



# The meeting teleconference will begin shortly

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**PASSCODE: 3802020**

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Please use the chat feature in the Zoom toolbar to let the moderator know that you would like to make a comment during the meeting or use the digital “raise hand”  function in Zoom.



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# NOTICE REGARDING (COVID-19)

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Before we begin, the record will reflect that pursuant to the provisions of Executive Order N-29-20 issued by Governor Gavin Newsom on March 19, 2020, this meeting will be conducted by teleconference only.

Please note that all actions taken by the Board during today's meeting will be conducted by a roll call vote.



# Call to Order

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Regular Meeting of the Board of Directors  
Tuesday, August 3, 2021

# Pledge of Allegiance

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# Roll Call

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**Paul Kielhold**  
President



**June Hayes**  
Vice President



**T. Milford  
Harrison**  
Treasurer



**Gil J. Botello**  
Director



**Susan Longville**  
Director

# Public Comment

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

- *Please use the chat feature on the Zoom toolbar or digitally raise your hand to let the moderator know you would like to make a comment.*



# Approval of Minutes (Pg. 4)

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Regular Board Meeting – July 20, 2021

# Board Motion & Roll Call Vote

## Staff Recommendation

To approve the minutes of the July 20, 2021, Regular Meeting of the Board of Directors as presented.



**Paul Kielhold**  
President



**June Hayes**  
Vice President



**T. Milford  
Harrison**  
Treasurer



**Gil J. Botello**  
Director



**Susan Longville**  
Director



# Discussion Item 3.1 (Pg. 13)

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**Heather Dyer, MS, MBA** – Chief Executive Officer/General Manager  
**Cindy Saks, CPA** – Chief Financial Officer/Deputy General Manager

Consider Adoption of Resolution No. 1125 Setting a Tax Levy and Review Draft State Water Contract and Devil Canyon Castaic Debt Service Fund Budgets for Fiscal Year 2021-2022

## **Staff Recommendation**

Approve a Debt Service Fund tax rate of \$0.1300 per \$100 of valuation, budget, and Resolution No. 1125 for Fiscal Year 2021-2022.

- On July 22, 2021, the Valley District Board conducted a workshop to discuss the proposed Debt Service Fund Budget in detail.
- Annually the Board is required to set a property tax rate for the State Water Contract Debt Service Fund for the new fiscal year.
- The monies generated from the debt service property tax rate are restricted to pay for costs associated with the State Water Contract and Devil Canyon Castaic Contract.
- After considerable discussion and review of several scenarios of the District's financial model, staff was directed to prepare the budget based on a tax rate of \$0.1300 per \$100 of assessed valuation, which is a reduction in the tax rate of \$0.0125 over the prior year, and bring it to the full Board for consideration.

## Board Motion & Roll Call Vote

### Staff Recommendation

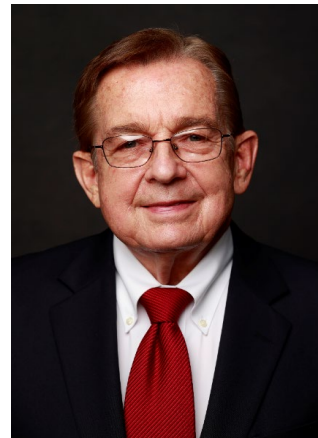
Approve a Debt Service Fund tax rate of \$0.1300 per \$100 of valuation, budget, and Resolution No. 1125 for Fiscal Year 2021-2022.



**Paul Kielhold**  
President



**June Hayes**  
Vice President



**T. Milford  
Harrison**  
Treasurer



**Gil J. Botello**  
Director



**Susan Longville**  
Director

# Discussion Item 3.2 (Pg. 21)

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**Cindy Saks, CPA** – Chief Financial Officer/Deputy General Manager

Consideration of Fiscal Year 2021-2022 State Water Project  
Audit Contract with Ernst & Young, LLP

## **Staff Recommendation**

Staff recommends the Board approve the contract with Ernst & Young to provide auditing services for the 2021-2022 year for an amount not to exceed \$45,514 and authorize the CEO / General Manager to sign the engagement letter.

- Each year the State Water Contractors Association (SWC) hires an auditing firm to perform various agreed upon auditing services of the Department of Water Resources (DWR).
- These services are advisory in nature and are not a formal audit of the DWR.
- The purpose of these auditing services is to ensure proper and efficient use of State Water Contractor funds by the DWR.
- For the 2021-2022 fiscal year, the cost to the District to perform these auditing services will range from \$37,030 if all agencies participate to \$45,514 if only 80% of the agencies participate. Historically more than 80% of agencies participate each year.
- The District's prior year costs for these auditing services were \$32,943.
- In past years, the audit has resulted in a number of corrections to the DWR accounting procedures and is seen by participating Contractors as a worthwhile investment.

## Board Motion & Roll Call Vote

### Staff Recommendation

Staff recommends the Board approve the contract with Ernst & Young to provide auditing services for the 2021-2022 year for an amount not to exceed \$45,514 and authorize the CEO / General Manager to sign the engagement letter.



**Paul Kielhold**  
President



**June Hayes**  
Vice President



**T. Milford  
Harrison**  
Treasurer



**Gil J. Botello**  
Director



**Susan Longville**  
Director

# Discussion Item 3.3 (Pg. 51)

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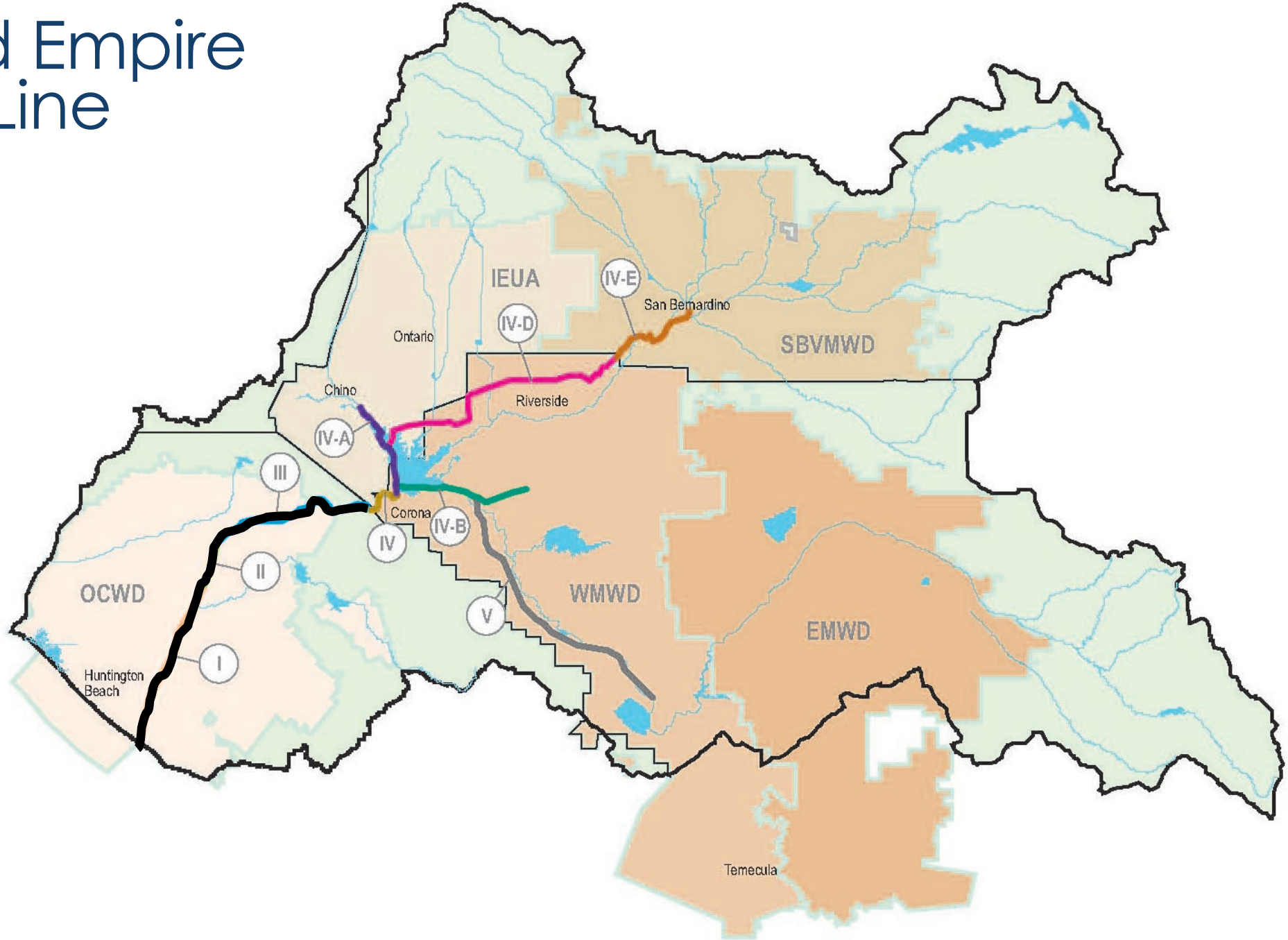
**Bob Tincher, PE, MS** – Chief Water Resources Officer/Deputy GM

## Consider Inland Empire Brine Line Capacity Utilization Program

### **Staff Recommendation**

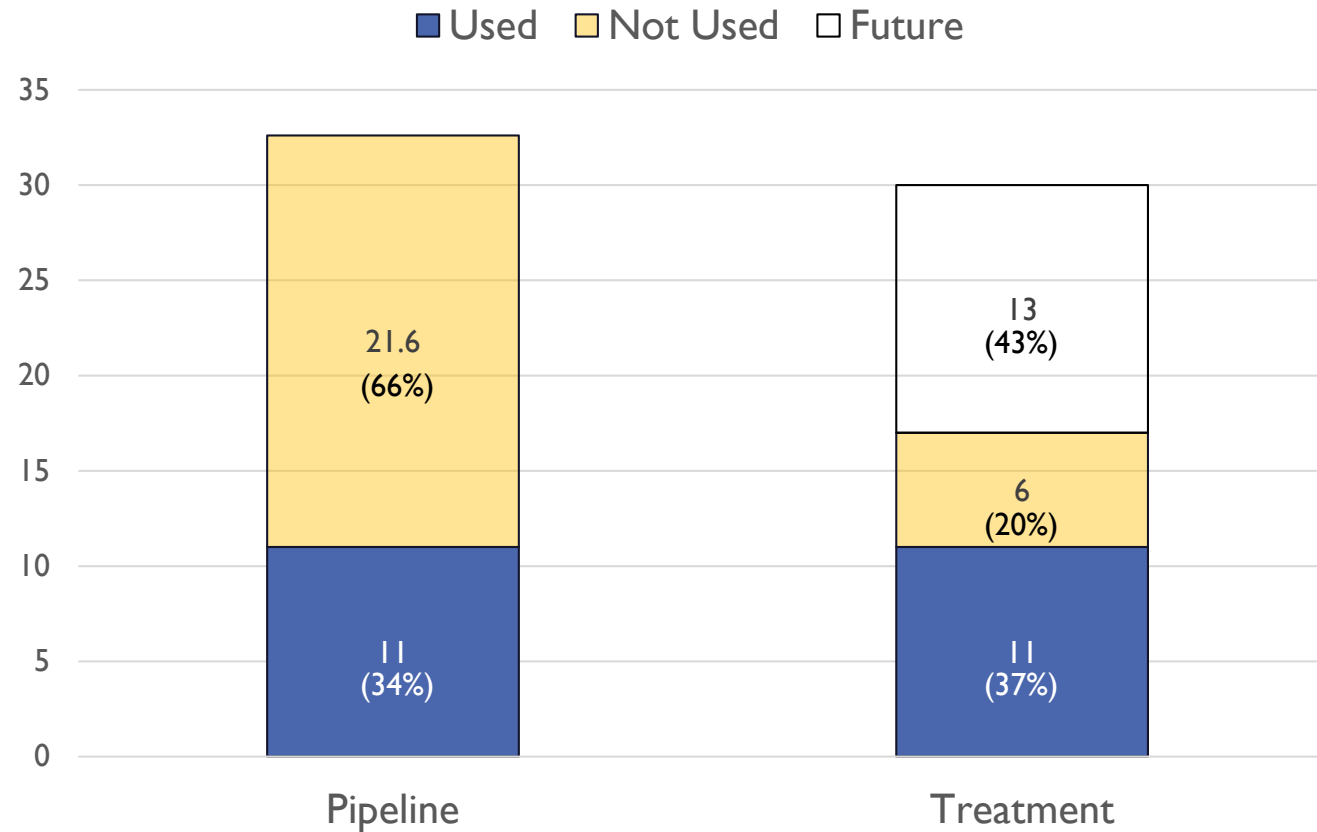
Authorize the CEO/General Manager to execute the Agreement Between Santa Ana Watershed Project Authority (SAWPA) and Eastern Municipal Water District (EMWD) Inland Empire Utilities Agency (IEUA) San Bernardino Valley Municipal Water District (SBVMWD) Western Municipal Water District (WMWD) for the Creation of the Inland Empire Brine Line Capacity Utilization Program.

# Inland Empire Brine Line





# Brine Line Utilization



# Board Motion & Roll Call Vote

## Staff Recommendation

Authorize the CEO/General Manager to execute the Agreement Between Santa Ana Watershed Project Authority (SAWPA) and Eastern Municipal Water District (EMWD) Inland Empire Utilities Agency (IEUA) San Bernardino Valley Municipal Water District (SBVMWD) Western Municipal Water District (WMWD) for the Creation of the Inland Empire Brine Line Capacity Utilization Program.



**Paul Kielhold**  
President



**June Hayes**  
Vice President



**T. Milford  
Harrison**  
Treasurer



**Gil J. Botello**  
Director



**Susan Longville**  
Director

# Discussion Item 3.4 (Pg. 63)

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**Kristeen Farlow, MPA** – Strategic Communications Manager

Consider Proclamation for Director Don Galleano

## **Staff Recommendation**

The Board of Directors is asked approve the Proclamation honoring the service of Director Don Galleano.

## Proposed Language

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**Whereas,** Director Don Galleano began his service on the Western Municipal Water District Board of Directors in 2004 and has held the positions of President and Vice President; and

**Whereas,** Director Galleano has served the community in numerous capacities, including on the Board of Directors for the Metropolitan Water District of Southern California, the Chino Basin Watermaster, and the Jurupa Community Services Board; the National Orange Show Foundation and the Los Angeles County Fair Association board; and the Western Riverside County Businessman's Association and the Jurupa Chamber of Commerce; and

**Whereas,** Director Galleano, a third-generation vintner and winegrower, was the president of Galleano Winery in Mira Loma, a winery founded by his family in 1927, where dry-farming is practiced and the winery relies on moisture-retaining soil rather than irrigation; and

## Proposed Language (cont.)

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**Whereas**, due to Director Galleano's foresight and leadership, Valley District had the opportunity to partner with the Western Municipal Water District on numerous projects in the region that contributed to water supply reliability for nearly half-a-million people; and

**Whereas**, Director Galleano was a devoted public servant and a friend to many and he will truly be missed.

**Now, therefore, be it proclaimed** that the Board of Directors and staff of the San Bernardino Valley Municipal Water District extend their sincere gratitude to Director Don Galleano and his family for Mr. Galleano's service to the water industry and the Riverside-San Bernardino region.

Enacted this 3<sup>rd</sup> day of August, 2021.

## Board Motion & Roll Call Vote

## Staff Recommendation

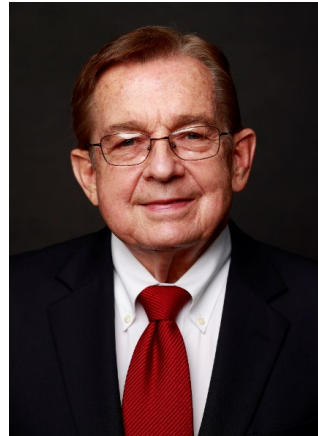
The Board of Directors is asked approve the Proclamation honoring the service of Director Don Galleano.



**Paul Kielhold**  
President



**June Hayes**  
Vice President



**T. Milford  
Harrison**  
Treasurer



**Gil J. Botello**  
Director



**Susan Longville**  
Director

# Reports Item 4.1 (Pg. 64)

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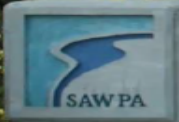
CEO/General Manager's Report

# Reports Item 4.2

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SAWPA Meeting Report





# Santa Ana Watershed Project Authority

## SAWPA MEETING SUMMARY

### August 3, 2021, Regular Meetings

#### SAWPA Commission

- Appointed Commissioner Brenda Dennstedt to the OWOW Steering Committee.
- Approve Resolution 2021-6 recognizing Hope Smythe for her service as Executive Officer of the Santa Ana Regional Water Quality Control Board.
- Received the following informational reports:
  - Proposal For Grant Application and Administration Support for Small Community Water/Wastewater Systems Serving Disadvantaged Communities in The Santa Ana River Watershed.
  - General Manager's Report – 100-Day Plan

#### Project Agreement 24 Committee

- Selected Committee Member Mike Gardner as Committee Vice Chair.
- Directed staff to prepare a scope of work for an Inland Empire Brine Line Master Plan.
- Received the following informational reports:
  - Brine Line Financial Report – April 2021
  - Brine Line Financial Report – May 2021



PLEASE NOTE: This summary may not include all agenda items and should not be construed as official minutes. Any questions please call or email Sara Villa at 951.354.4243 – [svilla@sawpa.org](mailto:svilla@sawpa.org)

# Reports Item 4.3

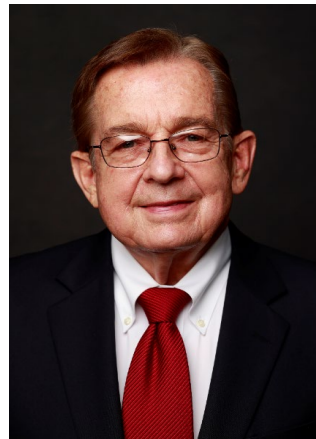
## Director's Primary Representative and Activity Report



**Paul Kielhold**  
President



**June Hayes**  
Vice President



**T. Milford  
Harrison**  
Treasurer



**Gil J. Botello**  
Director



**Susan Longville**  
Director



Sent via email

7/16/2021

San Bernardino Valley Municipal Water District  
Heather Dyer, CEO/General Manager  
380 East Vanderbilt Way  
San Bernardino, CA 92408  
uppersarhep@icf.com

Re: Comments on the Upper Santa Ana River Draft Habitat Conservation Plan and Draft Environmental Impact Report SCH# 2018121017

Dear Ms. Dyer,

Please find comments on the Upper Santa Ana River Draft Habitat Conservation Plan and Draft Environmental Impact Report attached. These comments are a joint submission by the Center for Biological Diversity, the San Geronio Chapter of the Sierra Club, the San Bernardino Valley Audubon Society and the California Native Plant Society. Our organizations are supportive of the 11 water agencies striving to maximize local, sustainable water supplies within the San Bernardino Valley, particularly as climate change advances and threatens local and imported water supplies. We support the concept of balancing the needs for local sustainable water supplies for both humans and our irreplaceable imperiled wildlife. A Habitat Conservation Plan (HCP) is one mechanism to achieve this balance, and we recognize the solid efforts that the agencies have pursued in crafting the HCP, including greatly reducing the temporal impacts that occur typically between when project development occurs and the off-setting mitigation, which typically lags well behind development.

We also recognize the existing constraints in habitat acquisition for the covered species. Prior development without conservation planning has caused several of the covered species to be listed under Endangered Species Act protections. Conservation planning is long overdue in the area. The remaining fragmented habitat, disrupted hydrology and highly reduced plant and animal populations set up a rigorous challenge to craft an ecologically meaningful conservation strategy.

It is important to consider the context in which the HCP would function, and the development that may follow from projects covered by the HCP. The Department of Water Resources (DWR) is currently reviewing the 2020 Upper Santa Ana Watershed Integrated Regional Urban Water Management Plan (IRUWMP) that was prepared and submitted by San

Bernardino Valley Municipal Water District. The IRUWMP covers the next 25 years of water service management for multiple water providers in the region. Water conservation and the development of local reuse supplies are positive pursuits. But any increase in local supplies should replace reliance on imported supplies, not fuel more thirsty development in the Santa Ana River watershed. Many of the water projects covered by the HCP will be integral to regional water supply portfolios over the next decade, and it is critical these projects don't lead to land-use planning that further strains the watershed and jeopardizes the goals of the HCP.

With the above constraints in mind, we submit these comments with the goal of improving the Upper Santa Ana River Habitat Conservation Plan. We believe that incorporating our comments, the HCP will provide much needed benefits to rare wildlife and plants, while providing a more secure local water supply to all.

Sincerely,

Ilene Anderson  
Senior Scientist  
Center for Biological Diversity  
660 S. Figueroa St., Suite 1000  
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/s/

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Drew Feldmann  
Conservation Chairperson  
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Isabella Langone  
Conservation Analyst  
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Sacramento, CA 95816-2677  
(916) 44-2677

cc:  
Karin Cleary-Rose, USFWS, [Karin\\_Cleary-Rose@fws.gov](mailto:Karin_Cleary-Rose@fws.gov)  
Scott Wilson, CDFW, [Scott.Wilson@wildlife.ca.gov](mailto:Scott.Wilson@wildlife.ca.gov)



San Bernardino Valley Audubon Society



CALIFORNIA NATIVE PLANT SOCIETY

7/16/2021

*Sent via email*

San Bernardino Valley Municipal Water District  
Heather Dyer, CEO/General Manager  
380 East Vanderbilt Way  
San Bernardino, CA 92408  
[uppersarhcp@icf.com](mailto:uppersarhcp@icf.com)

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Sincerely,

Ileene Anderson  
Senior Scientist  
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/s/

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Scott Wilson, CDFW, [Scott.Wilson@wildlife.ca.gov](mailto:Scott.Wilson@wildlife.ca.gov)

# Reports Item 4.4 (Pg. 67)

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Board of Directors' Workshop - Resources – July 1, 2021

# Reports Item 4.5 (Pg. 73)

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Board of Directors' Workshop - Policy - July 8, 2021

# Reports Item 4.6 (Pg. 83)

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Board of Directors' Workshop - Engineering - July 13, 2021

# Reports Item 4.7 (Pg. 93)

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Debt Service Fund Budget Workshop – July 22, 2021



# Announcements Item 6.1 (Pg. 97)

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August 3, 2021, 9:30 a.m. – SAWPA Commission Meeting

August 3, 2021, 10:00 a.m. – SAWPA PA 24 Meeting

August 3, 2021, 2 p.m. – Regular Board Meeting by Teleconference

August 5, 2021, 2 p.m. – Board Workshop – Policy by Resources

August 10, 2021, 8:30 a.m. – SAWPA PA 22 Meeting

August 10, 2021, 2 p.m. – Board Workshop – Engineering by Teleconference

August 12, 2021, 1:30 p.m. – San Bernardino Valley Water Conservation District Board Meeting

August 12, 2021, 2 p.m. – Board Workshop – Policy by Teleconference

August 13, 2021, 8:30 a.m. – BIA Southern California Water Conference

August 16, 2021, 6:00 p.m. – SBVMWD hosts the ASBCSD Membership Meeting

August 18, 2021, 8:30 a.m. – Upper Santa Ana River Watershed Infrastructure Financing Authority

August 17, 2021, 2 p.m. – Regular Board Meeting by Teleconference

# Closed Session

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## 7.1 Conference with Legal Counsel

Existing Litigation

Pursuant to Government Code Section 54956.9

Complaint Against Nestle Waters North America, Unauthorized Diversions from Strawberry Creek, San Bernardino County (Before the State Water Resources Control Board)

## 7.2 Conference with Real Property Negotiators:

Pursuant to Government Code Section 54956.8

Property APN 0140-042-10

Agency negotiator: Heather Dyer

Negotiating parties:

# Adjournment

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