



BOARD OF DIRECTORS WORKSHOP -

POLICY/ADMINISTRATION

THURSDAY, AUGUST 3, 2023 – 2:00 P.M.

PUBLIC PARTICIPATION

Public participation is welcome and encouraged. You may participate in the August 3, 2023, 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: 893 8624 1472
PASSCODE: 3802020

<https://sbvmwd.zoom.us/j/89386241472>

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 Wednesday, August 2, 2023. All public comments will be provided to the Chair 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

BOARD OF DIRECTORS' WORKSHOP - POLICY/ADMINISTRATION

AGENDA

2:00 PM Thursday, August 3, 2023

CALL TO ORDER

Chairperson: Director Botello

Vice-Chair: Director Kielhold

1) INTRODUCTIONS

2) PUBLIC COMMENT

Members of the public may address the Board regarding any item within the subject matter jurisdiction of the Board; however, no action may be taken on off-agenda items except as authorized by law. Each speaker is limited to a maximum of three (3) minutes.

3) DISCUSSION AND POSSIBLE ACTION ITEMS

3.1 Quarterly Investment Portfolio Update with PFM Asset Management and Annual Review of the District's Investment Policy (20 min) - Page 3

[Staff Memo - Quarterly Investment Portfolio Update with PFM Asset Management PFM Asset Management presentation on the District's investments through June 2023](#)

3.2 Federal Legislative Update(20 min) - Page 25

[Staff Memo- Federal Legislative Update](#)

3.3 2023 Association of California Water Agencies Election(20 min) - Page 27

[Staff Memo- 2023 Association of California Water Agencies Election](#)
[ACWA Election Candidate Information](#)

4) FUTURE BUSINESS

5) 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.

DATE: August 3, 2023

TO: Board of Directors' Workshop – Policy/Administration

FROM: Cindy Saks, Chief Financial Officer / Deputy General Manager

SUBJECT: Quarterly Investment Portfolio Update with PFM Asset Management and Annual Review of the District's Investment Policy

Staff Recommendation

Receive and file the quarterly portfolio update report from PFM Asset Management.

Summary

Richard Babbe, Senior Managing Consultant of PFM Asset Management will be available via the Zoom meeting to make a presentation on the status of the District's investments based on the current investment strategy.

Background

One of the specific tasks outlined by the Board is to meet quarterly with the investment advisor. The Board approved Investment Advisory services from PFM Asset Management and to continue with the investment strategy developed and adopted by the Board. Periodically over the years the Board has reviewed the investment strategy. On February 10, 2022, the board reviewed and directed staff to continue with the same investment strategy which provides greater portfolio diversity with a slightly longer average maturity while not increasing risk, all of which is in accordance with the District's investment policy.

Fiscal Impact

There is no fiscal impact to receive and file the quarterly investment report and reviewing the District's investment policy.

Attachments

- 1) PFM Asset Management presentation on the District's investments through June 2023

San Bernardino Valley Municipal Water District

Investment Performance Review For the Quarter Ended June 30, 2023

Client Management Team

Sarah Meacham, Managing Director
James Sims, CFA, Managing Director
Ellen Clark, Director
Richard Babbe, CCM, Senior Managing Consultant

PFM Asset Management LLC

633 W 5th St., 25th Floor
Los Angeles, CA 90071
213-415-1699

213 Market Street
Harrisburg, PA 17101-2141
717-232-2723

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Market Update

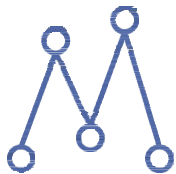
Current Market Themes



- ▶ The U.S. economy is characterized by:
 - ▶ Headline inflation numbers trending lower, but the Fed's current focus, "supercore inflation," is showing little sign of slowing
 - ▶ A labor market that has proven to be exceptionally strong
 - ▶ A more optimistic sentiment around economic growth due to resilient consumer spending



- ▶ Fed temporarily pauses rate hikes
 - ▶ The most aggressive series of interest rate hikes in recent history has come to a temporary pause in June
 - ▶ The Fed's most recent dot plot shows the potential for two additional rate hikes by the end of the year
 - ▶ Rates have moved up due to the Fed's rate trajectory shifting higher, the economy remaining stronger than expected, persistent inflation, and the market's "higher-for-longer" mindset

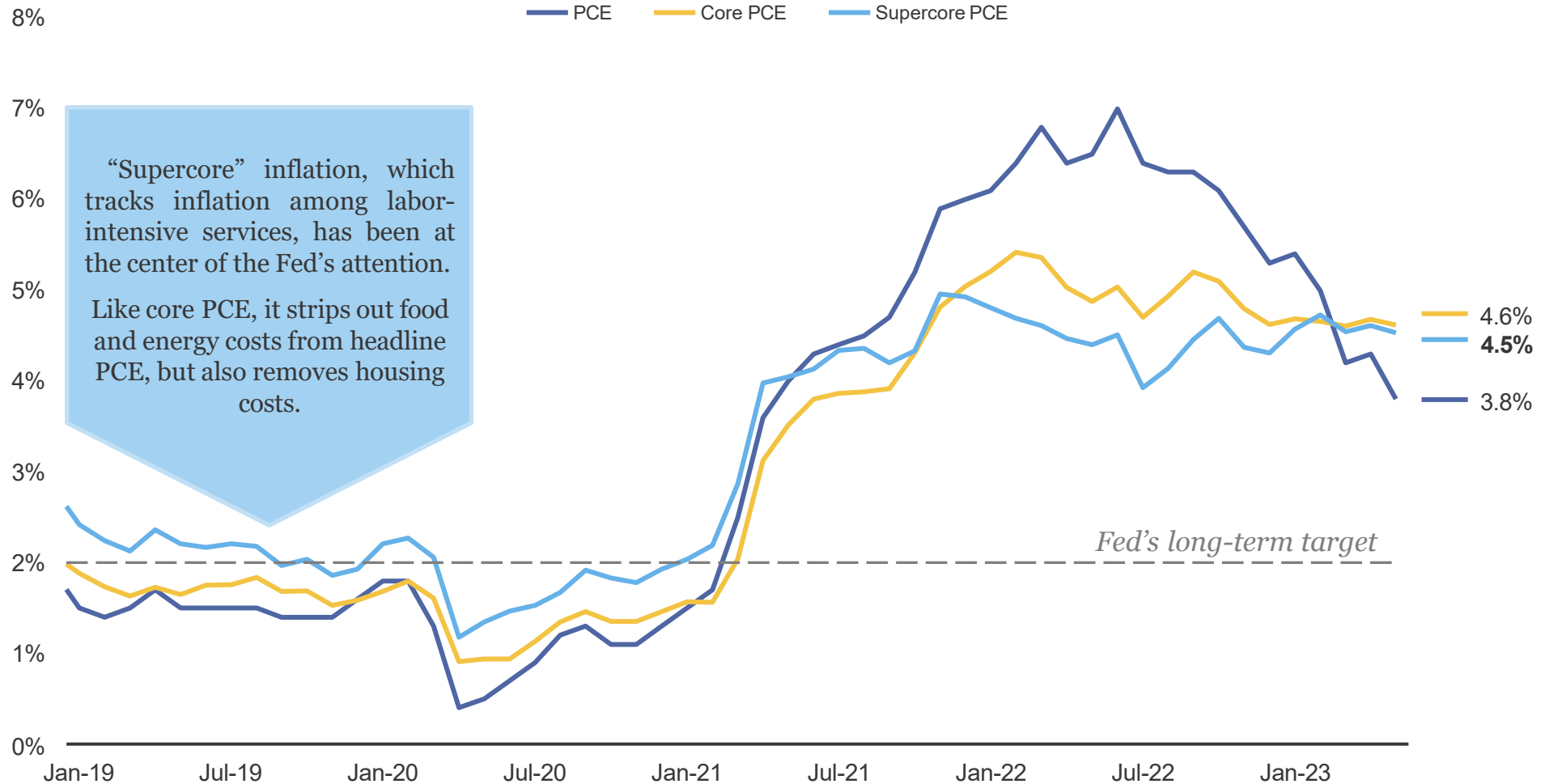


- ▶ Bond markets see continued volatility
 - ▶ The debt ceiling saga incited a separate spate of market volatility due to concern about a potential U.S. default
 - ▶ After plummeting at the end of Q1 due to volatility in the banking sector, short and medium-term yields steadily climbed throughout the quarter, with the 2-year rising over 100 basis points
 - ▶ The curve inversion fell dramatically at the start of Q2, but moved toward historic levels in June

Inflation Measures Remain Above Fed's Target

The Fed's Key Inflation Rate

Personal Consumption Expenditure Price Index, Year-over-year



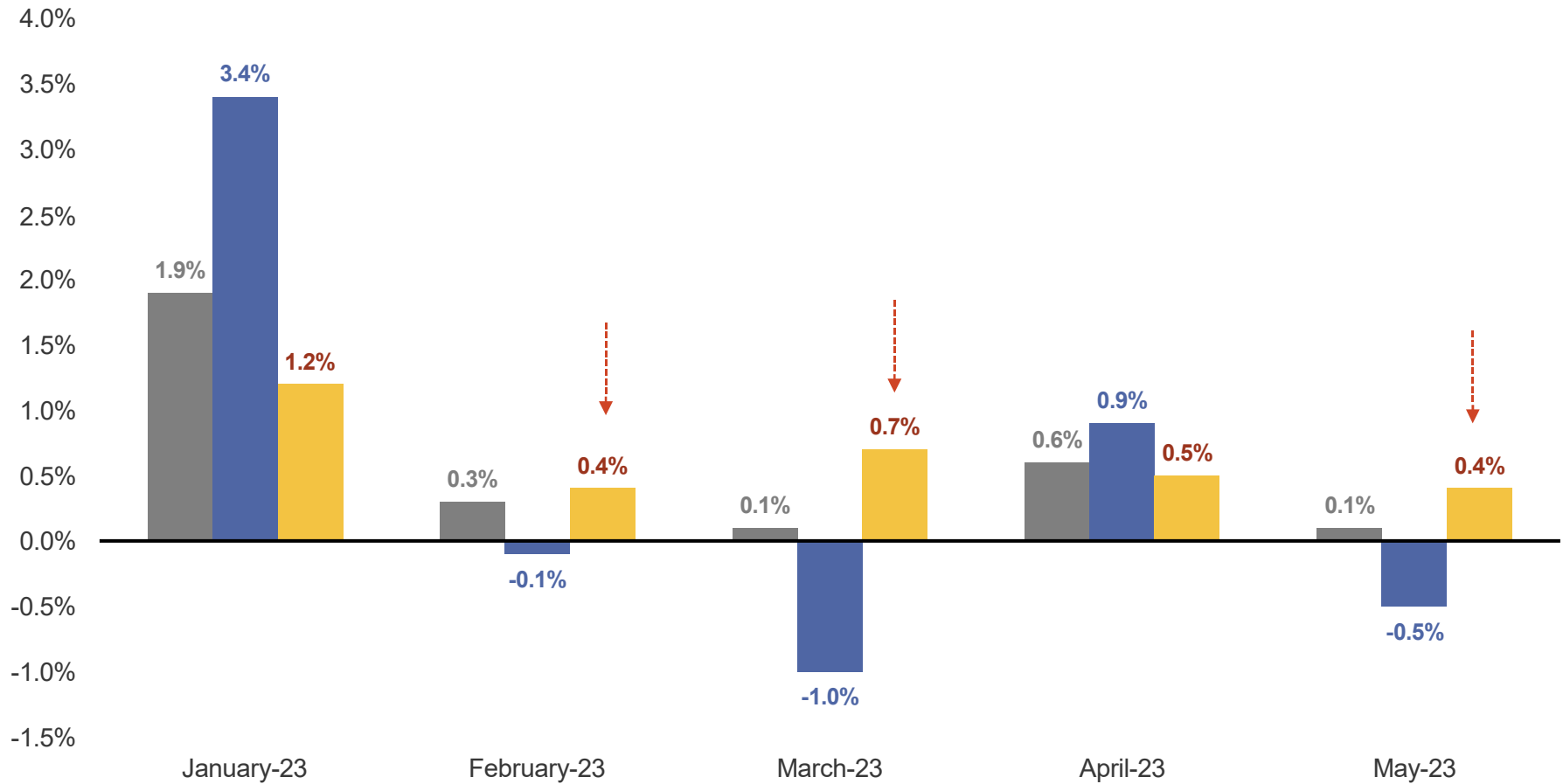
Source: Federal Reserve, Bloomberg, Bureau of Economic Analysis as of May 2023.

Consumers Have Been Spending More on Services

Change in Consumer Spending

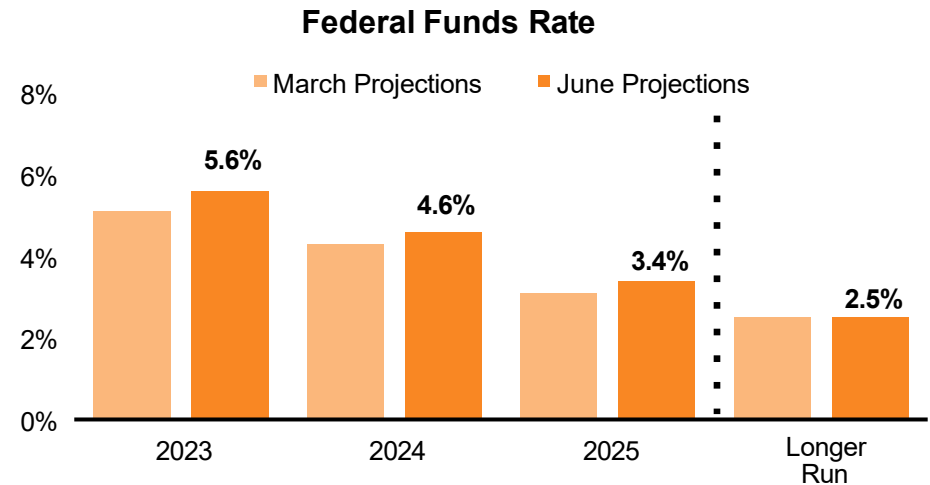
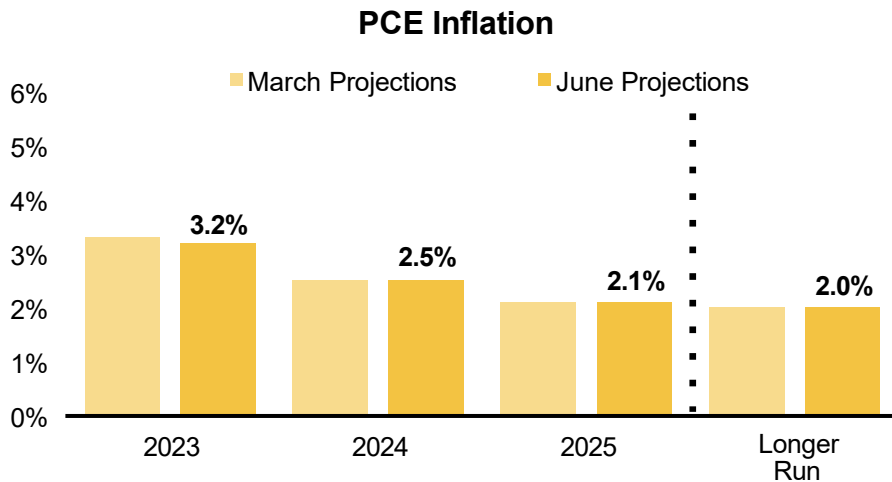
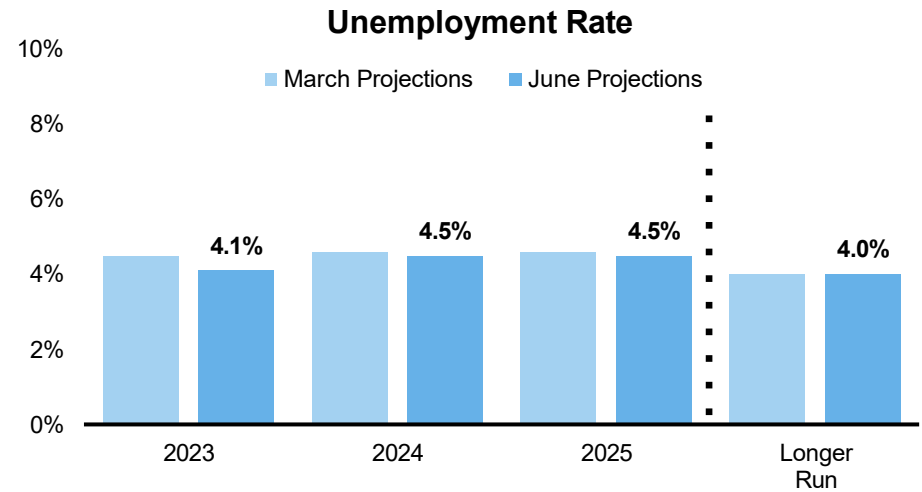
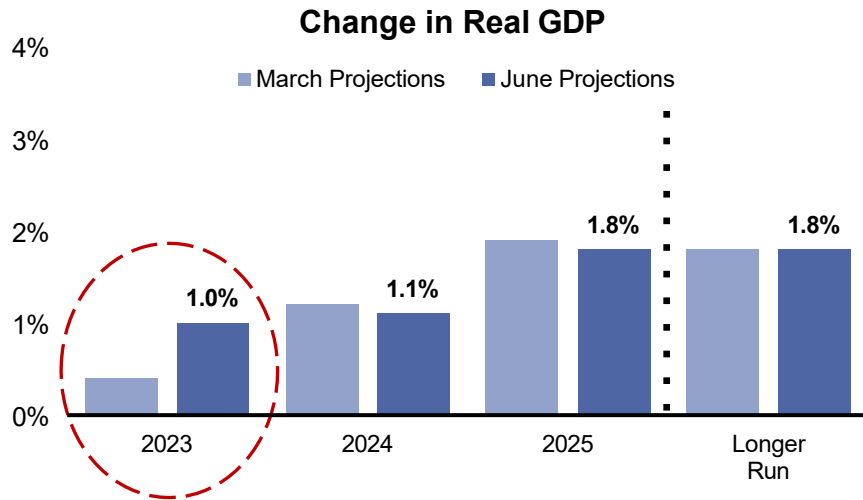
Month-over-month

■ Consumer Spending ■ Goods ■ Services



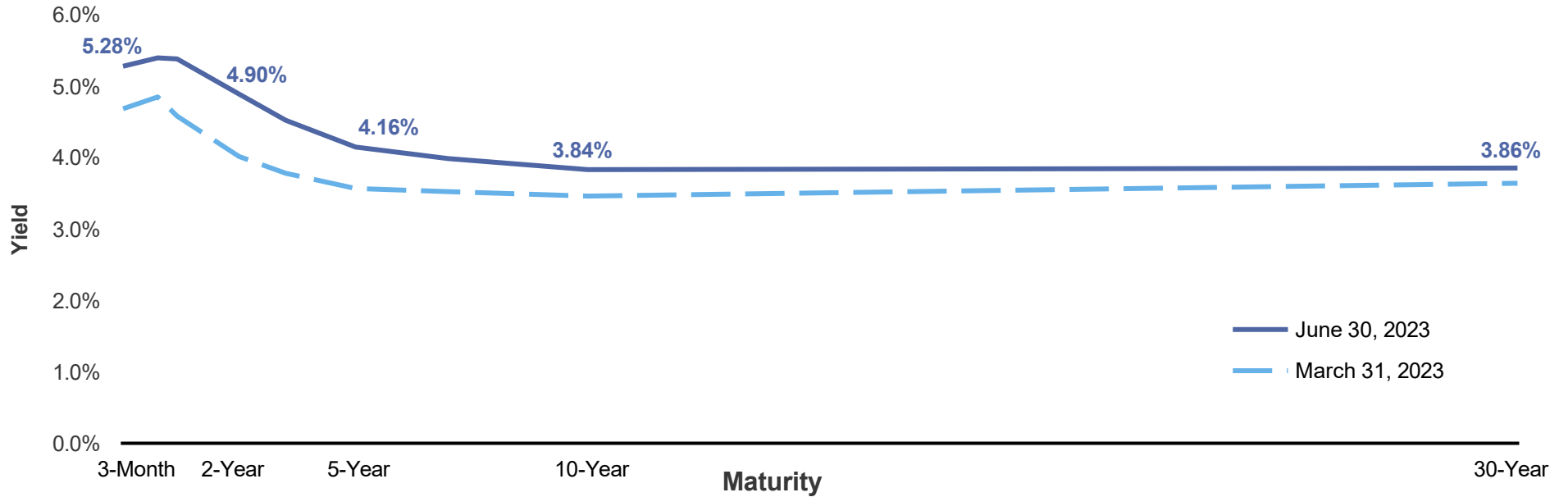
Source: Bloomberg, Bureau of Economic Analysis as of May 2023.

Fed's Updated June Projections Reflect Stronger Economic Expectations for 2023

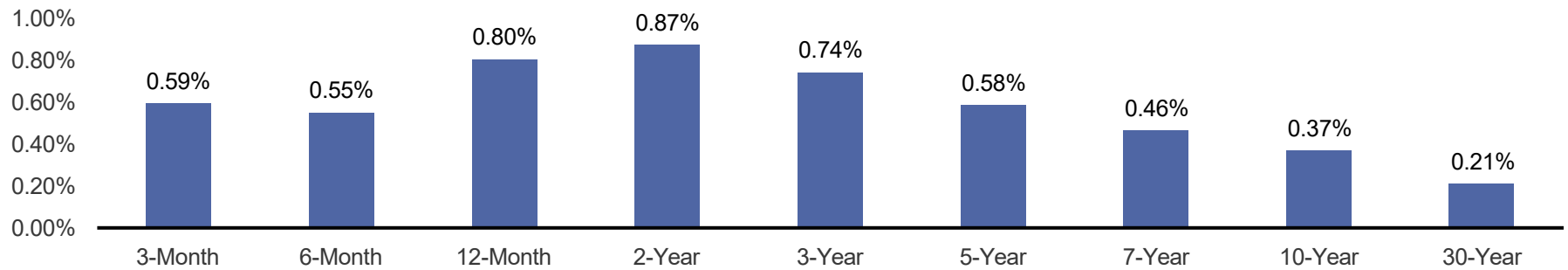


Source: Federal Reserve, latest economic projections as of June 2023.

Interest Rates Rise as “Higher-for-Longer” Mantra Sets In U.S. Treasury Yield Curve



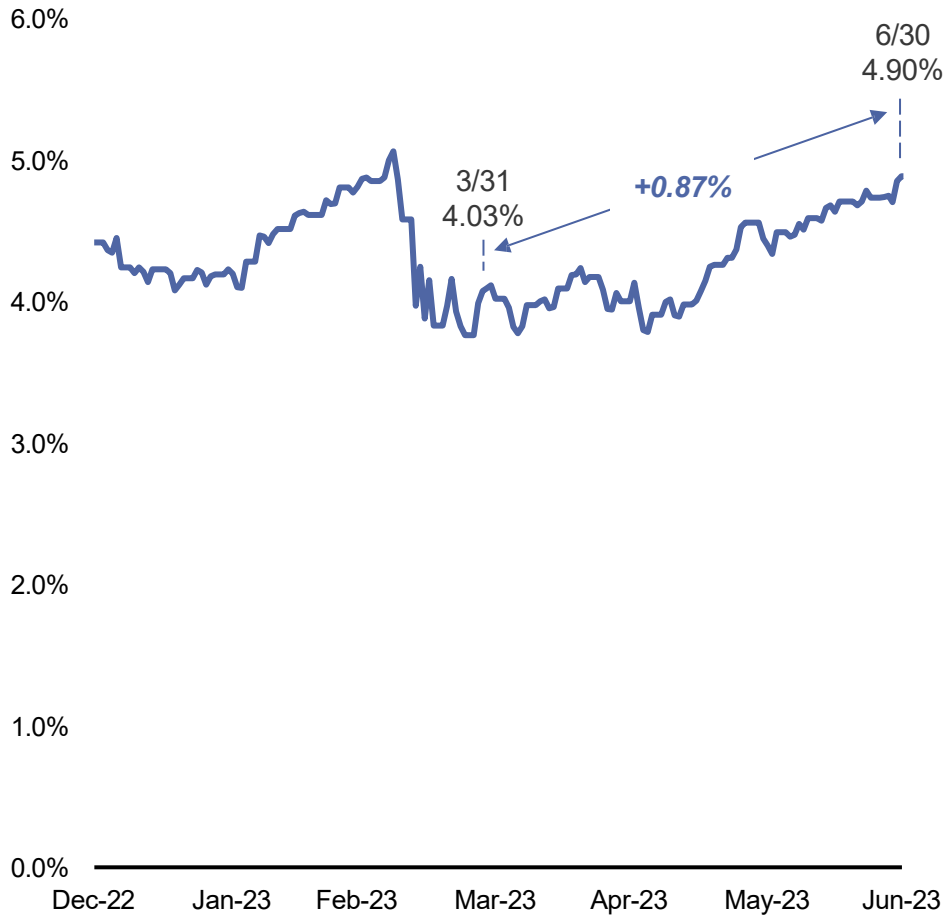
Yield Changes by Maturity from March 31 – June 30, 2023



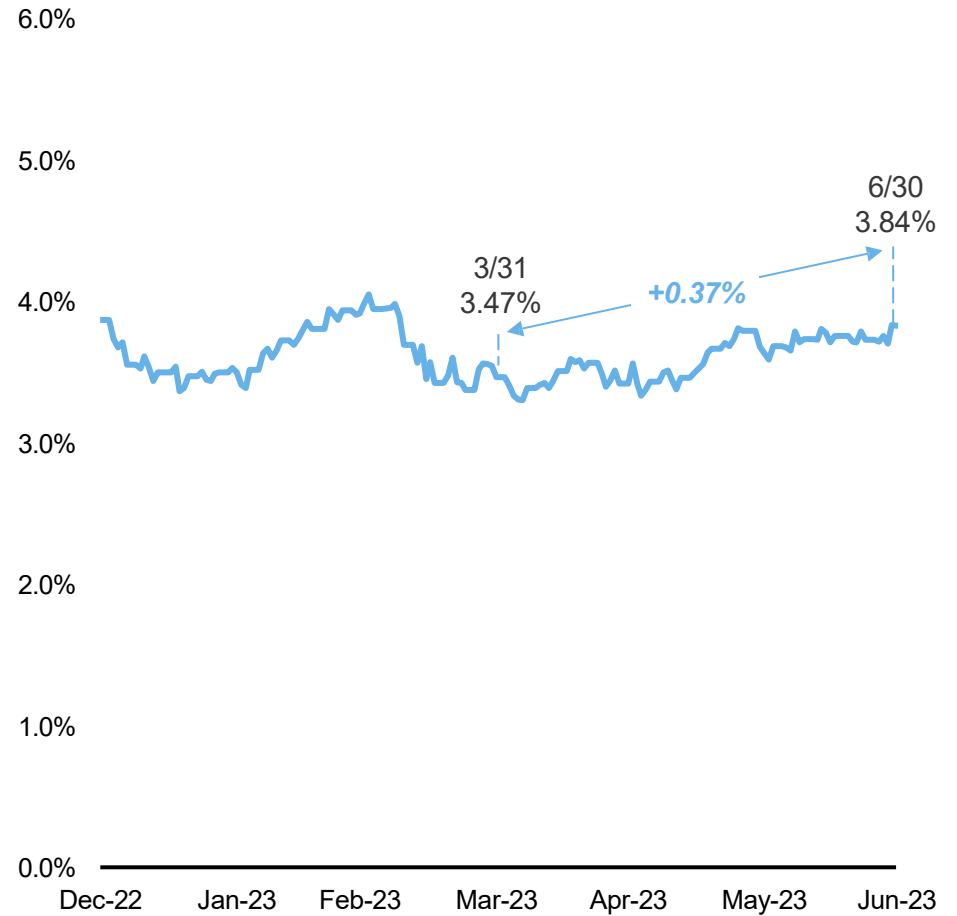
Source: Bloomberg, as of 06/30/2023.

Treasury Yields Move Upward on Expectation for Future Rate Increases

2-Year Treasury Yield



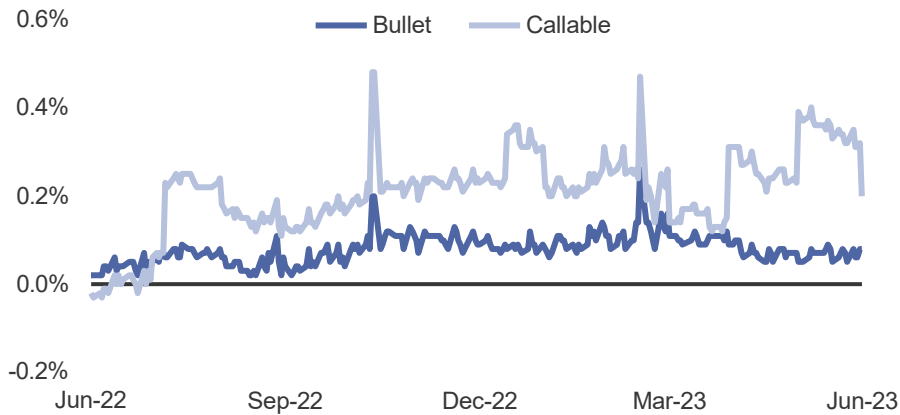
10-Year Treasury Yield



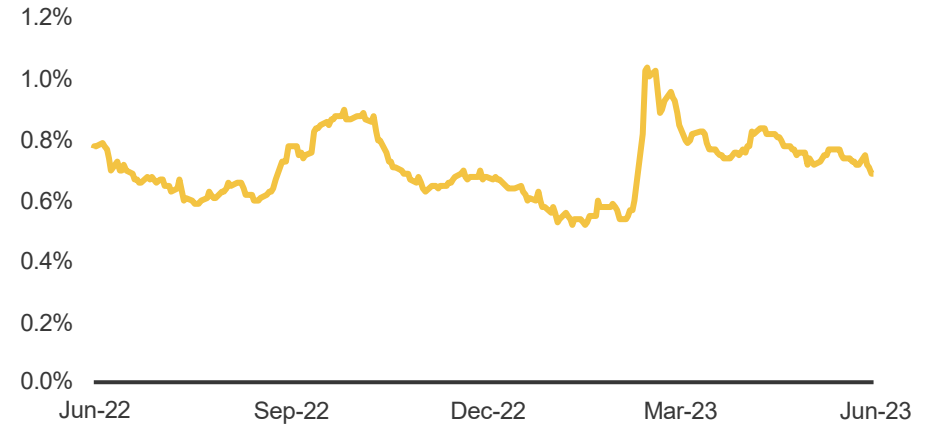
Source: Bloomberg, as of 06/30/2023.

Sector Yield Spreads

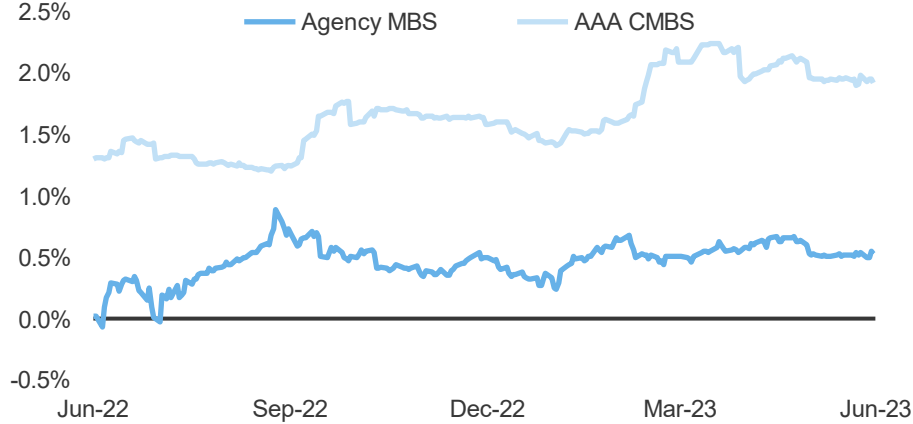
Federal Agency Yield Spreads



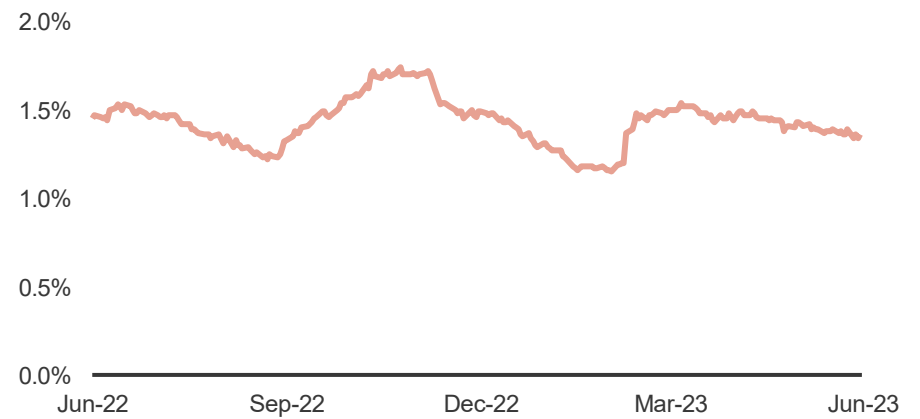
Corporate Notes A-AAA Yield Spreads



Mortgage-Backed Securities Yield Spreads



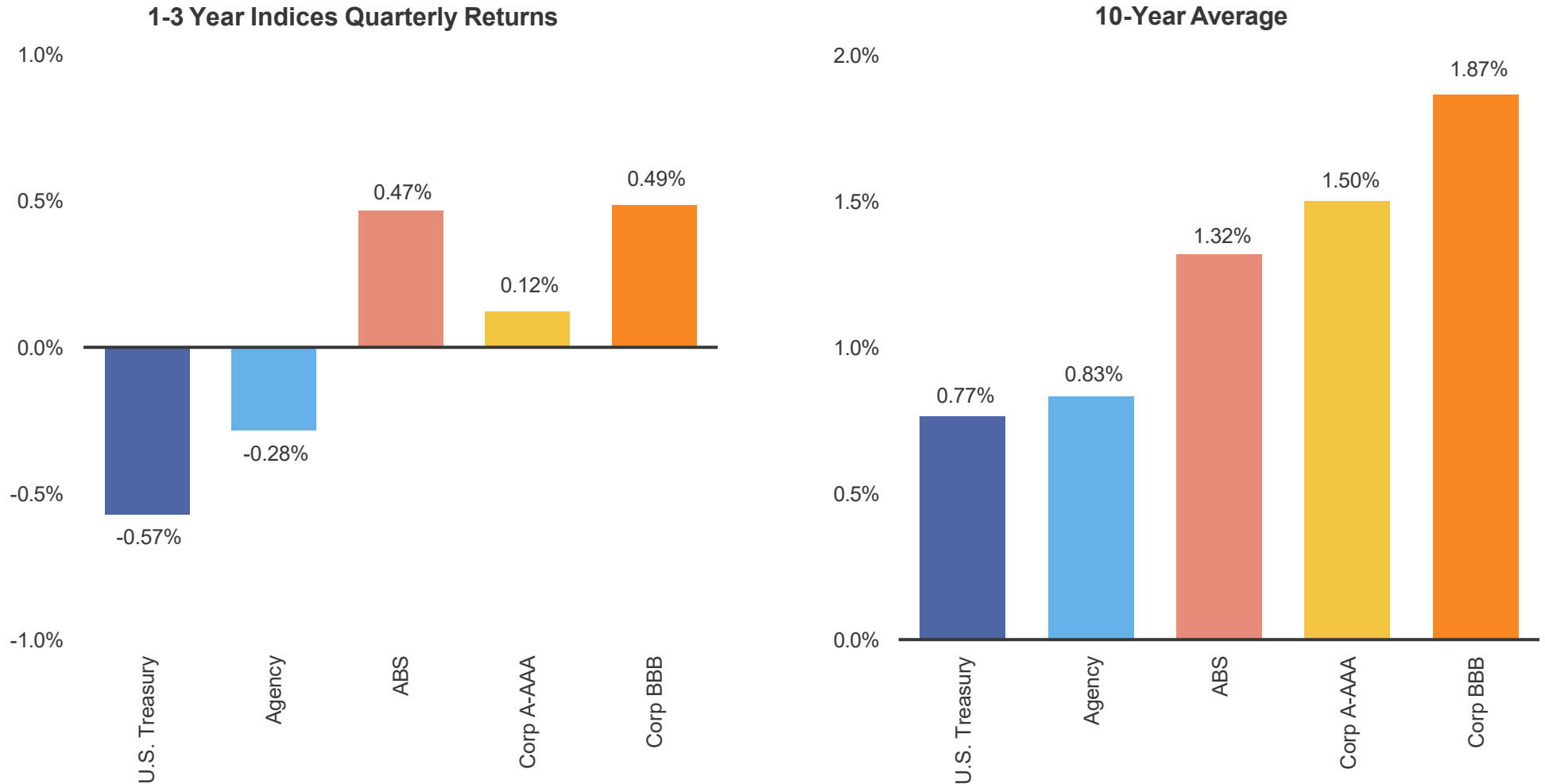
Asset-Backed Securities AAA Yield Spreads



Source: ICE BofAML 1-3 year Indices via Bloomberg, MarketAxess and PFMAM as of 06/30/2023. Spreads on ABS and MBS are option-adjusted spreads of 0-3 year indices based on weighted average life; spreads on agencies are relative to comparable maturity Treasuries. CMBS is Commercial Mortgage-Backed Securities.

Fixed-Income Markets in Q2 2023

1-3 Year Indices



Source: ICE BofAML Indices. ABS indices are 0-3 year, based on weighted average life. As of 6/30/2023.

Account Summary

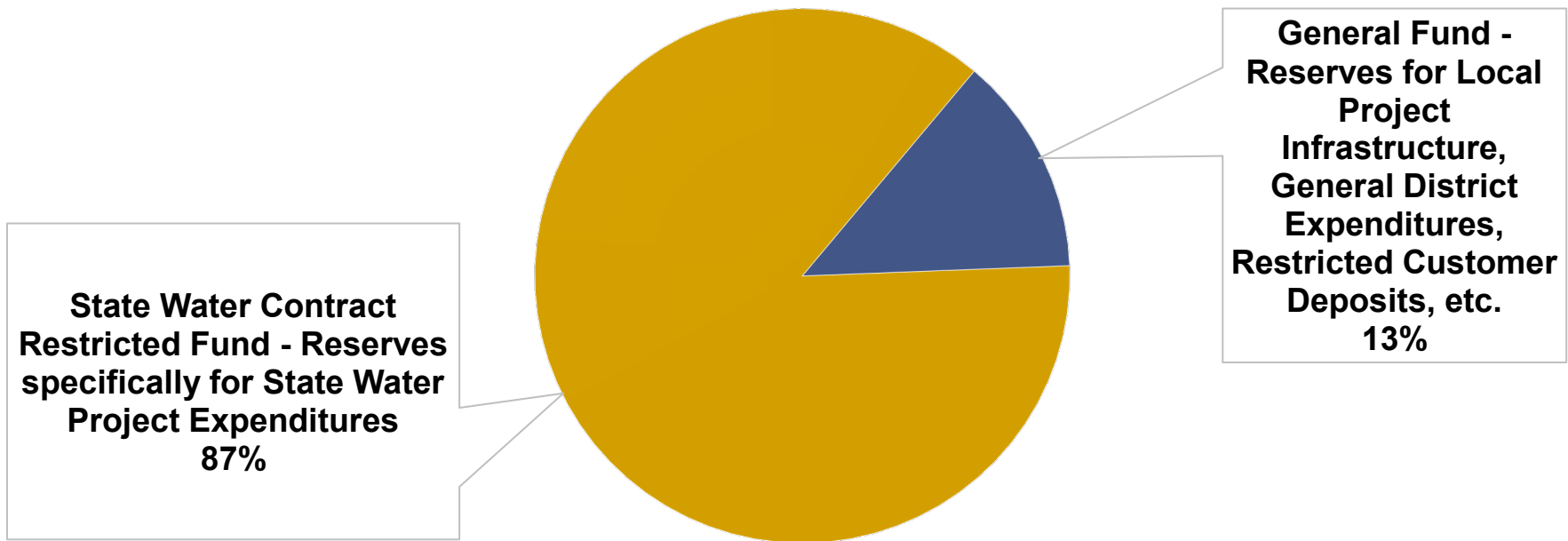
Combined Portfolio - Sector Allocations

Security Type	Market Value as of March 31, 2023	% of Portfolio	Market Value as of June 30, 2023	% of Portfolio	Change vs. 3/31/23	Sector Limits
U.S. Treasury	\$190,174,249	34.6%	\$213,689,813	36.2%	1.6%	100%
Federal Agency	\$36,518,269	6.6%	\$6,648,597	1.1%	-5.5%	100%
Municipal	\$7,022,172	1.3%	\$7,055,605	1.2%	-0.1%	30%
Negotiable CDs	\$7,893,231	1.4%	\$8,772,359	1.5%	0.1%	30%
Commercial Paper	\$1,351,038	0.2%	\$5,828,187	1.0%	0.7%	40%
Corporate Notes	\$94,078,774	17.1%	\$94,483,340	16.1%	-1.1%	30%
Securities Sub-Total	\$337,037,733	61.3%	\$336,477,902	57.0%		
Accrued Interest	\$1,821,642		\$2,226,715			
Securities Total	\$338,859,375		\$338,704,617			
LAIF	\$72,910,236	13.3%	\$73,401,637	12.4%	-0.8%	\$75 Million
Money Market Fund	\$452,853	0.1%	\$154,493	<0.1%	-0.1%	20.0%
CAMP	\$139,539,688	25.4%	\$180,301,977	30.5%	5.2%	50.0%
Total Liquidity	\$212,902,777	38.7%	\$253,858,107	43.0%		
Total Investments	\$551,762,152	100.0%	\$592,562,724	100.0%		

Combined Portfolio – Composition: By Fund

Fund	March 31, 2023	June 30, 2023
General Fund	\$68,846,082	\$66,426,277
State Water Contract Fund	\$478,518,131	\$521,708,867
Devils Canyon/Castaic Fund	\$4,397,939	\$4,427,580
Total	\$551,762,152	\$592,562,724

Combined Portfolio at 6/30/2023



Certificate of Compliance

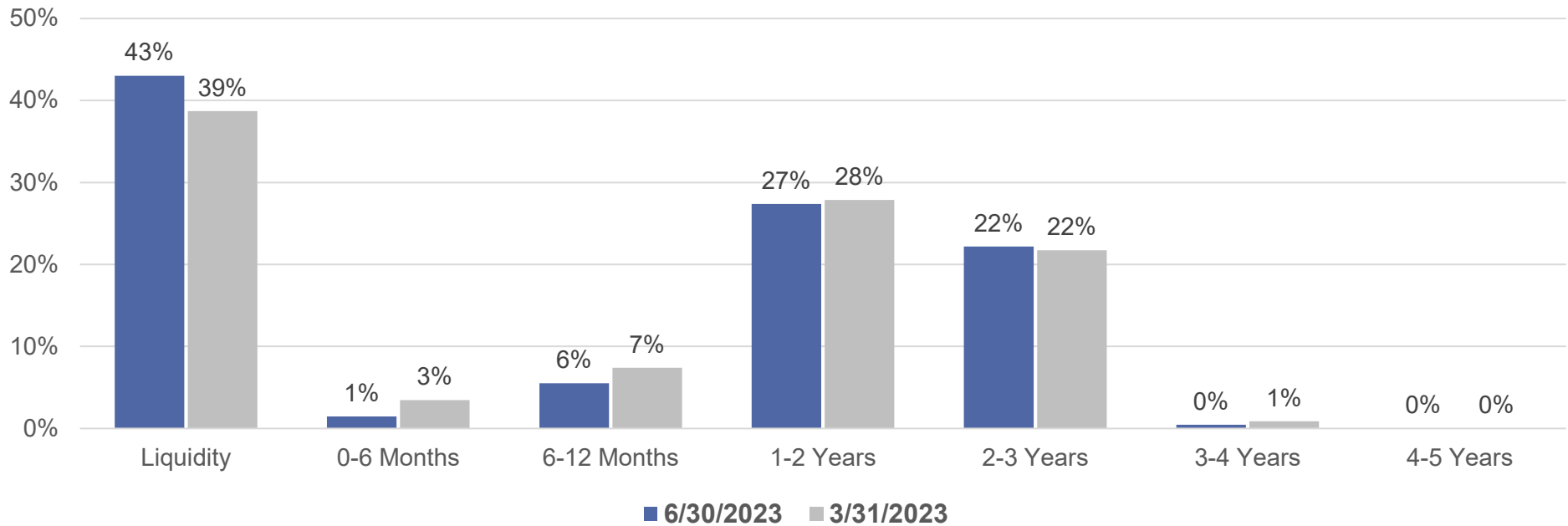
During the reporting period for the quarter ended June 30, 2023, the account(s) managed by PFM Asset Management ("PFMAM") were in compliance with the applicable investment policy and guidelines as furnished to PFMAM.

Acknowledged : *PFM Asset Management LLC*

Note: Pre- and post-trade compliance for the account(s) managed by PFM Asset Management is provided via Bloomberg Asset and Investment Management ("AIM").

Combined Portfolio - Maturity Distribution

- The District maintains ample liquidity in the LAIF/CAMP.
- For the managed portfolio, we continue to emphasize maturities in the 1-3 year maturity range, consistent with the portfolio’s benchmark.



Weighted Average Maturity (Years)	March 31, 2023	June 30, 2023
Overall	1.0	1.0
Managed Portfolio	1.7	1.8

Managed Portfolio Total Return Performance

- Total return expresses annualized rate of return over a specified period and incorporates all changes in value in the portfolio, including market value changes, cash flows, and interest earned plus realized gains/losses.
- Interest rates rose sharply during the quarter, as a result total returns were depressed with longer duration portfolios down further.

Periods Ending June 30, 2023					
BofAML Indices	Duration (years)	Annualized			
		Quarter	Past 12 Months	Past 5 Years	Past 10 Years
State Water Contract Fund	1.75	-0.20%	0.88%	1.26%	1.16%
General Fund	1.22	0.26%	1.85%	1.49%	1.27%
ICE BofAML 1 Year UST Index (GC03)	0.89	0.42%	1.93%	1.30%	0.89%
ICE BofAML 1-3 Year UST Index (G1O2)	1.75	-0.57%	0.13%	0.95%	0.77%
ICE BofAML 1-5 Year UST Index (GVQ0)	2.50	-0.86%	-0.43%	0.90%	0.85%

ICE BofAML Indices provided by Bloomberg Financial Markets.

The District's portfolios are not managed on a total return basis, so the indices are shown for information only. Performance on trade-date basis, gross (i.e., before fees), in accordance with the CFA Institute's Global Investment Performance Standards (GIPS).

Periods less than one year are on an unannualized basis. Periods greater than one year are on an annualized basis.

The lesser of 10 years or since inception is shown. Portfolio inception date as of June 30, 2012

Combined Portfolio - Accrual Basis Earnings

Accrual Basis Earnings	3 Months	1 Year	3 Years	5 Years	10 Years
Interest Earned ²	\$1,890,129	\$5,570,948	\$13,945,204	\$28,909,414	\$46,044,519
Realized Gains / (Losses) ³	(\$1,475,626)	(\$4,266,287)	(\$942,410)	(\$45,077)	(\$333,448)
Change in Amortized Cost	\$73,640	(\$102,571)	(\$655,723)	(\$367,792)	(\$1,930,674)
Total Earnings	\$488,143	\$1,202,090	\$12,347,071	\$28,496,545	\$43,780,397

1. The lesser of 10 years or since inception is shown. Portfolio inception date as of June 30, 2012.
2. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest.
3. Realized gains / (losses) are shown on an amortized cost basis.

Important Disclosures

This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation, as it was prepared without regard to any specific objectives or financial circumstances.

Investment advisory services are provided by PFM Asset Management LLC ("PFMAM"), an investment adviser registered with the U.S. Securities and Exchange Commission and a subsidiary of U.S. Bancorp Asset Management, Inc. ("USBAM"). USBAM is a subsidiary of U.S. Bank National Association ("U.S. Bank"). U.S. Bank is a separate entity and subsidiary of U.S. Bancorp. U.S. Bank is not responsible for and does not guarantee the products, services or performance of PFMAM. The information contained is not an offer to purchase or sell any securities. Additional applicable regulatory information is available upon request.

PFMAM professionals have exercised reasonable professional care in the preparation of this performance report. Information in this report is obtained from sources external to PFMAM and is generally believed to be reliable and available to the public; however, we cannot guarantee its accuracy, completeness or suitability. We rely on the client's custodian for security holdings and market values. Transaction dates reported by the custodian may differ from money manager statements. While efforts are made to ensure the data contained herein is accurate and complete, we disclaim all responsibility for any errors that may occur. References to particular issuers are for illustrative purposes only and are not intended to be recommendations or advice regarding such issuers. Fixed income manager and index characteristics are gathered from external sources. When average credit quality is not available, it is estimated by taking the market value weights of individual credit tiers on the portion of the strategy rated by a NRSRO.

It is not possible to invest directly in an index. The index returns shown throughout this material do not represent the results of actual trading of investor assets. Third-party providers maintain the indices shown and calculate the index levels and performance shown or discussed. Index returns do not reflect payment of any sales charges or fees an investor would pay to purchase the securities they represent. The imposition of these fees and charges would cause investment performance to be lower than the performance shown.

The views expressed within this material constitute the perspective and judgment of PFMAM at the time of distribution and are subject to change. Any forecast, projection, or prediction of the market, the economy, economic trends, and equity or fixed-income markets are based upon certain assumptions and current opinion as of the date of issue and are also subject to change. Some, but not all assumptions are noted in the report. Assumptions may or may not be proven correct as actual events occur, and results may depend on events outside of your or our control. Changes in assumptions may have a material effect on results. Opinions and data presented are not necessarily indicative of future events or expected performance.

For more information regarding PFMAM's services or entities, please visit www.pfmam.com.

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Important Disclosures

- Market values that include accrued interest are derived from closing bid prices as of the last business day of the month as supplied by Refinitiv, Bloomberg, or Telerate. Where prices are not available from generally recognized sources, the securities are priced using a yield-based matrix system to arrive at an estimated market value.
- In accordance with generally accepted accounting principles, information is presented on a trade date basis; forward settling purchases are included in the monthly balances, and forward settling sales are excluded.
- Performance is presented in accordance with the CFA Institute's Global Investment Performance Standards (GIPS). Unless otherwise noted, performance is shown gross of fees. Quarterly returns are presented on an unannualized basis. Returns for periods greater than one year are presented on an annualized basis. Past performance is not indicative of future returns.
- Bank of America/Merrill Lynch Indices provided by Bloomberg Financial Markets.
- Money market fund/cash balances are included in performance and duration computations.
- Standard & Poor's is the source of the credit ratings. Distribution of credit rating is exclusive of money market fund/LGIP holdings.
- Callable securities in the portfolio are included in the maturity distribution analysis to their stated maturity date, although, they may be called prior to maturity.
- MBS maturities are represented by expected average life.

Glossary

- **Accrued Interest:** Interest that is due on a bond or other fixed income security since the last interest payment was made.
- **Agencies:** Federal agency securities and/or Government-sponsored enterprises.
- **Amortized Cost:** The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premium with respect to short-term securities (those with less than one year to maturity at time of issuance) is amortized on a straight line basis. Such discount or premium with respect to longer-term securities is amortized using the constant yield basis.
- **Asset-Backed Security:** A financial instrument collateralized by an underlying pool of assets – usually ones that generate a cash flow from debt, such as loans, leases, credit card balances, and receivables.
- **Bankers' Acceptance:** A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill as well as the insurer.
- **Commercial Paper:** An unsecured obligation issued by a corporation or bank to finance its short-term credit needs, such as accounts receivable and inventory.
- **Contribution to Total Return:** The weight of each individual security multiplied by its return, then summed for each sector to determine how much each sector added or subtracted from the overall portfolio performance.
- **Effective Duration:** A measure of the sensitivity of a security's price to a change in interest rates, stated in years.
- **Effective Yield:** The total yield an investor receives in relation to the nominal yield or coupon of a bond. Effective yield takes into account the power of compounding on investment returns, while nominal yield does not.
- **FDIC:** Federal Deposit Insurance Corporation. A federal agency that insures bank deposits to a specified amount.
- **Interest Rate:** Interest per year divided by principal amount and expressed as a percentage.
- **Market Value:** The value that would be received or paid for an investment in an orderly transaction between market participants at the measurement date.
- **Maturity:** The date upon which the principal or stated value of an investment becomes due and payable.
- **Negotiable Certificates of Deposit:** A CD with a very large denomination, usually \$1 million or more, that can be traded in secondary markets.
- **Par Value:** The nominal dollar face amount of a security.
- **Pass-through Security:** A security representing pooled debt obligations that passes income from debtors to its shareholders. The most common type is the mortgage-backed security.

Glossary

- Repurchase Agreements: A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date.
- Settle Date: The date on which the transaction is settled and monies/securities are exchanged. If the settle date of the transaction (i.e., coupon payments and maturity proceeds) occurs on a non-business day, the funds are exchanged on the next business day.
- Supranational: A multinational union or association in which member countries cede authority and sovereignty on at least some internal matters to the group, whose decisions are binding on its members.
- Trade Date: The date on which the transaction occurred; however, the final consummation of the security transaction and payment has not yet taken place.
- Unsettled Trade: A trade which has been executed; however, the final consummation of the security transaction and payment has not yet taken place.
- U.S. Treasury: The department of the U.S. government that issues Treasury securities.
- Yield: The rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.
- YTM at Cost: The yield to maturity at cost is the expected rate of return based on the original cost, the annual interest receipts, maturity value, and the time period from purchase date to maturity, stated as a percentage on an annualized basis.
- YTM at Market: The yield to maturity at market is the rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.

DATE: August 3, 2023
TO: Board of Directors' Workshop – Policy/Administration
FROM: Kelly Malloy, Strategic Communications Manager
SUBJECT: Federal Legislative Update

Staff Recommendation

Receive and file.

Summary

The District continues monitoring legislative activities through Federal lobbyists, Innovative Federal Strategies, Inc. and State lobbyist firm, The Gualco Group. Both efforts include active legislation tracking, participating in various industry association discussions, facilitating meetings with legislative and regulatory elected officials and staff and other activities. Representatives from Innovative Federal Strategies, Inc. will participate in the workshop and provide updates on current significant Federal legislation.

Background

The Gualco Group, Inc., is the District's State lobbyist in Sacramento. Innovative Federal Strategies, Inc. is the District's Federal lobbyist in Washington, D.C. Given the different cyclical timing, State and Federal legislative advocates will alternate giving bi-monthly presentations at the Policy/Administration workshop to provide an update on current, significant legislative activity.

Federal activities primarily surround the annual budget and appropriations cycle. State activities include approval of the annual budget and bill considerations.

District Strategic Plan Application

The District's Federal and State legislation program aligns with the District's mission of *working collaboratively to provide a reliable and sustainable water supply to support the changing needs of our region's people and environment*. By staying active and engaged in legislative issues, the District can establish a presence and build relationships with our Federal and State legislators which helps the District achieve its goal to *Establish San Bernardino Valley as an industry leader*,

recognized locally by the public and our peers for the leadership and positive impact we have within our region and the state.

Fiscal Impact

There is no fiscal impact related to this update.

DATE: August 3, 2023
TO: Board of Directors' Workshop – Policy/Administration
FROM: Kelly Malloy, Strategic Communications Manager
SUBJECT: 2023 Association of California Water Agencies Election

Staff Recommendation

Provide direction to staff for the Association of California Water Agencies (ACWA) President and Vice President and the Region 9 Board elections for the 2024-'25 term.

Summary

ACWA is a statewide coalition of public water agencies with a mission is to provide comprehensive leadership, advocacy, and resources for California public water agencies to ensure a high quality and reliable water supply in an environmentally sustainable and fiscally responsible manner.

Current elections include the ACWA statewide President and Vice President along with seven positions on the Region 9 Board. All ballots must be submitted by September 15, 2023.

Background

ACWA is governed by a 37-member Board of Directors that includes representation from public member agencies throughout the state. The Board is comprised of the Association's President and Vice President, the Chair and Vice Chair of each of ACWA's 10 regions, the Chair of each ACWA standing committee, the immediate Past President, and the Vice President of the ACWA Joint Powers Insurance Authority. The election processes allow for selection of the statewide President and Vice President positions and seven positions on Region 9.

Currently the election for statewide positions of President and Vice President candidates include:
President

- Cathy Green, Orange County Water District (Election Committee's preferred candidate)

Vice President

- Ernesto “Ernie” A. Avila, Contra Costa Water District (Election Committee’s preferred candidate)
- Michael Saunders, Georgetown Divide Public Utility District

In addition to the statewide Board positions, there are also seven positions for the Region 9 Board election. This region spans a wide variety of water agencies; to ensure participation across the division it is subdivided into Arid and Western areas. Arid and Western have balanced representation on the Board and rotate the Chair and Vice Chair positions between the two areas. Candidates include the following:

Candidates for Chair: (One Position)

- G. Patrick O’Dowd, Executive Director, Salton Sea Authority (Arid)*

Candidates for Vice Chair: (One Position)

- Carol Lee Gonzales-Brady, Vice President, Rancho California Water District* (Western)

Candidates for Board Members: (Maximum of Five Positions)

- Amber Duff, Director, Mission Springs Water District (Arid)
- Chander Letulle, Director, San Geronio Pass Water Agency (Arid)
- David E. Raley, Director, San Bernardino Valley Water Conservation District (Western)
- G. Patrick O’Dowd, Executive Director, Salton Sea Authority (Arid)
- Carol Lee Gonzales-Brady, Vice President, Rancho California Water District (Western)
- Brenda Dennstedt, Board Member, Western Municipal Water District (Western)*
- Gina Dockstader, Director, Imperial Irrigation District (Arid)*
- James Morales Jr., Vice Chairman, East Valley Water District (Western)*
- Paul Ortega, President of the Board of Directors, Desert Water Agency (Arid)*
- Harvey Ryan, Board Member, Elsinore Valley Municipal Water District (Western)*

* Reflects the ACWA Nominating Committee’s recommended slate.

All ballots must be submitted through the appropriate process before September 15, 2023. The election results will be announced on September 27, with the incoming Board Members introduced at the fall conference in November.

District Strategic Plan Application

Participation in ACWA aligns with the District's mission of *working collaboratively to provide a reliable and sustainable water supply to support the changing needs of our region's people and environment*. By staying engaged in the statewide organizations, the District can build relationships with peer agencies.

Fiscal Impact

There is no fiscal impact related to this update.

Attachment

- 1) ACWA Election Candidate Information

ACWA Election Candidates

President

Cathy Green (Election Committee's preferred candidate)



As ACWA's Vice President since 2022, I have and will continue to diligently listen to and work on behalf of all ACWA members. My vision for ACWA is to fully embrace its motto of *Bringing Water Together*. I believe that we can accomplish this by unifying ACWA members and collaborating with stakeholders to find effective solutions to the challenges we face.

As your ACWA President, I will continue to advance the momentum I have built on key initiatives including: 1) advocating for state accountability on water infrastructure investments and policy issues, 2) spearheading the ACWA Council of Past Presidents to mentor new members so that they are aware of membership benefits, and 3) furthering ACWA's economical, efficient, and effective member services through sound fiscal, HR, managerial, and administrative practices.

I will also work on three new initiatives including: 1) re-examining ACWA dues to provide equity for all members, 2) strengthening the Association's ability to attract, develop, and retain top industry talent, and 3) increasing non-dues revenues.

I ask for your vote so that I may continue working to ensure ACWA offers value for all members. My experience, qualifications, decade long ACWA membership, and role as ACWA Vice President have provided me a unique understanding of ACWA as the nation's largest statewide coalition of public water agencies. Please contact me any time at 714.321.0522 or CGreen@OCWD.com.

ACWA Board Member and Committees

- ACWA Vice President (2022-current)
- Executive Committee (2020-current)

- Region 10 Chair (2018-2019)
- Region 10 Vice Chair (2016-2017, 2020-2021)
- Region 10 Board Member (2012-2021)
- Water Quality Committee (2012-current)
- Energy Committee (2019-current)
- State Legislative Committee (2012-2015)

Orange County Water District

- President (2015-2016, 2022-current)
- 1st Vice President (2013, 2014, 2019-2022)
- Director (2010-current)
- Joint Planning Committee Chair
- Labor Ad Hoc Committee Chair

Civic, Professional Experience

- Huntington Beach Mayor (2003, 2009)
- Council Member (2002-2010)
- Registered Nurse
- Law degree

Vice President

Ernesto "Ernie" A. Avila (Election Committee's preferred candidate)



I want to be the next Vice-President of the Association of California Water Agencies (ACWA) because I want ACWA to continue to be the nexus of knowledge and leadership in water for California. We are emerging from a multi-year drought, and I will put my energy into strategies to keep water in the public eye with ACWA as the trusted sources for information and innovation. A priority for me is to ensure that ACWA continues to equip member agencies with information and resources necessary to support their water supply reliability efforts, implement infrastructure and watershed improvements, and address the challenges associated with climate change.

I have 40 years of experience with California water as a Civil Engineer, General Manager, Executive Director of three water coalitions involving over 50 water agencies, and I currently serve as CCWD Board President. I have led or supported over \$5 Billion in California water infrastructure serving over 5 million citizens and many industries today.

I have supported ACWA for 20 years including serving on the Board of Directors, the Executive Committee, the Region 5 Board, the Federal Affairs Committee, the ACWA Foundation Steering Committee and Chair of the Local Government Committee.

This year, we have gone from extreme drought conditions to concerns about flooding in months. ACWA has been leading the discussions for water supply reliability, investments in infrastructure, including above- and below-ground storage, and it is now crucial to progress beyond conversations to action. I want to work with all ACWA members to find strategies to advance projects and I will work with ACWA members to keep our seat at the table to affirm the state's commitment to help fund and facilitate these critical investments.

I would be honored to represent our members as the next Vice-President of ACWA. Learn more at: ccwater.com/AvilaForACWAVP.

Michael Saunders



I have been working with water issues as an elected; with MSRs as a County LAFCO commissioner; through my work with the CABY Integrated Regional Water Management Group; my work in the water use efficiency workgroups with the Department of Water Resources; and as an Executive Board member of the Regional Water Authority. I have been active in ACWA since I became an elected official in 2018, each year increasing my level of participation and leadership, from conferences to workgroups to symposiums. I was a member of the Diversity, Equity, and Inclusion Workgroup which helped form the new ACWA Foundation. I am currently a member of the Headwaters Workgroup, Water Use Efficiency Workgroup, State Infrastructure Workgroup, and the Membership Committee. I also participate in the State Legislative Committee. I am on the ACWA Region 3 Board and have worked on a regional forum and event and on our regional issues dealing with guidelines and legislation.

The qualities I can bring to the office is my understanding of the water issues from our Region and the State along with my working relationship with our Board members, Regional members, ACWA members, ACWA staff, elected officials, and District Staff. Coming from a small agency, the input from our members is vital and important to bring each Agency's issues, strategies, and suggestions to the table and make every agency feel valued. I will continue to be a strong legislative advocate, continue to build on our outreach, and rely and utilize the expertise and talents of our members and ACWA staff. I am enthusiastic and committed to the work of ACWA and hope to bring my excitement to our members and continue to push for the growth and success of ACWA.

I would be honored to have your vote.



**Please return completed ballot
by Sept. 15, 2023**

E-mail: regionelections@acwa.com

Mail: ACWA
980 9th Street, Suite 1000
Sacramento, CA 95814

General Voting Instructions:

- 1 You may either vote for the slate recommended by the Region 9 Nominating Committee or vote for individual region board members (please note rules & regulations for specific qualifications). Mark the appropriate box to indicate your decision.
- 2 Complete your agency information. The authorized representative is determined by your agency in accordance with your agency's policies and procedures.

Region 9 Rules & Regulations:

Region 9 Rules & Regulations: The chair and vice chair shall be elected, one from each area, and the positions shall be rotated between the Western and Arid areas of Region 9. For the 2024-2025 term, the chair shall be from the Arid area.

Submitted board candidate bios and headshots are available on www.acwa.com/elections/2023-region-elections/.

1 Nominating Committee's Recommended Slate

I concur with the Region 9 Nominating Committee's recommended slate below.

CHAIR:

- **G. Patrick O'Dowd**, Executive Director, Salton Sea Authority (Arid)

VICE CHAIR:

- **Carol Lee Gonzales-Brady**, Vice President, Rancho California Water District (Western)

BOARD MEMBERS:

- **Brenda Dennstedt**, Board Member, Western Municipal Water District (Western)
- **Gina Dockstader**, Director, Imperial Irrigation District (Arid)
- **James Morales Jr.**, Vice Chairman, East Valley Water District (Western)
- **Paul Ortega**, President of the Board of Directors, Desert Water Agency (Arid)
- **Harvey Ryan**, Board Member, Elsinore Valley Municipal Water District (Western)

OR

Individual Board Candidate Nominations

(See Rules & Regulations before selecting)

I do not concur with the Region 9 Nominating Committee's recommended slate. I will vote for individual candidates below as indicated.

CANDIDATES FOR CHAIR: (CHOOSE ONE)

- G. Patrick O'Dowd**, Executive Director, Salton Sea Authority (Arid)

CANDIDATES FOR VICE CHAIR: (CHOOSE ONE)

- Carol Lee Gonzales-Brady**, Vice President, Rancho California Water District (Western)

CANDIDATES FOR BOARD MEMBERS: (MAX OF 5 CHOICES)

- Amber Duff**, Director, Mission Springs Water District (Arid)
- Chander Letulle**, Director, San Geronio Pass Water Agency (Arid)
- David E. Raley**, Director, San Bernardino Valley Water Conservation District (Western)
- G. Patrick O'Dowd**, Executive Director, Salton Sea Authority (Arid)
- Carol Lee Gonzales-Brady**, Vice President, Rancho California Water District (Western)
- Brenda Dennstedt**, Board Member, Western Municipal Water District (Western)
- Gina Dockstader**, Director, Imperial Irrigation District (Arid)
- James Morales Jr.**, Vice Chairman, East Valley Water District (Western)
- Paul Ortega**, President of the Board of Directors, Desert Water Agency (Arid)
- Harvey Ryan**, Board Member, Elsinore Valley Municipal Water District (Western)

2

AGENCY NAME

AUTHORIZED REPRESENTATIVE

DATE



ATTACHMENT "B"

Biography – Mission Springs Water District Director Amber Duff

Director Amber Duff serves in Division 1 on the MSWD Board of Directors. She was elected to the position in November 2022.

Director Duff is accustomed to handling complex business needs, having worked in various administrative/management roles during the last 25 years in multiple fields, including the legal and healthcare industry as well as the ocean tourism industry.

Director Duff's work history includes working for several private practice attorneys, Scripps Health as an administrator in nuclear medicine and radiation oncology, then a doctor's group persuaded her to assist them in opening and operating five free-standing cancer treatment centers, where she was responsible for overseeing accounts payable, as well as complex radiation oncology medical billing and collections. She also participated in the company's merger with a local hospital working hand-in-hand with the company's accountant and law firm to complete a multi-million dollar deal.

Following this, she spent the next six years managing a 40-year sportfishing institution. She helped the business adapt to the age of social media, including adapting to changing customer expectations and responding to increased environmental regulations/changes. One of her most significant accomplishments in this role includes working with the city to navigate land lease options after the lease was put out for public bid. Due to her successful work in this area, the family-owned business still operates today.

In her spare time, Dir. Duff and her husband prepare and distribute homeless hygiene packs to local charities and our local homeless communities. Her other volunteer efforts included serving on the San Diego Radiological disaster response team for four years and volunteering for approximately 10 years at the American Cancer Society, including personally assisting the Society's president for two years. She has also worked with various school districts and children's charities to provide ocean conservation education opportunities to underprivileged youth, handicapped youth, and several senior non-profits.



Brenda Dennstedt

An experienced water education advocate, Brenda Dennstedt joined Western's board in January 2007, and was subsequently re-elected in 2010, 2014, 2018 and 2022. In addition, Director Dennstedt has served as President of the Board five times and most recently in 2022.

Director Dennstedt represents Division 3, which includes Lake Mathews, properties located south of Cajalco Road and west of the 215 Freeway, Lake Elsinore, Temecula, Canyon Lake, Wildomar, Rainbow and Murrieta.

Director Dennstedt is committed to maintaining a standard of excellence by consistently demonstrating active engagement in all her many roles throughout the region.

Ms. Dennstedt was elected to the Murrieta County Water District board in 2003, which merged with Western in November 2005. She serves on Western's Murrieta Advisory committee.

Director Dennstedt is Western Water's representative on the Metropolitan Water District of Southern California. In addition, Director Dennstedt is Western's representative on the Western Riverside Council of Governments Executive and the Admin & Finance Committee, and the alternate representative for the Santa Ana Watershed Project Authority.

Director Dennstedt has dedicated her service to the region through her consistent support of water education, community outreach and regional representation. She serves on the joint committees of Elsinore Valley, Rancho California and Eastern Municipal Water Districts. Director Dennstedt is also the SAWPA representative for the Lake Elsinore and San Jacinto Watersheds Authority, and she serves as the District's representative for the Temescal Valley Municipal Advisory Council.

Director Dennstedt has served on the Region 9 board for two terms and the Association of the California Water Agencies Joint Powers Insurance Authority.

Director Dennstedt's current term on the Western Municipal Water District Board expires in Dec. 2026.



Carol Lee Gonzales-Brady

Region 9 Candidate Biography

Carol Lee Gonzales-Brady was elected to Rancho California Water District's Board in 2017 and was reelected in November 2022. Her current term will expire in December 2026. Director Gonzales-Brady became Senior Vice President in 2020 and served as the Board's President in 2021 and 2022. She is the Chairman of the Finance and Audit Committee and is the alternate on the Engineering and Operations Committee.



Director Gonzales-Brady represents Rancho Water as the District's Representative to the Association of California Agencies (ACWA)/Joint Powers Insurance Authority (JPIA), ACWA's Communications Committee, Membership Committee, and Agriculture Sub-Committee; and as a Board Member of the Urban Water Institute (UWI). Elected by ACWA's member organizations to the Region 9 Board, she also represents the Region on ACWA's Election Committee. Director Gonzales-Brady also serves on the Board of Trustees of the Southern California Water Coalition (SCWC), where she is co-chair of that organization's Legislative Task Force.

A native Californian with long family ties to the Temecula region, Director Gonzales-Brady is a vineyard owner and member of the Temecula Winegrowers Association and the Temecula Valley Horsemen's Association. Before joining Rancho Water's Board, she was appointed by the Riverside County Board of Supervisors to the Temecula-Elsinore-Anza-Murrieta Resource Conservation District's Board of Directors, where she served two terms.

Director Gonzales-Brady is a graduate of Pepperdine University with a Bachelor of Science degree in Management (magna cum laude). Her career has spanned federally-regulated industries, including electric and water utilities and geothermal power plant design, engineering, and construction.



CHANDER LETULLE

DIVISION NO.2 DIRECTOR
SAN GORGONIO PASS WATER AGENCY

PROFESSIONAL SUMMARY

Chander is the Division No. 2 elected board member for the San Gorgonio Pass Water Agency. He is also the Director of Operations for Jurupa Community Services District. He has been a water industry and community leader for over twenty-five years. Known as an approachable leader and mentor who drives effective utility management through strategic planning, shaping organizational culture, and performance monitoring.

He holds multiple water industry certifications and earned an MS degree in Environmental Engineering from UC Riverside, a BS degree in Environmental Science, and several AS degrees in Water Treatment, Distribution, and Wastewater Treatment from Santiago Canyon College.

Through his volunteer work, community service, and professional and academic partnerships, Chander has demonstrated a passion for developing the next generation of tradespeople and water industry leaders.

Division 2: David E. Raley Director



Director Raley and family moved to Redlands from Alaska in 1975 and immediately fell in love with the people and the area. His wife, Diane, graduated from Crafton Hills College and Cal State San Bernardino. His daughter and 2 sons graduated from Redlands High School.

Since retiring from the Air Force at Norton AFB, Director Raley has been active in the community as:

- Member, Past Chairman, Crafton Hills College Foundation 2000-Present
- Manager/Chief Executive Officer, Norton Credit Union 1984-1998
- President of the Board, Norton Credit Union 1980-1984
- Member, Past Vice Chairman, 2005-2007 SB College District's Bond Oversight Committee
- Chairman, Norton Area Business Association 1997-1999
- Finance and Management teacher – Embry-Riddle and USC
- Past Director California Credit Union League
- Past member Norton Economic Expansion Committee
- Past Chairman, IVDA Citizens Committee's Small Business Incubator Sub-Committee
- Master of Business Administration - Arizona State University
- VP Loss Prevention – Worker's Compensation Insurance Company



Gina Young Dockstader

Imperial Irrigation District Board of Directors, Division 3

Director Gina Young Dockstader represents Division 3, which includes Brawley, Calipatria and Niland and the southeastern area of the Salton Sea. She was elected to the IID Board of Directors in the November 2022 runoff election.

Director Dockstader is an agribusiness woman. Prior to her service on the IID Board she managed her father's farming office, started a trucking company, owns an organic date farm and is a partner in a farming entity and an organic packing house outside of Brawley.

A fourth-generation Imperial Valley resident, she attended local schools, graduating from Calipatria High School, furthering her education from Northern Arizona University where she majored in Public Relations and minored in Business Management and Spanish.

Director Dockstader currently serves on the Career Technical Educational advisory board for Calipatria High School and is a member of her local PEO sisterhood, a philanthropic educational organization for furthering the career of women.

She resides in Calipatria.

Her current term as IID director expires in December 2026.



2023 ACWA Region 9 Board Candidate Nomination Attachment
James Morales Jr. – Vice-Chairman of the Board, East Valley Water District

My ACWA-related activities that qualify me for this office:

I have honorably represented and faithfully served the Region 9 agency members since 2013. Currently, I am fulfilling the role of Alternate Chairman of the Region 9 Board, carrying out my duties in alignment with its mission, vision, policy, and guiding documents. As such, I have attended all the necessary meetings where we discussed crucial issues impacting water agencies at both the regional and statewide levels. In addition, I have supported statewide and local goals through active participation and a collaborative approach to activism, membership tours, and events. During my service, I have led and/or served on many work groups and ad hoc committees that have produced successful educational programs, forums, and events for our industry. I have been active in supporting ACWA by helping to shape and implement the Region 9 Strategic and Work Plans. I am confident, that if selected, I can continue to be a productive leader and valuable member of ACWA Region 9.

Bio and Summary of Experience and Qualifications that make me a viable candidate for ACWA Region Leadership

I am an active and results-orientated candidate who has been involved in water-related issues since joining the East Valley Water District Board of Directors in 2008. I take pride in developing organizational objectives and personal goals through strategic planning, which can be evaluated through outcome measurements. I have served as Chairman of the Board and on various committees, including Legislative and Policy, Public Affairs, Finance, and Human Resources. Additionally, I have held the position of Chairman for various ad hoc committees that covered subjects such as recycled water and contract negotiations. I have been actively involved in the formulation of District Strategic Plans, Grant and Communications Strategies, Legislative Platform, Fiscal/Budget/Procurement/Investment Policies, a Consolidated Facilities Project, and Capital Improvement Planning. Throughout my tenure, the District has emerged as a true leader in the water community.

Other Public Sector Experience:

Previous experience includes executive positions with the County of San Bernardino. I served as the Deputy Director of Administrative and Fiscal Services for the Workforce Development Department. Prior to this role, areas of experience included: Board of Supervisors Executive Analyst, Legislative Analyst-Office of Legislative Affairs, Administrative Analyst-County Executive Office, and Commercial/Industrial Valuations-Office of the Assessor.

City of Highland, Design Review Board Member (Planning Commission).

Private Sector Experience:

Small business owner with offices in City of Highland and Grand Terrace (1992-1999).

Education:

Master of Arts Public Administration; Bachelor of Arts Economics.

G. Patrick O'Dowd is Executive Director/General Manager of the Salton Sea Authority, where he oversees that agency's vital efforts to protect human health, revitalize the environment and economy of the Sea and region. He recently served as a Board Member of the Coachella Valley Water District, originally elected in November, 2014, and as a representative thereof he also served on the Salton Sea Authority Board, having served a term as its President. Patrick is also on the Board of Directors of the Association of California Water Agencies (ACWA), serving as Chair of the Board's Federal Affairs Committee, a member of the Board's Executive Committee, a member of ACWA's Region 9 board (Riverside, San Bernardino, and Imperial Counties), and serves from time to time as a member of numerous other committees and task forces.

Originally from New Orleans, Louisiana, O'Dowd earned a bachelor's degree in Construction from Louisiana State University, and has an extensive background in business and finance, real estate development and media. After moving to the Coachella Valley in 1996, he worked locally in real estate development and sales, as well as senior management positions with several operating enterprises including publishing, fitness, and faith-based institutions. He has held a real estate license in Texas, a Broker's license in Louisiana, and (though presently inactive) has been licensed in California since 1999.

Patrick has also served on numerous boards including the Indio Water Authority and the Indio Planning Commission, and the Advancement Board for Cal State University San Bernardino's Palm Desert campus. Patrick and his wife Kathy O'Dowd, an eighth grade teacher at Palm Desert Charter Middle School, are residents of Rancho Mirage, and have two adult children and two dogs.

Region Board Candidate Nomination Form, attachment

Paul Ortega

Describe your ACWA-related activities that help qualify you for this office:

I am currently serving as a member of the Region 9 board of directors. Since joining the board of Desert Water Agency in December 2020, I have attended several ACWA conference, first virtually during the worst of the COVID pandemic, and then more recently in Sacramento (May 2022), Washington, D.C. (July 2022) and Monterey (May 2023). I have also attended several regional events this year, including Region 9's Salton Sea day and Region 2's Sites Reservoir.

Bio summarizing the experience and qualifications that make me a viable candidate for ACWA Region leadership:

Paul Ortega was appointed to the Desert Water Agency Board of Directors in 2020. He currently serves as the board's president, and chairs the board's Executive Committee, the Conservation & Public Affairs Committee, and the ad hoc Legislative Committee.

Since 2002, Paul has lived and worked in Palm Springs, embracing the desert environment with a deep commitment to water conservation. His relationship with the Agency began in 2005 when he co-founded the Desert Horticultural Society and served as its board president for 8 years. During that time, he worked with the Agency in support of programs to reduce water use in landscapes and provide insight and advice on conservation programs within its service area. In addition to water conservation, Paul is committed to the Agency's provision of safe and affordable water to the community that it serves.

Paul received his Bachelor of Arts in International Relations from Stanford University and his Master of Art in International Relations and Economics from John Hopkins University's School of Advanced International Studies. Both programs allowed for him to continue his academic pursuits while studying in Italy.

Prior to beginning his own landscape design firm, Paul worked as a member of the executive team for a major U.S. retailer, as a business manager for a global telecommunications company and as the CFO of an international business-to-business internet firm. His move to the desert included a change in direction, pursuing a personal passion and making it a career.

In addition to Paul's work with the Desert Horticultural Society, he has previously served as a member and chair of the City of Palm Springs Architectural Advisory Committee and as a member of the Living Desert University Board as well as Modernism Week's Events Committee. He also volunteers at the Palm Springs Animal Shelter. He is also a graduate of the initial class of the Water Counts Academy. This academy is designed for emerging leaders and covers the history, use and management of water in the Coachella Valley.