	742,422.00	0.00	100.0%
6610 · DEBT SERVICE	609,391.00	609,391.00	0.00	100.0%
Total Expense	<u>1,447,713.00</u>	<u>1,446,813.00</u>	<u>900.00</u>	<u>100.1%</u>
Net Income	<u>(471,435.82)</u>	<u>(468,704.00)</u>	<u>(2,731.82)</u>	<u>100.6%</u>

SAN BERNARDINO VALLEY MWD GENERAL FUND

Profit & Loss

January 2022

	<u>Jan 22</u>
Income	
4900 · WATER SALES	91,148.12
4920 · INVESTMENT INCOME	-542,304.49
4925 · GRANT INCOME	62,246.25
4929 · BASELINE FEEDER CAP. CONTRIB.	41,204.35
4950 · OTHER INCOME	136,660.43
4966 · S.B. CO TAXES	186,255.92
4977 · RIVERSIDE CO TAXES	68,880.41
Total Income	<u>44,090.99</u>
Expense	
6100 · SALARIES	340,281.06
6110 · OVERTIME	4,119.84
6120 · DIRECTORS FEES	12,857.00
6130 · PERS RETIREMENT	198,917.26
6140 · PAYROLL TAXES	27,425.59
6150 · HEALTH INSURANCE	-406.44
6170 · VISION, DISABILITY AND LIFE INS	1,756.19
6180 · WORKERS COMP INS	-2,904.80
6280 · FIELD IMPROVEMENTS	1,666.00
6295 · PURCHASED WATER	140,180.66
6330 · SPECIAL COUNSEL	25,956.24
6350 · USGS DATA	47,443.00
6360 · CONSULTANTS	252,004.23
6380 · DISTRICT AUDIT	10,330.00
6390 · SAWPA	128,356.93
6400 · VEHICLE EXPENSE	6,479.31
6410 · TRAVEL	243.22
6420 · MEALS & LODGING	4,041.60
6460 · UTILITIES/COMMUNICATIONS	69,551.17
6470 · MAINTENANCE & REPAIRS	41,547.03
6480 · OFFICE EXPENSE	2,691.73
6490 · FIELD SUPPLIES	289.36
6500 · EDUCATION AND TRAINING	6,263.60
6570 · POSTAGE	144.74
6580 · DUES & SUBSCRIPTIONS	34,704.66
6600 · TAXES & LICENSES	6,134.75
6620 · COOP WATER PROJECT PROJECT MGR	30,000.00
6760 · LAND / PROPERTY PURCHASE	18,437,500.00
6780 · ENVIRONMENTAL / HCP	39,703.78
Total Expense	<u>19,867,277.71</u>
Net Income	<u><u>-19,823,186.72</u></u>

SAN BERNARDINO VALLEY MWD GENERAL FUND
Profit & Loss Budget vs. Actual
July 2021 through January 2022

	Jul '21 - Jan 22	Budget	\$ Over Budget	% of Budget
Income				
4900 · WATER SALES	3,389,190.31	3,944,000.00	(554,809.69)	85.9%
4920 · INVESTMENT INCOME	(975,392.92)	840,000.00	(1,815,392.92)	(116.1)%
4925 · GRANT INCOME	987,451.62	925,500.00	61,951.62	106.7%
4929 · BASELINE FEEDER CAP. CONTRIB.	209,021.75	168,000.00	41,021.75	124.4%
4940 · SUCCESSOR AGENCY PASS THROUGH	4,156,070.45	3,200,000.00	956,070.45	129.9%
4950 · OTHER INCOME	1,100,076.36	1,095,500.00	4,576.36	100.4%
4952 · ADMINISTRATIVE INCOME	3,103,700.00	3,020,000.00	83,700.00	102.8%
4954 · GAIN (LOSS) ON SALE OF ASSETS	227,000.86	207,000.00	20,000.86	109.7%
4966 · S.B. CO TAXES	6,402,106.99	6,365,000.00	37,106.99	100.6%
4977 · RIVERSIDE CO TAXES	125,486.82	125,300.00	186.82	100.1%
Total Income	18,724,712.24	19,890,300.00	(1,165,587.76)	94.1%
Expense				
6100 · SALARIES	2,355,918.59	2,359,000.00	(3,081.41)	99.9%
6110 · OVERTIME	27,051.45	30,500.00	(3,448.55)	88.7%
6120 · DIRECTORS FEES	100,165.00	104,650.00	(4,485.00)	95.7%
6130 · PERS RETIREMENT	806,477.31	808,000.00	(1,522.69)	99.8%
6137 · DEFERRED COMPENSATION EXPENSE	19,500.00	0.00	19,500.00	100.0%
6140 · PAYROLL TAXES	156,311.81	163,000.00	(6,688.19)	95.9%
6150 · HEALTH INSURANCE	407,839.14	495,000.00	(87,160.86)	82.4%
6160 · DENTAL INSURANCE	29,265.66	37,800.00	(8,534.34)	77.4%
6170 · VISION, DISABILITY AND LIFE INS	23,360.93	25,600.00	(2,239.07)	91.3%
6180 · WORKERS COMP INS	9,220.83	20,170.00	(10,949.17)	45.7%
6200 · HEALTH/DEPENDENT CARE PLAN	58,843.43	59,000.00	(156.57)	99.7%
6240 · PIPELINE CONTROL SYSTEM	106,188.54	106,250.00	(61.46)	99.9%
6250 · OFFICE EQUIPMENT	28,009.82	28,250.00	(240.18)	99.1%
6260 · VEHICLE REPLACEMENT	92,767.49	90,000.00	2,767.49	103.1%
6280 · FIELD IMPROVEMENTS	8,395,159.24	8,428,750.00	(33,590.76)	99.6%
6295 · PURCHASED WATER	837,162.04	843,000.00	(5,837.96)	99.3%
6320 · HOUSE COUNSEL	332,592.98	215,000.00	117,592.98	154.7%
6330 · SPECIAL COUNSEL	271,780.84	273,450.00	(1,669.16)	99.4%
6340 · WATERMASTER	9,867.00	10,250.00	(383.00)	96.3%
6350 · USGS DATA	760,893.00	764,000.00	(3,107.00)	99.6%
6360 · CONSULTANTS	1,779,166.66	1,784,000.00	(4,833.34)	99.7%
6380 · DISTRICT AUDIT	29,950.00	30,000.00	(50.00)	99.8%
6390 · SAWPA	1,345,519.50	1,346,500.00	(980.50)	99.9%
6400 · VEHICLE EXPENSE	61,919.98	63,500.00	(1,580.02)	97.5%
6410 · TRAVEL	5,156.84	5,500.00	(343.16)	93.8%
6420 · MEALS & LODGING	20,192.04	20,200.00	(7.96)	100.0%
6430 · LIABILITY INS	166,760.13	165,000.00	1,760.13	101.1%
6450 · WATERSTOCK ASSESSMENT	206.32	210.00	(3.68)	98.2%
6460 · UTILITIES/COMMUNICATIONS	730,054.11	731,500.00	(1,445.89)	99.8%
6470 · MAINTENANCE & REPAIRS	370,299.66	371,250.00	(950.34)	99.7%
6480 · OFFICE EXPENSE	27,985.71	32,000.00	(4,014.29)	87.5%
6490 · FIELD SUPPLIES	13,454.39	13,950.00	(495.61)	96.4%
6500 · EDUCATION AND TRAINING	56,246.19	56,550.00	(303.81)	99.5%
6530 · BANK CHARGES-TRUSTEE FEES	5,231.82	8,800.00	(3,568.18)	59.5%
6540 · YUCAIPA LAKES	4,298.09	4,400.00	(101.91)	97.7%
6560 · LIBRARY	13,279.25	13,300.00	(20.75)	99.8%
6570 · POSTAGE	1,998.88	2,640.00	(641.12)	75.7%
6580 · DUES & SUBSCRIPTIONS	141,734.15	142,100.00	(365.85)	99.7%
6600 · TAXES & LICENSES	85,574.75	85,550.00	24.75	100.0%
6610 · SPREADING GROUNDS MAINTENANCE	431,810.98	432,000.00	(189.02)	100.0%
6620 · COOP WATER PROJECT PROJECT MGR	30,000.00	30,000.00	0.00	100.0%
6640 · WATER CONSERVATION & EDUCATION	63,459.65	63,500.00	(40.35)	99.9%
6642 · SPONSORSHIPS	6,500.00	6,500.00	0.00	100.0%
6645 · EXTERNAL AFFAIRS/STRATEGIC COMM	28,347.91	28,450.00	(102.09)	99.6%
6650 · PUBLIC NOTICES	9,144.42	5,000.00	4,144.42	182.9%
6690 · EMERGENCY PREPAREDNESS	1,320.00	1,500.00	(180.00)	88.0%
6710 · INTEREST	141,621.88	142,000.00	(378.12)	99.7%
6720 · WATER QUALITY TESTING	360.00	440.00	(80.00)	81.8%
6760 · LAND / PROPERTY PURCHASE	24,510,659.02	24,527,500.00	(16,840.98)	99.9%
6780 · ENVIRONMENTAL / HCP	1,414,698.46	1,416,500.00	(1,801.54)	99.9%

SAN BERNARDINO VALLEY MWD GENERAL FUND
Profit & Loss Budget vs. Actual
 July 2021 through January 2022

	<u>Jul '21 - Jan 22</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
6800 - LAFCO ANNUAL FUNDING SHARE	30,000.00	30,000.00	0.00	100.0%
6820 - SECURITY	1,656.00	1,730.00	(74.00)	95.7%
Total Expense	<u>46,356,981.89</u>	<u>46,423,740.00</u>	<u>(66,758.11)</u>	<u>99.9%</u>
Net Income	<u>(27,632,269.65)</u>	<u>(26,533,440.00)</u>	<u>(1,098,829.65)</u>	<u>104.1%</u>

**SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT
INVESTMENT SUMMARY
JANUARY 31, 2022**

INVESTMENT DESCRIPTION	INSTITUTION	MATURITY DATE	PAR VALUE	ISSUE DATE	PURCHASE PRICE	BOOK YIELD RATE	CUSIP
STATE WATER CONTRACT FUND							
DWR CVP REVENUE BOND	STATE	7/1/2022	5,000.00		3,940.16	5.250%	
AGENCY BONDS - FNMA NOTES	BNY MELLON	07/25/2022	750,000.00	07/21/2020	748,305.00	0.238%	3137EAET2
AGENCY BONDS - FNMA NOTES	BNY MELLON	04/20/2023	4,640,000.00	04/17/2020	4,628,400.00	0.459%	3137EAEQ8
AGENCY BONDS - FNMA NOTES	BNY MELLON	05/05/2023	4,400,000.00	05/05/2020	4,398,152.00	0.389%	3137EAER6
AGENCY BONDS - FNMA NOTES	BNY MELLON	05/22/2023	5,020,000.00	05/20/2020	5,004,889.80	0.351%	3135G04Q3
AGENCY BONDS - FNMA NOTES	BNY MELLON	06/26/2023	4,525,000.00	06/24/2020	4,511,787.00	0.348%	3137EAES4
AGENCY BONDS - FNMA NOTES	BNY MELLON	07/10/2023	4,765,000.00	07/08/2020	4,754,755.25	0.322%	3135G05G4
AGENCY BONDS - FNMA NOTES	BNY MELLON	07/10/2023	900,000.00	10/07/2020	899,793.00	0.258%	3135G05G4
AGENCY BONDS - FNMA NOTES	BNY MELLON	08/24/2023	4,700,000.00	08/19/2020	4,695,206.00	0.284%	3137EAEV7
AGENCY BONDS - FNMA NOTES	BNY MELLON	09/08/2023	4,300,000.00	09/02/2020	4,298,581.00	0.261%	3137EAEW5
AGENCY BONDS - FNMA NOTES	BNY MELLON	09/08/2023	3,235,000.00	09/02/2020	3,235,590.74	0.244%	3137EAEW5
AGENCY BONDS - FNMA NOTES	BNY MELLON	09/08/2023	900,000.00	10/07/2020	899,739.00	0.260%	3137EAEW5
AGENCY BONDS - FNMA NOTES	BNY MELLON	10/16/2023	1,475,000.00	10/14/2020	1,469,498.25	0.250%	3137EAEY1
AGENCY BONDS - FNMA NOTES	BNY MELLON	11/06/2023	5,695,000.00	11/03/2020	5,689,874.50	0.280%	3137EAEZ8
AGENCY BONDS - FNMA NOTES	BNY MELLON	11/27/2023	500,000.00	11/23/2020	499,430.00	0.288%	3135G06H1
AGENCY BONDS - FNMA NOTES	BNY MELLON	12/04/2023	4,400,000.00	12/02/2020	4,395,644.00	0.283%	3137EAF21
CERTIFICATE OF DEPOSIT	BNY MELLON	12/02/2022	2,450,000.00	12/04/2019	2,450,000.00	2.040%	23341VZT1
CERTIFICATE OF DEPOSIT	BNY MELLON	03/17/2023	1,935,000.00	03/19/2021	1,935,000.00	0.590%	22552G3C2
CORPORATE NOTE	BNY MELLON	03/01/2022	250,000.00	11/27/2018	249,315.00	3.357%	437076BV3
CORPORATE NOTE	BNY MELLON	03/15/2022	850,000.00	07/24/2019	866,889.50	2.195%	91159HHC7
CORPORATE NOTE	BNY MELLON	04/01/2022	325,000.00	03/04/2019	324,844.00	2.967%	24422EUT4
CORPORATE NOTE	BNY MELLON	04/12/2022	1,500,000.00	04/09/2019	1,499,055.00	2.673%	89236TFX8
CORPORATE NOTE	BNY MELLON	05/10/2022	600,000.00	05/03/2019	599,676.00	2.669%	69371RP83
CORPORATE NOTE	BNY MELLON	05/19/2022	500,000.00	04/05/2019	496,685.00	2.991%	61744YAH1
CORPORATE NOTE	BNY MELLON	05/20/2022	1,000,000.00	05/15/2019	998,800.00	2.793%	025816CD9
CORPORATE NOTE	BNY MELLON	06/01/2022	1,500,000.00	03/28/2019	1,541,610.00	2.383%	09247XAJ0
CORPORATE NOTE	BNY MELLON	06/13/2022	300,000.00	09/09/2019	299,613.00	1.999%	24422EVA4
CORPORATE NOTE	BNY MELLON	06/20/2022	1,200,000.00	03/11/2019	1,199,964.00	3.051%	05531FBG7
CORPORATE NOTE	BNY MELLON	08/08/2022	500,000.00	07/30/2019	499,495.00	2.185%	438516BT2
CORPORATE NOTE	BNY MELLON	09/06/2022	925,000.00	09/03/2019	923,714.25	1.948%	14913Q3A5
CORPORATE NOTE	BNY MELLON	09/11/2022	295,000.00	09/04/2019	294,949.85	1.706%	037833DL1
CORPORATE NOTE	BNY MELLON	09/15/2022	670,000.00	03/13/2019	663,152.60	2.735%	589331AT4
CORPORATE NOTE	BNY MELLON	09/26/2022	550,000.00	09/23/2019	549,329.00	2.042%	69371RQ33
CORPORATE NOTE	BNY MELLON	11/18/2022	475,000.00	01/09/2020	474,781.50	1.967%	14913Q3C1
CORPORATE NOTE	BNY MELLON	01/27/2023	550,000.00	01/21/2020	549,615.00	1.874%	06406RAM9
CORPORATE NOTE	BNY MELLON	02/01/2023	250,000.00	01/23/2020	250,020.00	1.697%	00724PAA7
CORPORATE NOTE	BNY MELLON	02/01/2023	275,000.00	01/22/2020	274,623.25	1.747%	00724PAA7
CORPORATE NOTE	BNY MELLON	02/14/2023	600,000.00	08/19/2019	597,714.00	1.864%	88579YBL4
CORPORATE NOTE	BNY MELLON	02/24/2023	430,000.00	02/20/2020	430,000.00	1.744%	69353RFT0
CORPORATE NOTE	BNY MELLON	04/06/2023	410,000.00	04/06/2021	409,667.90	0.441%	89236TJD8
CORPORATE NOTE	BNY MELLON	05/01/2023	575,000.00	04/29/2020	573,861.50	0.817%	713448EY0
CORPORATE NOTE	BNY MELLON	05/11/2023	600,000.00	05/04/2020	598,368.00	0.842%	037833DV9
CORPORATE NOTE	BNY MELLON	05/11/2023	540,000.00	05/07/2020	540,000.00	1.141%	166764BV1
CORPORATE NOTE	BNY MELLON	06/03/2023	1,250,000.00	06/01/2020	1,248,250.00	0.447%	023135BP0
CORPORATE NOTE	BNY MELLON	06/08/2023	160,000.00	06/01/2020	159,777.60	0.847%	69371RQ82
CORPORATE NOTE	BNY MELLON	06/26/2023	750,000.00	06/09/2020	811,305.00	0.608%	931142EK5
CORPORATE NOTE	BNY MELLON	08/11/2023	175,000.00	08/04/2020	174,770.75	0.394%	69371RQ90
CORPORATE NOTE	BNY MELLON	09/14/2023	275,000.00	09/08/2020	274,648.00	0.418%	904764BJ5
CORPORATE NOTE	BNY MELLON	09/14/2023	500,000.00	09/09/2020	499,660.00	0.473%	14913R2F3
CORPORATE NOTE	BNY MELLON	11/13/2023	1,165,000.00	11/09/2020	1,165,000.00	0.537%	110122DT2
CORPORATE NOTE	BNY MELLON	11/17/2023	825,000.00	11/16/2020	825,000.00	0.627%	38141GXL3
CORPORATE NOTE	BNY MELLON	01/10/2024	675,000.00	01/03/2022	674,892.00	0.958%	14913R2S5
CORPORATE NOTE	BNY MELLON	01/11/2024	1,200,000.00	01/06/2021	1,199,928.00	0.452%	89236THU2
CORPORATE NOTE	BNY MELLON	01/17/2024	480,000.00	03/01/2021	479,659.20	0.475%	24422EVB6
CORPORATE NOTE	BNY MELLON	01/25/2024	1,445,000.00	01/20/2021	1,445,000.00	0.529%	6174468W2
CORPORATE NOTE	BNY MELLON	02/08/2024	555,000.00	02/01/2021	554,617.05	0.373%	63743HEU2
CORPORATE NOTE	BNY MELLON	03/03/2024	300,000.00	01/21/2021	330,642.00	0.671%	38141GVM3
CORPORATE NOTE	BNY MELLON	03/05/2024	1,075,000.00	09/24/2020	1,144,079.50	0.878%	06051GHF9
CORPORATE NOTE	BNY MELLON	03/16/2024	600,000.00	03/09/2021	600,000.00	0.697%	46647PBZ8

**SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT
INVESTMENT SUMMARY
JANUARY 31, 2022**

INVESTMENT DESCRIPTION	INSTITUTION	MATURITY DATE	PAR VALUE	ISSUE DATE	PURCHASE PRICE	BOOK YIELD RATE	CUSIP
CORPORATE NOTE	BNY MELLON	03/18/2024	795,000.00	03/16/2021	794,602.50	0.767%	808513BN4
CORPORATE NOTE	BNY MELLON	04/15/2024	575,000.00	05/07/2020	629,964.25	1.151%	20030NCR0
CORPORATE NOTE	BNY MELLON	05/12/2024	1,940,000.00	05/10/2021	1,937,167.60	0.499%	023135BW5
CORPORATE NOTE	BNY MELLON	05/15/2024	915,000.00	05/17/2021	914,048.40	0.585%	91324PEB4
CORPORATE NOTE	BNY MELLON	05/28/2024	1,275,000.00	05/25/2021	1,274,885.25	0.703%	04636NAC7
CORPORATE NOTE	BNY MELLON	06/01/2024	500,000.00	05/19/2020	500,000.00	1.514%	46647PBQ8
CORPORATE NOTE	BNY MELLON	06/07/2024	420,000.00	06/07/2021	419,475.00	0.492%	24422EVQ9
CORPORATE NOTE	BNY MELLON	06/18/2024	750,000.00	06/15/2021	749,107.50	0.540%	89236TJH9
CORPORATE NOTE	BNY MELLON	07/30/2024	1,200,000.00	11/19/2021	1,242,960.00	1.099%	025816CG2
CORPORATE NOTE	BNY MELLON	08/09/2024	710,000.00	08/03/2021	709,616.60	0.518%	69371RR40
CORPORATE NOTE	BNY MELLON	08/09/2024	970,000.00	09/07/2021	969,359.80	0.773%	02665WDY4
CORPORATE NOTE	BNY MELLON	08/12/2024	600,000.00	08/09/2021	599,946.00	0.753%	05565EBU8
CORPORATE NOTE	BNY MELLON	08/12/2024	470,000.00	08/09/2021	470,000.00	0.626%	904764BN6
CORPORATE NOTE	BNY MELLON	09/10/2024	285,000.00	09/07/2021	284,814.75	0.647%	24422EVU0
CORPORATE NOTE	BNY MELLON	09/14/2024	2,145,000.00	09/07/2021	2,145,000.00	0.606%	641062AU8
CORPORATE NOTE	BNY MELLON	09/16/2024	555,000.00	09/09/2020	555,000.00	0.653%	46647PBS4
CORPORATE NOTE	BNY MELLON	10/24/2024	1,000,000.00	10/16/2020	1,000,000.00	0.810%	06051GJH3
CORPORATE NOTE	BNY MELLON	10/25/2024	670,000.00	10/20/2021	669,564.50	0.872%	06406RAX5
CORPORATE NOTE	BNY MELLON	10/30/2024	1,000,000.00	10/23/2020	1,000,000.00	0.776%	172967MT5
CORPORATE NOTE	BNY MELLON	01/10/2025	480,000.00	01/04/2022	479,774.40	1.266%	24422EVY2
CORPORATE NOTE	BNY MELLON	01/10/2025	1,250,000.00	01/06/2022	1,246,175.00	1.480%	21688AAS1
CORPORATE NOTE	BNY MELLON	01/13/2025	1,000,000.00	01/11/2022	999,210.00	1.527%	02665WEA5
CORPORATE NOTE	BNY MELLON	01/24/2025	1,050,000.00	01/19/2022	1,050,000.00	1.758%	38141GZH0
CORPORATE NOTE	BNY MELLON	02/07/2025	405,000.00	01/31/2022	404,987.85	1.876%	63743HFC1
CORPORATE NOTE	BNY MELLON	02/10/2025	590,000.00	03/08/2021	628,468.00	0.937%	58933YAR6
CORPORATE NOTE	BNY MELLON	02/16/2025	405,000.00	02/09/2021	405,000.00	0.563%	46647PBY1
CORPORATE NOTE	BNY MELLON	04/24/2025	675,000.00	03/04/2021	694,210.50	0.882%	06406RAN7
CORPORATE NOTE	BNY MELLON	05/01/2025	460,000.00	04/27/2021	460,000.00	0.981%	172967MX6
CORPORATE NOTE	BNY MELLON	06/01/2025	605,000.00	05/24/2021	605,000.00	0.824%	46647PCH7
CORPORATE NOTE	BNY MELLON	06/23/2025	1,250,000.00	06/21/2021	1,250,000.00	0.969%	46647PCK0
CORPORATE NOTE	BNY MELLON	11/03/2025	445,000.00	10/27/2021	445,000.00	1.281%	172967ND9
CORPORATE NOTE	BNY MELLON	12/06/2025	1,250,000.00	12/01/2021	1,250,000.00	1.530%	06051GKE8
MUNICIPAL BOND / NOTE	BNY MELLON	07/01/2022	505,000.00	11/13/2020	505,000.00	1.327%	13017HAJ5
MUNICIPAL BOND / NOTE	BNY MELLON	12/01/2022	395,000.00	07/30/2020	395,000.00	0.349%	13067WQZ8
MUNICIPAL BOND / NOTE	BNY MELLON	03/15/2023	570,000.00	12/16/2020	570,000.00	0.480%	650036DR4
MUNICIPAL BOND / NOTE	BNY MELLON	07/01/2023	135,000.00	05/29/2020	135,805.95	1.798%	20772KJV2
MUNICIPAL BOND / NOTE	BNY MELLON	08/01/2023	1,300,000.00	07/23/2020	1,300,000.00	0.410%	574193TP3
MUNICIPAL BOND / NOTE	BNY MELLON	08/01/2023	465,000.00	10/30/2020	465,000.00	0.444%	54438CYH9
MUNICIPAL BOND / NOTE	BNY MELLON	11/01/2023	575,000.00	07/24/2020	575,000.00	0.422%	605581MY0
MUNICIPAL BOND / NOTE	BNY MELLON	11/01/2023	625,000.00	08/27/2020	625,000.00	0.475%	13077DMJ8
MUNICIPAL BOND / NOTE	BNY MELLON	12/01/2023	135,000.00	07/30/2020	135,000.00	0.414%	13067WRA2
MUNICIPAL BOND / NOTE	BNY MELLON	03/15/2024	1,710,000.00	12/16/2020	1,710,000.00	0.620%	650036DS2
MUNICIPAL BOND / NOTE	BNY MELLON	01/01/2025	520,000.00	01/22/2021	520,000.00	0.897%	646140DN0
MUNICIPAL BOND / NOTE	BNY MELLON	07/01/2025	630,000.00	09/03/2020	630,000.00	1.258%	341271AD6
US TREASURY NOTES	BNY MELLON	10/15/2022	3,900,000.00	10/31/2019	3,885,222.66	1.507%	912828YK0
US TREASURY NOTES	BNY MELLON	10/15/2022	2,500,000.00	12/02/2019	2,481,054.69	1.647%	912828YK0
US TREASURY NOTES	BNY MELLON	10/15/2022	2,100,000.00	12/04/2019	2,087,449.22	1.590%	912828YK0
US TREASURY NOTES	BNY MELLON	11/15/2022	1,100,000.00	11/21/2019	1,101,160.16	1.588%	912828TY6
US TREASURY NOTES	BNY MELLON	11/30/2022	625,000.00	12/01/2020	624,414.06	0.172%	91282CAX9
US TREASURY NOTES	BNY MELLON	01/15/2023	3,450,000.00	02/03/2020	3,466,980.47	1.329%	912828Z29
US TREASURY NOTES	BNY MELLON	01/15/2023	2,500,000.00	03/12/2020	2,563,671.88	0.590%	912828Z29
US TREASURY NOTES	BNY MELLON	01/31/2023	4,000,000.00	02/02/2021	4,000,937.50	0.113%	91282CBG5
US TREASURY NOTES	BNY MELLON	01/31/2023	900,000.00	12/26/2019	902,355.47	1.663%	912828P38
US TREASURY NOTES	BNY MELLON	01/31/2023	4,000,000.00	01/02/2020	4,016,406.25	1.612%	912828P38
US TREASURY NOTES	BNY MELLON	03/31/2023	9,500,000.00	03/02/2020	9,695,566.41	0.820%	912828Q29
US TREASURY NOTES	BNY MELLON	03/31/2023	2,600,000.00	04/15/2021	2,598,476.56	0.155%	91282CBU4
US TREASURY NOTES	BNY MELLON	05/15/2023	3,100,000.00	06/03/2020	3,088,859.38	0.248%	912828ZP8
US TREASURY NOTES	BNY MELLON	05/31/2023	5,000,000.00	06/14/2021	4,996,679.69	0.159%	91282CCD1
US TREASURY NOTES	BNY MELLON	05/31/2023	6,000,000.00	06/17/2021	5,989,921.88	0.212%	91282CCD1
US TREASURY NOTES	BNY MELLON	06/15/2023	3,000,000.00	06/11/2020	3,003,867.19	0.207%	912828ZU7
US TREASURY NOTES	BNY MELLON	06/15/2023	3,000,000.00	06/18/2020	3,002,460.94	0.222%	912828ZU7
US TREASURY NOTES	BNY MELLON	06/30/2023	1,500,000.00	03/05/2020	1,536,445.31	0.631%	912828S35
US TREASURY NOTES	BNY MELLON	07/31/2023	5,000,000.00	05/03/2021	5,116,992.19	0.204%	912828S92
US TREASURY NOTES	BNY MELLON	09/30/2023	4,500,000.00	10/04/2021	4,497,714.84	0.276%	91282CDA6

**SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT
INVESTMENT SUMMARY
JANUARY 31, 2022**

INVESTMENT DESCRIPTION	INSTITUTION	MATURITY DATE	PAR VALUE	ISSUE DATE	PURCHASE PRICE	BOOK YIELD RATE	CUSIP
US TREASURY NOTES	BNY MELLON	10/15/2023	3,000,000.00	10/08/2020	2,994,257.81	0.189%	91282CAP6
US TREASURY NOTES	BNY MELLON	10/31/2023	5,975,000.00	11/01/2021	5,957,961.91	0.519%	91282CDD0
US TREASURY NOTES	BNY MELLON	11/15/2023	5,065,000.00	12/01/2020	5,068,759.18	0.225%	91282CAW1
US TREASURY NOTES	BNY MELLON	12/15/2023	2,700,000.00	01/07/2021	2,693,144.53	0.212%	91282CBA8
US TREASURY NOTES	BNY MELLON	01/15/2024	1,500,000.00	02/02/2021	1,497,656.25	0.178%	91282CBE0
US TREASURY NOTES	BNY MELLON	02/15/2024	4,000,000.00	03/01/2021	3,982,656.25	0.272%	91282CBM2
US TREASURY NOTES	BNY MELLON	03/15/2024	3,500,000.00	03/11/2021	3,492,207.03	0.325%	91282CBR1
US TREASURY NOTES	BNY MELLON	03/15/2024	2,450,000.00	03/31/2021	2,443,970.70	0.334%	91282CBR1
US TREASURY NOTES	BNY MELLON	04/15/2024	2,500,000.00	04/22/2021	2,503,320.31	0.330%	91282CBV2
US TREASURY NOTES	BNY MELLON	04/15/2024	2,750,000.00	04/27/2021	2,752,041.02	0.350%	91282CBV2
US TREASURY NOTES	BNY MELLON	04/30/2024	4,500,000.00	04/05/2021	4,717,792.97	0.409%	912828X70
US TREASURY NOTES	BNY MELLON	06/15/2024	5,000,000.00	06/14/2021	4,987,304.69	0.335%	91282CCG4
US TREASURY NOTES	BNY MELLON	06/15/2024	3,450,000.00	06/28/2021	3,428,033.20	0.467%	91282CCG4
US TREASURY NOTES	BNY MELLON	06/15/2024	3,000,000.00	07/01/2021	2,980,546.88	0.472%	91282CCG4
US TREASURY NOTES	BNY MELLON	07/15/2024	6,000,000.00	08/04/2021	6,006,562.50	0.337%	91282CCL3
US TREASURY NOTES	BNY MELLON	07/15/2024	1,375,000.00	08/05/2021	1,374,838.87	0.379%	91282CCL3
US TREASURY NOTES	BNY MELLON	07/15/2024	1,400,000.00	08/10/2021	1,397,429.69	0.438%	91282CCL3
US TREASURY NOTES	BNY MELLON	08/15/2024	3,000,000.00	08/19/2021	2,995,195.31	0.429%	91282CCT6
US TREASURY NOTES	BNY MELLON	08/15/2024	6,000,000.00	09/01/2021	5,993,437.50	0.412%	91282CCT6
US TREASURY NOTES	BNY MELLON	08/31/2024	3,000,000.00	05/03/2021	3,081,328.13	0.428%	912828YE4
US TREASURY NOTES	BNY MELLON	09/15/2024	4,200,000.00	09/16/2021	4,189,335.94	0.461%	91282CCX7
US TREASURY NOTES	BNY MELLON	09/15/2024	3,000,000.00	09/22/2021	2,992,382.81	0.461%	91282CCX7
US TREASURY NOTES	BNY MELLON	09/15/2024	3,000,000.00	10/04/2021	2,988,164.06	0.510%	91282CCX7
US TREASURY NOTES	BNY MELLON	10/15/2024	3,000,000.00	11/01/2021	2,985,234.38	0.794%	91282CDB4
US TREASURY NOTES	BNY MELLON	10/31/2024	2,750,000.00	05/04/2021	2,850,009.77	0.447%	912828YM6
US TREASURY NOTES	BNY MELLON	11/15/2024	6,000,000.00	12/02/2021	5,972,109.38	0.911%	91282CDH1
US TREASURY NOTES	BNY MELLON	11/15/2024	3,000,000.00	12/07/2021	2,982,070.31	0.957%	91282CDH1
US TREASURY NOTES	BNY MELLON	11/30/2024	2,625,000.00	06/02/2021	2,722,207.03	0.427%	912828YV6
US TREASURY NOTES	BNY MELLON	11/30/2024	2,750,000.00	06/03/2021	2,848,720.70	0.458%	912828YV6
US TREASURY NOTES	BNY MELLON	11/30/2024	5,000,000.00	06/14/2021	5,182,226.56	0.437%	912828YV6
US TREASURY NOTES	BNY MELLON	12/15/2024	2,000,000.00	12/22/2021	2,002,812.50	0.952%	91282CDN8
US TREASURY NOTES	BNY MELLON	12/15/2024	3,000,000.00	12/28/2021	3,002,578.13	0.970%	91282CDN8
US TREASURY NOTES	BNY MELLON	12/15/2024	2,950,000.00	01/03/2022	2,947,810.55	1.026%	91282CDN8
FIDELITY GOVERNMENT	BNY MELLON		642,294.28		642,294.28	0.050%	
LOCAL AGENCY INVESTMENT FUND	LAIF	DAILY	53,677,134.55		53,677,134.55	0.260%	AT 1/31/22
CAMP	CAMP	DAILY	79,187,887.83		79,187,887.83	0.050%	AT 1/31/22
			<u>431,122,316.66</u>		<u>432,338,762.26</u>		
<u>DEVIL CANYON / CASTAIC FUND</u>							
LOCAL AGENCY INVESTMENT FUND	LAIF	DAILY	<u>4,596,612.01</u>		<u>4,596,612.01</u>	0.260%	AT 1/31/22
<u>GENERAL FUND</u>							
AGENCY BONDS - FNMA NOTES	BNY MELLON	04/20/2023	2,140,000.00	04/17/2020	2,134,650.00	0.459%	3137EAEQ8
AGENCY BONDS - FNMA NOTES	BNY MELLON	05/05/2023	2,025,000.00	05/05/2020	2,024,149.50	0.389%	3137EAER6
AGENCY BONDS - FNMA NOTES	BNY MELLON	05/22/2023	2,345,000.00	05/20/2020	2,337,941.55	0.351%	3135G04Q3
AGENCY BONDS - FNMA NOTES	BNY MELLON	06/26/2023	2,125,000.00	06/24/2020	2,118,795.00	0.348%	3137EAES4
AGENCY BONDS - FNMA NOTES	BNY MELLON	07/10/2023	2,225,000.00	07/08/2020	2,220,216.25	0.322%	3135G05G4
AGENCY BONDS - FNMA NOTES	BNY MELLON	07/10/2023	600,000.00	10/07/2020	599,862.00	0.258%	3135G05G4
AGENCY BONDS - FNMA NOTES	BNY MELLON	08/24/2023	2,200,000.00	08/19/2020	2,197,756.00	0.284%	3137EAEV7
AGENCY BONDS - FNMA NOTES	BNY MELLON	10/16/2023	825,000.00	10/14/2020	821,922.75	0.250%	3137EAEY1
AGENCY BONDS - FNMA NOTES	BNY MELLON	11/06/2023	2,365,000.00	11/03/2020	2,362,871.50	0.280%	3137EAEZ8
AGENCY BONDS - FNMA NOTES	BNY MELLON	11/27/2023	300,000.00	11/23/2020	299,658.00	0.288%	3135G06H1
AGENCY BONDS - FNMA NOTES	BNY MELLON	12/04/2023	1,950,000.00	12/02/2020	1,948,069.50	0.283%	3137EAF2
CERTIFICATE OF DEPOSIT	BNY MELLON	12/02/2022	1,125,000.00	12/04/2019	1,125,000.00	2.040%	23341VZT1
CERTIFICATE OF DEPOSIT	BNY MELLON	03/17/2023	885,000.00	03/19/2021	885,000.00	0.590%	22552G3C2
CORPORATE NOTE	BNY MELLON	02/01/2023	125,000.00	01/23/2020	125,010.00	1.697%	00724PAA7
CORPORATE NOTE	BNY MELLON	02/01/2023	130,000.00	01/22/2020	129,821.90	1.747%	00724PAA7
CORPORATE NOTE	BNY MELLON	02/24/2023	250,000.00	02/20/2020	250,000.00	1.744%	69353RFT0
CORPORATE NOTE	BNY MELLON	05/11/2023	550,000.00	05/04/2020	548,504.00	0.842%	037833DV9
CORPORATE NOTE	BNY MELLON	05/11/2023	255,000.00	05/07/2020	255,000.00	1.141%	166764BV1
CORPORATE NOTE	BNY MELLON	06/03/2023	600,000.00	06/01/2020	599,160.00	0.447%	023135BP0
CORPORATE NOTE	BNY MELLON	06/08/2023	115,000.00	06/01/2020	114,840.15	0.847%	69371RQ82
CORPORATE NOTE	BNY MELLON	06/26/2023	350,000.00	06/09/2020	378,609.00	0.608%	931142EK5
CORPORATE NOTE	BNY MELLON	08/11/2023	100,000.00	08/04/2020	99,869.00	0.394%	69371RQ90
CORPORATE NOTE	BNY MELLON	08/11/2023	135,000.00	08/10/2020	135,000.00	0.426%	166756AJ5
CORPORATE NOTE	BNY MELLON	09/14/2023	150,000.00	09/08/2020	149,808.00	0.418%	904764BJ5

Continued on Next Page

**SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT
INVESTMENT SUMMARY
JANUARY 31, 2022**

INVESTMENT DESCRIPTION	INSTITUTION	MATURITY DATE	PAR VALUE	ISSUE DATE	PURCHASE PRICE	BOOK YIELD RATE	CUSIP
CORPORATE NOTE	BNY MELLON	09/14/2023	250,000.00	09/09/2020	249,830.00	0.473%	14913R2F3
CORPORATE NOTE	BNY MELLON	11/13/2023	545,000.00	11/09/2020	545,000.00	0.537%	110122DT2
CORPORATE NOTE	BNY MELLON	11/17/2023	425,000.00	11/16/2020	425,000.00	0.627%	38141GXL3
CORPORATE NOTE	BNY MELLON	01/10/2024	170,000.00	01/03/2022	169,972.80	0.958%	14913R2S5
CORPORATE NOTE	BNY MELLON	01/11/2024	550,000.00	01/06/2021	549,967.00	0.452%	89236THU2
CORPORATE NOTE	BNY MELLON	01/17/2024	240,000.00	03/01/2021	239,829.60	0.475%	24422EVN6
CORPORATE NOTE	BNY MELLON	01/25/2024	675,000.00	01/20/2021	675,000.00	0.529%	6174468W2
CORPORATE NOTE	BNY MELLON	02/08/2024	255,000.00	02/01/2021	254,824.05	0.373%	63743HEU2
CORPORATE NOTE	BNY MELLON	03/05/2024	500,000.00	09/24/2020	532,130.00	0.878%	06051GHF9
CORPORATE NOTE	BNY MELLON	03/16/2024	400,000.00	03/09/2021	400,000.00	0.697%	46647PBZ8
CORPORATE NOTE	BNY MELLON	03/18/2024	360,000.00	03/16/2021	359,820.00	0.767%	808513BN4
CORPORATE NOTE	BNY MELLON	04/15/2024	275,000.00	05/07/2020	301,287.25	1.151%	20030NCR0
CORPORATE NOTE	BNY MELLON	05/12/2024	840,000.00	05/10/2021	838,773.60	0.499%	023135BW5
CORPORATE NOTE	BNY MELLON	05/15/2024	395,000.00	05/17/2021	394,589.20	0.585%	91324PEB4
CORPORATE NOTE	BNY MELLON	05/28/2024	550,000.00	05/25/2021	549,950.50	0.703%	04636NAC7
CORPORATE NOTE	BNY MELLON	06/01/2024	250,000.00	05/19/2020	250,000.00	1.514%	46647PBQ8
CORPORATE NOTE	BNY MELLON	06/07/2024	185,000.00	06/07/2021	184,768.75	0.492%	24422EVQ9
CORPORATE NOTE	BNY MELLON	08/09/2024	210,000.00	08/03/2021	209,886.60	0.518%	69371RR40
CORPORATE NOTE	BNY MELLON	08/09/2024	385,000.00	09/07/2021	384,745.90	0.773%	02665WDY4
CORPORATE NOTE	BNY MELLON	08/12/2024	185,000.00	08/09/2021	185,000.00	0.626%	904764BN6
CORPORATE NOTE	BNY MELLON	08/12/2024	240,000.00	08/09/2021	239,978.40	0.753%	05565EBU8
CORPORATE NOTE	BNY MELLON	09/10/2024	80,000.00	09/07/2021	79,948.00	0.647%	24422EVU0
CORPORATE NOTE	BNY MELLON	09/14/2024	850,000.00	09/07/2021	850,000.00	0.606%	641062AU8
CORPORATE NOTE	BNY MELLON	09/16/2024	355,000.00	09/09/2020	355,000.00	0.653%	46647PBS4
CORPORATE NOTE	BNY MELLON	10/24/2024	500,000.00	10/16/2020	500,000.00	0.810%	06051GJH3
CORPORATE NOTE	BNY MELLON	10/25/2024	310,000.00	10/20/2021	309,798.50	0.872%	06406RAX5
CORPORATE NOTE	BNY MELLON	10/30/2024	250,000.00	10/23/2020	250,000.00	0.776%	172967MT5
CORPORATE NOTE	BNY MELLON	01/10/2025	80,000.00	01/04/2022	79,962.40	1.266%	24422EVY2
CORPORATE NOTE	BNY MELLON	01/10/2025	375,000.00	01/06/2022	373,852.50	1.480%	21688AAS1
CORPORATE NOTE	BNY MELLON	01/13/2025	250,000.00	01/11/2022	249,802.50	1.527%	02665WEA5
CORPORATE NOTE	BNY MELLON	02/10/2025	220,000.00	03/08/2021	234,344.00	0.937%	58933YAR6
CORPORATE NOTE	BNY MELLON	02/16/2025	120,000.00	02/09/2021	120,000.00	0.563%	46647PBY1
CORPORATE NOTE	BNY MELLON	04/24/2025	325,000.00	03/04/2021	334,249.50	0.882%	06406RAN7
CORPORATE NOTE	BNY MELLON	05/01/2025	310,000.00	04/27/2021	310,000.00	0.981%	172967MX6
CORPORATE NOTE	BNY MELLON	06/01/2025	340,000.00	05/24/2021	340,000.00	0.824%	46647PCH7
CORPORATE NOTE	BNY MELLON	11/03/2025	205,000.00	10/27/2021	205,000.00	1.281%	172967ND9
MUNICIPAL BOND / NOTE	BNY MELLON	07/01/2022	235,000.00	11/13/2020	235,000.00	1.327%	13017HAJ5
MUNICIPAL BOND / NOTE	BNY MELLON	12/01/2022	170,000.00	07/30/2020	170,000.00	0.349%	13067WQZ8
MUNICIPAL BOND / NOTE	BNY MELLON	03/15/2023	265,000.00	12/16/2020	265,000.00	0.480%	650036DR4
MUNICIPAL BOND / NOTE	BNY MELLON	07/01/2023	65,000.00	05/29/2020	65,388.05	1.798%	20772KJV2
MUNICIPAL BOND / NOTE	BNY MELLON	08/01/2023	625,000.00	07/23/2020	625,000.00	0.410%	574193TP3
MUNICIPAL BOND / NOTE	BNY MELLON	08/01/2023	435,000.00	10/16/2020	435,000.00	0.499%	798306WM4
MUNICIPAL BOND / NOTE	BNY MELLON	08/01/2023	220,000.00	10/30/2020	220,000.00	0.444%	54438CYH9
MUNICIPAL BOND / NOTE	BNY MELLON	11/01/2023	275,000.00	07/24/2020	275,000.00	0.422%	605581MY0
MUNICIPAL BOND / NOTE	BNY MELLON	12/01/2023	75,000.00	07/30/2020	75,000.00	0.414%	13067WRA2
MUNICIPAL BOND / NOTE	BNY MELLON	03/15/2024	800,000.00	12/16/2020	800,000.00	0.620%	650036DS2
MUNICIPAL BOND / NOTE	BNY MELLON	01/01/2025	240,000.00	01/22/2021	240,000.00	0.897%	646140DN0
MUNICIPAL BOND / NOTE	BNY MELLON	07/01/2025	295,000.00	09/03/2020	295,000.00	1.258%	341271AD6
US TREASURY NOTES	BNY MELLON	01/15/2023	25,000.00	02/03/2020	25,123.05	1.329%	912828Z29
US TREASURY NOTES	BNY MELLON	01/15/2023	1,000,000.00	03/12/2020	1,025,468.75	0.590%	912828Z29
US TREASURY NOTES	BNY MELLON	01/31/2023	925,000.00	12/26/2019	927,420.90	1.663%	912828P38
US TREASURY NOTES	BNY MELLON	01/31/2023	2,400,000.00	01/02/2020	2,409,843.75	1.612%	912828P38
US TREASURY NOTES	BNY MELLON	03/31/2023	1,200,000.00	04/15/2021	1,199,296.88	0.155%	91282CBU4
US TREASURY NOTES	BNY MELLON	05/15/2023	1,650,000.00	06/03/2020	1,644,070.31	0.248%	912828ZP8
US TREASURY NOTES	BNY MELLON	09/30/2023	1,600,000.00	10/04/2021	1,599,187.50	0.276%	91282CDA6
US TREASURY NOTES	BNY MELLON	10/15/2023	1,000,000.00	10/08/2020	998,085.94	0.189%	91282CAP6
US TREASURY NOTES	BNY MELLON	11/15/2023	2,365,000.00	12/01/2020	2,366,755.27	0.225%	91282CAW1
US TREASURY NOTES	BNY MELLON	12/15/2023	1,200,000.00	01/07/2021	1,196,953.13	0.212%	91282CBA8
US TREASURY NOTES	BNY MELLON	03/15/2024	2,000,000.00	03/11/2021	1,995,546.88	0.325%	91282CBR1
US TREASURY NOTES	BNY MELLON	04/15/2024	575,000.00	04/22/2021	575,763.67	0.330%	91282CBV2
US TREASURY NOTES	BNY MELLON	04/15/2024	850,000.00	04/27/2021	850,630.86	0.350%	91282CBV2
US TREASURY NOTES	BNY MELLON	08/15/2024	1,200,000.00	08/19/2021	1,198,078.13	0.429%	91282CCT6
US TREASURY NOTES	BNY MELLON	08/15/2024	2,375,000.00	09/01/2021	2,372,402.34	0.412%	91282CCT6
US TREASURY NOTES	BNY MELLON	10/31/2024	1,200,000.00	05/04/2021	1,243,640.63	0.447%	912828YM6

**SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT
INVESTMENT SUMMARY
JANUARY 31, 2022**

INVESTMENT DESCRIPTION	INSTITUTION	MATURITY DATE	PAR VALUE	ISSUE DATE	PURCHASE PRICE	BOOK YIELD RATE	CUSIP
US TREASURY NOTES	BNY MELLON	11/15/2024	1,000,000.00	12/02/2021	995,351.56	0.911%	91282CDH1
US TREASURY NOTES	BNY MELLON	11/15/2024	900,000.00	12/07/2021	894,621.09	0.957%	91282CDH1
US TREASURY NOTES	BNY MELLON	11/30/2024	1,125,000.00	06/02/2021	1,166,660.16	0.427%	912828YV6
US TREASURY NOTES	BNY MELLON	11/30/2024	1,200,000.00	06/03/2021	1,243,078.13	0.458%	912828YV6
US TREASURY NOTES	BNY MELLON	12/15/2024	1,475,000.00	12/22/2021	1,477,074.22	0.952%	91282CDN8
US TREASURY NOTES	BNY MELLON	12/15/2024	875,000.00	01/03/2022	874,350.59	1.026%	91282CDN8
FIDELITY GOVERNMENT	BNY MELLON		20,040,595.49		20,040,595.49	0.050%	
LOCAL AGENCY INVESTMENT FUND	LAIF	DAILY	16,301,982.01		16,301,982.01	0.260%	AT 1/31/22
CAMP	CAMP	DAILY	20,159,859.46		20,159,859.46	0.050%	AT 1/31/22
			<u>124,667,436.96</u>		<u>124,876,053.90</u>		

ALL INVESTMENTS LISTED ON THIS MONTHLY INVESTMENT SUMMARY AND HELD BY SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT ARE IN COMPLIANCE WITH THE DISTRICT'S INVESTMENT POLICY.

THE DISTRICT CAN MEET ITS EXPENDITURE REQUIREMENTS FOR THE NEXT SIX MONTHS.

Cindy Saks

CFO / DEPUTY GENERAL MANAGER



DATE: March 1, 2022
TO: Board of Directors
FROM: Staff
SUBJECT: Summary of February 3, 2022, Board of Directors Workshop – Resources

The Resources Workshop convened on February 3, 2022. Vice President Hayes chaired the meeting via video conference.

Directors Present: Vice President Hayes, Director Botello, Director Harrison and Director Longville

Directors Absent: President Kielhold

Staff Present:

Heather Dyer, MS, MBA - Chief Executive Officer/General Manager
Jose Macedo, ML, CPT-P (USA Retired) – Chief of Staff/Clerk of the Board
Cindy Saks, CPA – Deputy General Manager / Chief Financial Officer
Bob Tincher, PE, MS – Deputy General Manager / Chief Water Resources Officer
Melissa Zoba, MBA, MPA – Chief Information Officer

Anthony Flordelis – Business Systems Analyst
Matthew E. Howard – Water Resources Senior Planner
Adekunle Ojo, MPA – Manager of Water Resources
Karen Resendez, MA -- Human Resources / Risk Manager

Members of the Public Present:

James Morales, East Valley Water District
Melody McDonald, San Bernardino Valley Water Conservation District

1. Introductions

There were none.

2. Public Comment

Chair Hayes invited public comment. There was none.

3. Summary of Previous Meeting

The meeting notes from the January 6, 2022, Board of Directors Workshop - Resources were accepted with no comments.

4.1 Consider Continued Participation in the State Water Project (SWP) Municipal Water Quality Investigations Program (MWQI)

Deputy General Manager / Chief Water Resources Officer Bob Tincher noted that this Delta region program is funded by 16 Municipal State Water contractors. Key benefits to participation include early warning of any changing water quality in the Delta, potential cost savings in treatment, and development of a water quality baseline of data, he explained.

Mr. Tincher summarized two framework agreements: Department of Water Resources (DWR) tasks, and other tasks not performed by DWR. As an example, he detailed some of the treatments applied at the Delta level. For both agreements, the work plan and budget are developed and agreed upon with the partnering agencies, he explained. The costs are capped at \$700,000 for the non-DWR agreement, with a total maximum program cost at \$3.1 million per year, which serves as a working guideline for the group and protection for the participants.

Both agreements would terminate in December 2025, Mr. Tincher advised. Staff recommends the District continue participation in the agreements and authorize up to the maximum amount; for Valley District the maximum totals up to \$113,000 per year. Last year, the entire amount was not expended, he noted.

Director Longville indicated this is an essential element for the urban State Water Contractors. Director Harrison and Director Botello indicated support.

Vice President Hayes pointed to last year's expenditure of \$102,000; Mr. Tincher indicated that was Valley District's portion of the total. He explained the proportionate shares are dependent on Table A allocation. Also in response to Director Hayes, he enumerated the participating agencies which are those that serve for municipal purposes, as agriculture uses do not have the same quality constraints.

Action Item(s): The Board voted to move this item forward for consideration to a regular Board of Directors meeting by the following roll-call vote:

There was no motion or second.	APPROVED: 4-0
AYES:	Botello, Harrison, Hayes, Longville
NOES:	None
ABSTAIN:	None
ABSENT:	Kielhold

5. Future Business

None added.

6. Adjournment

Chair Hayes adjourned the meeting at 3:16 p.m.

Staff Recommendation

Receive and file.



DATE: March 1, 2022
TO: Board of Directors
FROM: Staff
SUBJECT: Summary of February 8, 2022, Board of Directors Workshop – Engineering

The Engineering Workshop convened on February 8, 2022, via Zoom video-teleconference. Director Harrison chaired the meeting.

Directors Present: President Kielhold, Vice President Hayes, Director Botello, Director Harrison, and Director Longville.

Staff Present:

Heather Dyer, MS, MBA – Chief Executive Officer/General Manager
Wen Huang, PE, MS – Deputy General Manager/Chief Engineer
Jose Macedo, ML, CPT-P (USA Retired) – Chief of Staff/Clerk of the Board
Cindy Saks, CPA – Deputy General Manager/Chief Financial Officer
Bob Tincher, PE, MS – Deputy General Manager/Chief Water Resources Officer
Melissa Zoba, MBA, MPA – Deputy General Manager/Chief Financial Officer

Dan Borell – Manager of Geospacial Services
Kristeen Farlow, MPA – Strategic Communications Manager
Anthony Flordelis – Business Systems Analyst
Michael Esquer – Senior Project Manager
Adekunle Ojo, MPA – Water Resources Manager
Karen Resendez, MA - Human Resources / Risk Manager
Shavonne Turner, MPA – Water Conservation Program Manager

Members of the Public Present:

Melody McDonald, San Bernardino Valley Water Conservation District
David Raley, San Bernardino Valley Water Conservation District
Chris Mann, Yucaipa Valley Water District
Joyce McIntire, Yucaipa Valley Water District
Sam Fuller, Bear Valley Mutual Water Company
George Hanson, Bear Valley Mutual Water Company
Fabian Valdez Jr., Redistricting Insights

Eddy Harrity, Redistricting Insights
Matt Rexroad, Redistricting Insights

Pursuant to the provisions of the Brown Act, this meeting will be conducted by teleconference only.

1. Introductions

Chief Executive Officer/General Manager read the roll of staff members present and introduced former Valley District employee Sam Fuller. Chair Harrison welcomed David Raley of the San Bernardino Valley Water Conservation District.

2. Public Hearing: Review and Discussion of Draft Redistricting Maps

Chair Harrison introduced the public hearing pursuant to the requirements of the State of California.

Chief Executive Officer/General Manager Heather Dyer reported the hearing was properly noticed. Chair Harrison noted the agenda and notice was posted February 4, 2022, in accordance with the Brown Act.

Chief Information Officer Melissa Zoba updated the Board on action and outreach since the last meeting and provided a schedule for activities prior to adoption. She reminded the Board of the consultant's introduction to redistricting and draft scenarios presented at the January 11 workshop. Comments were received from the Board, and draft scenarios included in the agenda packet are based on those, she reported. Two additional meetings are scheduled, and comment is invited and expected, she stated. The final maps will go to the Registrar on April 17.

She introduced Matt Rexroad, Eddy Harrity and Fabian Valdez from Redistricting Insights. Mr. Rexroad advised that all comments were incorporated into the draft maps. Director Harrison pointed out that the maps provided are small in detail and the larger versions requested will be received tomorrow and will be made available to the public in the water district office entry.

Vice President Hayes inquired about differences in population numbers presented. Mr. Rexroad pointed to the adjusted prison population figures and Mr. Harrity described boundary lines of Census blocks and explained the cleanup of the map.

Mr. Harrity explained the Google Maps mapping tool and presented the draft maps. He noted that the requests of boundaries along the Interstate 215 and Highland Springs were

not achievable due to the density of population, as they would have resulted in dramatic changes elsewhere in the map. Other requests were included, he explained.

President Kielhold asked how many divisions were within the City of San Bernardino; Mr. Harrity said he believes it is four. President Kielhold suggested this might be a cracking scenario (a splitting of an area), but Mr. Rexroad explained the Citizen Voting Age Population (CVAP) considerations. Mr. Harrity added that the density of population is also a consideration. President Kielhold advocated for simplicity of boundaries for ease of understanding.

Director Botello indicated concern, noting his division is the most changed. He mentioned the Santa Ana River is not a set boundary, and his division lines could be moved north or south. Director Botello advised that one map scenario almost eliminated his residence, and that would not be acceptable. Mr. Rexroad assured that no ex parte communications had taken place. Director Botello indicated intention to use the mapping tool to submit a map to assure representation of his ratepayers.

CEO / General Manager Heather Dyer stated the reason for presenting the variety of mapping scenarios was to have a starting point with parts that directors like, and parts they do not. The elements that the Board feels are most appropriate to represent the divisions will be built into a map that the Board can support, she said. The focus is on population numbers, not geographic areas, she noted, as the goal is to stay within the allowable deviation of population numbers.

Director Harrison expressed support for Map Draft 2 but said he did not want to push into another city (Highland).

Vice President Hayes noted that her comments at the prior meeting were not requests, merely observations. She indicated that she would like her division to stay primarily in Rialto.

Director Longville opined that the divisions appear to have become larger. She offered comment on communities of interest and indicated that she represents all the north end communities. She pointed out that the division lines have not been redrawn in more than 70 years, but the exercise can be made to work.

Director Longville asked about the 2019 voting age population being much higher than the 2020 count. Mr. Valdez explained that the 2019 count was for the American Community Survey, which is an estimate, not the enumeration of every heartbeat as is the Census.

Director Botello offered further comment on Draft Map 3 and provided clarification for Mr. Valdez.

Director Harrison opened the public hearing at 2:52 p.m. There were no speakers. Chief of Staff/Clerk of the Board Jose Macedo announced that no public comments had been received. The public hearing was closed at 2:53 p.m.

President Kielhold requested the larger scale copies for posting at the office have darker labels and include the current division boundaries.

Director Harrison advised the maps will be reviewed again at the meeting of March 8, 2022.

3. Public Comment

There was none.

4. Summary of Previous Meeting

The summary notes from the January 11, 2022, Board of Directors Workshop – Engineering were accepted with no comments.

5.1 Consider Valley District's Representative for the Western-San Bernardino and Santa Ana River Watermaster Committees, Respectively

Deputy General Manager/Chief Engineer Wen Huang reminded the Board Valley District is a party to two historic 1969 judgments related to the Santa Ana River watershed: the Western-San Bernardino Watermaster, and the Santa Ana River Watermaster. Due to Valley District's involvement in managing the basin and access to the State Water Project (SWP), the District was appointed by the Court to be the representative of the agencies to negotiate a settlement.

Staff recommended replacement of representative Wen Huang with CEO / General Manager Heather Dyer.

President Kielhold asked about the term for service, Mr. Huang indicated the appointment is valid until a new appointment is made or staff retires. In response to Vice President Hayes, Ms. Dyer assured that the workload was primarily handled by the staff of engineering and water resources. Other General Managers are also the Watermasters, she noted.

Director Harrison invited public comment. Sam Fuller of Bear Valley Mutual Water Company acknowledged the opportunity for Ms. Dyer and stated that Mr. Huang had done a great job.

Action Item(s): The Board directed staff to work with House Counsel to draft resolutions nominating the CEO / General Manager, Heather Dyer, as the District’s representative to the Western-San Bernardino Watermaster and the Santa Ana River Watermaster Committees, respectively, and forward the resolutions to the next Board of Directors meeting for consideration by the following roll-call vote:

There was no motion or second.		APPROVED: 5-0
AYES:	Botello, Harrison, Hayes, Kielhold, Longville	
NOES:	None	
ABSTAIN:	None	
ABSENT:	None	

5.2 Consider a Budgetary Amendment for the 2021 Water Supply Contingency Program to Meet the BVMWC In-Lieu Water Demand

Senior Project Manager Mike Esquer advised the total cost of the in-lieu project for 2020 was \$942,000 and staff will be asking for an amendment to the Fiscal Year 2021-22 budget in the amount of \$342,000, all of which is covered by the \$1.6 million received in FY 2021 for the 2021 in-lieu program from Bear Valley Mutual Water Company (BVMWC). Additional numbers are still being calculated and will be corrected if this item is forwarded to the Board, he stated.

Mr. Esquer detailed the agreement and process for provision of in-lieu water to BVMWC and production for the 2021 program. He reminded the Board of prior discussion of this program in May 2021 and explained increased pumping as a result of the dry year and in preparation for the low allocation of State Project Water. The total needed was \$661,000 for 5,261 acre-feet necessary; \$600,000 had been previously allocated by the Board, he explained.

Mr. Esquer added staff has been working with BVMWC to repair a large performing well which will benefit the in-lieu program. He reviewed the water delivery facilities and highlighted East Valley Water District and the City of Redlands which provide much of the in-lieu water to offset what would have been obtained from BVMWC.

Ms. Dyer emphasized this cost is covered by the \$1.6 million paid by BVMWC. Water Resources Manager Adekunle Ojo added that within the \$342,000 request, staff is including the funds to make the agencies whole for pumping the groundwater on behalf of Valley District.

Director Longville noted this is one of Valley District’s success stories; that in 2021 was able to meet 60 percent by working with District partners. She pointed out that there must be cognizance of ongoing climate impacts and indicated that Valley District’s strategies are spot on and well done.

Staff continues to grow strategies and looks forward to future well construction and conjunctive use to directly meet some of the in-lieu need, Mr. Esquer added.

Mr. Fuller acknowledged that Valley District staff has been extremely helpful in putting together water supplies needed by BVMWC this past year and said the cooperation is appreciated. Director Harrison complimented the collaboration.

Action Item(s): The Board voted to move forward this item to the full Board of Directors for consideration at a future meeting by the following roll-call vote:

There was no motion or second.		APPROVED: 5-0
AYES:	Botello, Harrison, Hayes, Kielhold, Longville	
NOES:	None	
ABSTAIN:	None	
ABSENT:	None	

5.3 Consider Cost-Share with the City of Redlands for Well Rehabilitation and Improvements to the San Bernardino Avenue Well

Chief Engineer Huang introduced the cost-share arrangement and reminded the Board about two parcels acquired as part of the 1996 settlement agreement with Big Bear Municipal Water District. The first parcel has been incorporated into the Redlands Sports Park and work is in progress to sell the parcel to the City. The easterly parcel hosts the San Bernadino Avenue well, which is connected to both Bear Valley and the City of Redlands distribution systems.

Valley District uses this well from time to time to meet in-lieu obligations, Mr. Huang explained. Last year, it was utilized to produce approximately 825 acre-feet of water to meet the in-lieu obligations, he stated.

When first acquired, the well could produce more than five cubic feet per second (cfs) (2,000 gallons per minute), but has declined over the years, Mr. Huang continued. The well needs redevelopment and rehabilitation, he advised, and detailed the work needed for a cost of approximately \$285,000. Due to some unknown conditions, and labor and supply issues due

to COVID-19, staff recommends adding a 10 percent contingency for a total of \$314,000. Valley District's share would be \$157,000.

The City of Redlands has recommended splitting the cost evenly, as over the years Redlands has been able to use the well to produce water to meet their demand, Mr. Huang explained. Staff recommends the work to be done over the next several months to ready the well for meeting in-lieu obligations in case of another low SWP allocation year.

Action Item(s): The Board voted to move forward this item to the full Board of Directors for consideration at a future meeting by the following roll-call vote:

There was no motion or second.	APPROVED: 5-0
AYES:	Botello, Harrison, Hayes, Kielhold, Longville
NOES:	None
ABSTAIN:	None
ABSENT:	None

6. Future Business

There was none.

7. Adjournment.

The meeting was adjourned at 3:28 p.m.

Staff Recommendation

Receive and File



DATE: March 1, 2022
TO: Board of Directors
FROM: Staff
SUBJECT: Summary of Board of Directors Workshop – Branding - February 9, 2022

The Board of Directors Branding Workshop convened on February 9, 2022. President Kielhold chaired the meeting.

Directors Present: President Kielhold, Vice President Hayes, Director Botello, Director Harrison, and Director Longville.

Staff Present:

Heather Dyer, MS, MBA – Chief Executive Officer/General Manager
Melissa Zoba, MBA, MPA – Chief Information Officer

Kristeen Farlow, MPA – External Affairs Manager
Anthony Flordelis – Business Systems Analyst
Jose Macedo, ML, CPT-P (USA Retired) – Chief of Staff/Clerk of the Board
Shavonne Turner, MPA – Water Conservation Program Manager

WSC Consultants

Jeff Szytel
Haili Matsukawa

1. Introductions.

Chief Executive Officer/General Manager Heather Dyer introduced staff members present.

2. Public Comment.

Chair Kielhold invited public comment. There was none.

3. Discussion of Potential Name Change Opportunities and Requirements for Consideration.

Mr. Szytel from WSC Consultants commenced the presentation by providing the Board of Directors an overview of the feedback received from the Board, counsel, and state lobbyist on the feasibility of a potential name change.

Mr. Szytel discussed the topic of the organizational structure and asked the Board to reflect whether the current brand reflects the current mission, vision, and values along with reflecting on the past, current, and future efforts, and commitments.

A conversation ensued referencing honoring the District's historical ties to the current values (draft), mission (draft), and relationships.

Director Harrison pointed out that industry professionals are aware of the District; the misconception is more with the public. It is a matter of identity, he said, and indicated that it seems there are some desired identity changes but there are legal obstacles to making change. He said he would like to hear about both.

Vice President Hayes stated Valley District has evolved but some still hold negative views of the agency. She stated she would try to focus on a positive message to try to change the perception of the next generation.

Mr. Szytel pointed to the values and strategic plan and acknowledged that others will be affected by the decisions made. The branding process needs to be anchored in the strategic plan, and if significant changes are to be pursued, it should be through living the values, he explained. There are misconceptions and differences of opinion, but the Board has established a mission to work collaboratively.

President Kielhold noted that collaboration requires participation.

Mr. Szytel indicated that over the 12 years he has worked with the Valley District, he has seen a significant evolution of the organization, its identity, progress, character, perception, and willingness to work with others, and the strategic plan is representative of that. He indicated the branding process should reinforce and empower the District to do more in support of the strategic plan.

Ms. Dyer emphasized that Valley District used to be very insular and solitary and focused on a singular purpose. Over the decades, that has evolved to collaboration on challenges such as environmental permitting, PFAS/PFOA, and more. Most often, Valley District is the

regional hub that can drive solutions in addition to being the regional water supplier, she added.

On the property tax bill, the levy is noted as San Bernardino Valley Municipal Water District debt service or tax levy, and it is not indicative of the function of the district, President Kielhold pointed out. Vice President Hayes emphasized consistency.

Director Botello agreed with Director Harrison regarding the regional designation but noted that the name change may evolve from the ongoing branding discussion. Mr. Szytel cautioned that the branding process cannot get too far ahead of any consideration of a name change. He indicated the consultants are seeking an understanding of how far the concept of a name change should be pursued, as it is critical to the process.

Mr. Szytel reminded the Board about the exercise on brand characteristics and Ms. Matsukawa pointed out that staff and Board both have a clear identity aligned with the values. Ms. Dyer reminded that at the District, “we know who we are; we just don’t know how to best express it.”

This exercise gives the tools needed to take the next steps toward envisioning the brand, Mr. Szytel said, and pointed to the strategic plan as the foundation. Ms. Dyer reminded that the Board has not yet formally adopted the strategic plan document. Director Botello pointed out that if the name is to change, it should be displayed on the strategic plan document as an introduction. Mr. Szytel indicated the content is the key and noted that the plan contains design elements not before used.

Mr. Szytel reviewed the topics for the upcoming workshops and opportunities for presentation of the new strategic plan. Vice President Hayes stated that the document is not a full plan, it is merely a beginning.

Director Botello indicated this document is the foundation, not an action plan which comes later. There must be an agreed-upon mission, vision, and values, but the document should not sit on a shelf gathering dust, he said. Mr. Szytel advised that the strategic plan is not intended to be the sole guiding document for how to invest resources and prioritize time, but it is intended to be lasting while the operational practices of the organization implement the specifics of the plan. He recommended an annual goal-setting process.

Ms. Dyer acknowledged both concepts and reminded that the goal was to have a document that is elegant, simple to read, and could be handed out to easily establish who is Valley District. The bold strategies express what the District is trying to achieve, she noted. Each

one would have an action plan, but those goals and objectives change over time. The strategic plan document sets the course for the District and gives staff its guardrails.

Ms. Matsukawa explained the intent to launch the new brand layered with the strategic plan so the public would not just see a new logo but would understand the new direction of the agency.

Mr. Szytel led discussion regarding why and when the District might change its name. Reasons for change included confusion with other similarly named agencies, and growth of the organization into larger than a single purpose organization serving one valley. Some directors saw it as a collaborative process to include stakeholders, but others indicated a need for strong leadership and unilateral change based on the District's needs. Consensus was that if the name is to be changed, the time is ripe to do so. Mr. Szytel suggested focus groups for discussion, feedback, and input from key stakeholders as a way to calibrate decision-making.

Mr. Szytel continued, recapping the discussion, and indicated that the next steps would be to put some of the suggested names on paper to review and make some further decisions. In the meantime, Ms. Matsukawa continues to make progress with staff on District look and feel, and tone and voice, he advised. She added information on next steps.

Action Item(s): The Board directed staff to move forward the strategic plan for adoption at the next Board of Directors meeting by the following vote:

MOVED: Harrison	SECOND: Botello	APPROVED: 4-1
AYES:	Botello, Harrison, Kielhold, Longville	
NOES:	Hayes	
ABSTAIN:	None	
ABSENT:	None	

Directors concurred on continuance of the potential name change discussion and process.

4. Adjournment

The meeting was adjourned at 10:56 a.m.

Staff Recommendation

Receive and File



DATE: March 1, 2022
TO: Board of Directors
FROM: Staff
SUBJECT: Summary of February 10, 2022, Board of Directors Workshop – Policy

The Policy Workshop convened on February 10, 2022, via Zoom teleconference. Director Botello chaired the meeting.

Directors Present: President Kielhold, Vice President Hayes, Director Botello, Director Harrison, and Director Longville.

Staff Present:

Heather Dyer, MS, MBA – Chief Executive Officer/General Manager
Jose Macedo, ML, CPT-P (USA Retired) – Chief of Staff/Clerk of the Board
Cindy Saks, CPA – Deputy General Manager/Chief Financial Officer
Melissa Zoba, MBA, MPA – Chief Information Officer

Kristeen Farlow, MPA – Strategic Communications Manager
Anthony Flordelis – Business Systems Analyst
Adekunle Ojo, MPA – Water Resources Manager
Karen Resendez, MA – Human Resources / Risk Manager
Shavonne Turner, MPA – Water Conservation Program Manager

Members of the Public Present:

Richard Babbe, PFM Asset Management
Nyles O’Harra, Yucaipa Valley Water District
Melody McDonald, San Bernardino Valley Water Conservation District
Drew Tatum, Innovative Federal Strategies
Letitia White, Innovative Federal Strategies
Robert Stewart

1. Introductions

Chief Executive Officer/General Manager Heather Dyer introduced staff members present.

2. Public Comment

Chair Gil Botello invited public comment. There was none.

3. Summary of Previous Meeting

The summary notes from the January 13, 2022, Board of Directors Workshop – Policy were accepted with no comments.

Chair Botello took items 4.1 and 4.2 out of order.

4.2 Discuss State and Federal Legislative Update

Strategic Communications Manager Kristeen Farlow introduced Drew Tatum and Letitia White with Innovative and Federal Strategies (IFS). Ms. White reported on the Federal government's legislative activities.

Ms. White advised that the Fiscal Year 2022 budget reached a deal and although the year has begun the 12 appropriations bills have not been finished. The continuing resolution to fund the government expires on February 18, she noted. The House has passed another continuing resolution to expire March 11 and the Senate is expected to take it up next week. The 12 bills will be rolled into an omnibus package, Ms. White explained.

One of the holdups has been the Build Back Better effort, Ms. White continued, which contains some potentially duplicative elements. Ms. White expressed confidence in the ability to finish last year's budget, with the President's budget request to arrive at the Hill in mid-March or early April due to the input of many new cabinet members (likely requiring another continuing resolution).

Mr. Tatum provided an update on the Infrastructure bill, noting that agencies have begun to implement it with funding for the next five fiscal years. The White House released a guidebook and held an implementation webinar, he advised. Mr. Tatum assured that as any funding opportunity announcements are made, they will be passed along to the Valley District team. He noted that the struggles with implementation are due to lack of a full year appropriations bill and staffing challenges.

Any work on Build Back Better would re-start at the beginning, Mr. Tatum advised. Senator Joe Manchin stymied ongoing negotiations when the inflation numbers came out today, he reported. It does not seem in the near term that Democrats will push forward on the bill, he said. He also noted that Senator Ben Ray Lujan had suffered a stroke, and, in his absence, some committees are evenly divided, and legislation or nominees will not be able to be discharged unless they have broad bi-partisan support.

Ms. White reported working with Valley District staff to identify programs and priorities for FY 2023 community project funding but said no guidance has been released yet for the potential earmarks. Rep. Jay Obernolte and Rep. Pete Aguilar have indicated they would be happy to work with the District on Seven Oaks Dam and initial conversations with their staffs have focused on language or policy requests to go into the Water Resources Development Act, which is on a two-year reauthorization cycle.

Chief Executive Officer/General Manager Heather Dyer reminded the Board the District has two shovel-ready and permitted but very expensive water projects (the Regional Recycled Water System at Weaver Basins and the Enhanced Recharge Phase IB Stormwater Capture), and the funding process through the State Revolving Fund takes time. She asked about the fastest way to get the projects on the ground. Ms. White indicated that the Stormwater project might be a good candidate for Congressionally directed spending, likely not more than \$3 million. She said all are interested in how quickly the infrastructure money can flow out the door, as the President has made it clear he is interested in getting projects going. IFS will continue to work with staff, she said.

Strategic Communications Manager Kristeen Farlow indicated that State legislative activity would increase with the approaching bill introduction deadline on February 18. She briefed the Board on the following bills of interest:

- SB 890 (Nielsen and Borgeas) Department of Water Resources (DWR) Water Storage and Conveyance: State Water Contractors have not taken a position but are supportive of the funding that this bill could bring as it aligns with their priorities
- SB 230 (Portantino) Constituents of Emerging Concern: Has passed out of the Senate and moved to the Assembly. It would require the State Water Resources Control Board to establish a dedicated program to assess information and recommend areas for further study. It was sponsored by Metropolitan Water District and the California Municipal Utilities Association

On January 10, Governor Newsom proposed an FY 2023 budget of \$86.4 billion, Ms. Farlow continued. It includes an investment of \$750 million for drought resilience programs, which

includes grants for water efficiency, demand reduction, and maintain a drought vulnerability tool, along with grants to water districts to fund planning, engineering, analysis, and construction for groundwater recharge projects. It also proposes a clean energy investment plan, and \$1.2 million over two years for forest health and fire prevention, Ms. Farlow added.

Ms. Farlow briefed the Board on the resignations, term limits and redistricting process, noting that 19 to 20 Assemblymembers are retiring or have already left, many without identified replacements. Staff will monitor to determine whether there are implications to the region and any opportunity for building new relationships, she said.

4.1 Quarterly Investment Portfolio Update with PFM Asset Management and Review of the District's Long Term Investment Strategy

Deputy General Manager/Chief Financial Officer Cindy Saks reviewed the District's investment strategy. Upon engagement of PFM, the portfolio was diversified with the same quality and no added risk, and the maturity distribution was addressed within the policy.

Pointing to Ms. Saks' presentation, President Kielhold asked if there was segregation of restricted funds from general funds. Ms. Saks explained that the charts do not differentiate, the District is taken as a whole. She noted the total investment with PFM has risen from the initial \$100 million to \$385 million currently, the majority of which belongs to the restricted State Water Project fund.

District financial advisor Richard Babbe from PFM Asset Management reviewed the quarterly investment portfolio activity. Mr. Babbe reported on investment strategies, change in market expectations, pandemic recovery, inflation, interest rates, the current composition of the District's portfolio, yields, and unrealized losses. He noted that the change in some investments to more liquid vehicles to be used for funding projects.

Vice President Hayes asked about California Government Code related to investments, and Mr. Babbe explained the District's policy aligns with it but in some ways is more conservative than what it would allow.

Director Longville pointed to the District's forthcoming Climate Adaptation and Resilience Plan and recommended evaluating corporate holdings to determine if any are working counter to the Plan. Mr. Babbe noted that PFM is required as the fiduciary to do what is in the District's best interests within the parameters given, and if the Board gives such direction PFM will do so.

Ms. Saks requested clarification that the Board intends to continue the current investment strategy. Mr. Babbe advised that the target is a balanced approach.

In response to Director Harrison, Mr. Babbe recommended staying at the current strategy with two caveats depending on the District's needs over short or long duration. Absent any fundamental changes in the objective over time, Babbe continued, staying the course is recommended.

Director Harrison added that he is not interested in politicizing the District's investments.

President Kielhold asked about the relationship between strategy and the District's policy on investments. Mr. Babbe explained that the policy lays out the rules, and the benchmark is the desired direction. If new direction on strategy is given by the Board, Mr. Babbe responded, it could take three to six months to implement.

Action Item(s):

The Board of Directors directed staff to stay the course and maintain the current investment strategy for the District's investment portfolio by the following roll-call vote:

There was no formal motion or second.	APPROVED: 5-0
AYES:	Botello, Harrison, Hayes, Kielhold, Longville
NOES:	None
ABSTAIN:	None
ABSENT:	None

Action Item(s): Receive and file.

5. Future Business

None was added.

Director Botello reminded the Board of the Leadership Development Training workshop tomorrow at 10 a.m.

6. Adjournment

The meeting was adjourned at 3:01 p.m.

Staff Recommendation

Receive and file.



DATE: March 1, 2022

TO: Board of Directors

SUBJECT: List of Announcements

- A. March 1, 2022, 9:30 a.m. – SAWPA Commission Meeting
- B. March 1, 2022, 10:00 a.m. – ~~SAWPA PA 24 Meeting~~ **Cancelled**
- C. March 1, 2022, 2 p.m. – Regular Board Meeting by Teleconference
- D. March 2, 2022, 8:30 a.m. – Upper SAR WIFA by Teleconference
- E. March 3, 2022, 2 p.m. – Board of Directors Workshop – Resources by Teleconference
- F. March 8, 2022, 2 p.m. – Board Workshop – Engineering by Teleconference
- G. March 9, 2022, 8:30 a.m. – Upper SAR WIFA Technical Advisory Committee by
Teleconference
- H. March 9, 2022, 1:30 p.m. – San Bernardino Valley Water Conservation District Board
Meeting
- I. March 10, 2022, 2 p.m. – Board Workshop – Policy by Teleconference
- J. March 15, 2022, 9:30 a.m. – SAWPA Commission Meeting
- K. March 15, 2022, 2 p.m. – Regular Board Meeting by Teleconference
- L. March 16, 2022, 8:30 a.m. – Upper SAR WIFA by Teleconference
- M. March 21, 2022, 6 p.m. – ASBCSD dinner (Location to be determined)
- N. March 23, 2022, 8:30 a.m. – Upper SAR WIFA Technical Advisory Committee by
Teleconference
- O. March 30, 2022, 8:00 a.m. – Upper Santa Ana River Mayors' Breakfast (Mission Inn)