



**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, NOVEMBER 2, 2021 – 2:00 P.M.**

**PUBLIC PARTICIPATION**

Public participation is welcome and encouraged. You may participate in the November 2, 2021, 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](mailto: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, November 1, 2021. 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, November 2, 2021**

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**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 October 11, 2021, Meeting (Page 4)  
[BOD Minutes 101121](#)

**3) PRESENTATIONS**

3.1 Progress Update on Development of the District's Safety Program (Page 10)  
[Staff Memo - Progress Update on Development of the District's Safety Program](#)

**4) DISCUSSION AND POSSIBLE ACTION ITEMS**

4.1 Consider ACWA JPIA Commitment to Excellence Agreement (Page 11)  
[Staff Memo - Consider ACWA JPIA Commitment to Excellence Agreement](#)  
[Commitment to Excellence Agreement](#)

4.2 Consider Resolution No. 1132 Authorizing Workers' Compensation for Volunteer Personnel (Page 14)  
[Staff Memo - Consider Resolution No. 1132 Authorizing Workers' Compensation for](#)  
[Volunteer Personnel](#)  
[Draft Resolution No. 1132 - Authorizing Workers' Compensation for Volunteer Personnel](#)

4.3 Authorize Participation in the Proposition 1 Round 1, Regional Comprehensive Landscape Rebate Program (Page 17)  
[Staff Memo - Authorize Participation in the Proposition 1 Round 1, Regional Comprehensive Landscape Rebate Program](#)  
[Agreement between MWDOC and Valley District](#)

- 4.4 Consider Ordinance No. 81 Dissolving the Advisory Commission on Water Policy and Consider Resolution No. 1133 Establishing a Regional Water Forum as a New Venue to Promote Engagement and Collaboration on Water-Related Issues(Page 40)  
[Staff Memo - Consider Ordinance No. 81 Dissolving the Advisory Commission on Water Policy and Consider Resolution No. 1133 Establishing a Regional Water Forum as a New Venue to Promote Engagement and Collaboration on Water-Related Issues](#)  
[Ordinance No. 81](#)  
[Resolution No. 1133](#)

5) **REPORTS (Discussion and Possible Action)**

- 5.1 CEO/General Manager's Report (Page 49)  
[Staff Memo - CEO/General Managers Report](#)
- 5.2 Director's Report of Activities
- 5.3 SAWPA Meeting Report
- 5.4 General Counsel Report
- 5.5 Board of Directors' Workshop - Resources - October 7, 2021 (Page 52)  
[Summary Notes BOD Workshop - Resources 100721](#)
- 5.6 Board of Directors' Workshop - Engineering - October 12, 2021 (Page 58)  
[Summary Notes BOD Workshop - Engineering 101221](#)
- 5.7 Board of Directors' Workshop - Policy - October 14, 2021 (Page 69)  
[Summary Notes BOD Workshop - Policy 101421](#)
- 5.8 Board of Directors' Workshop - Branding - October 18, 2021 (Page 81)  
[Summary Notes BOD Workshop - Branding 101821](#)

6) **FUTURE BUSINESS**

7) **ANNOUNCEMENTS**

- 7.1 List of Announcements (Page 88)  
[List of Announcements 110221](#)

8) **CLOSED SESSION**

9) **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](http://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  
SPECIAL BOARD MEETING  
SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT**

**October 11, 2021**

**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  
Wen Huang – 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 – Deputy General Manager/Chief Water Resources Officer  
Melissa Zoba, MBA, MPA – Chief Information Officer

Kristeen Farlow, MPA – Strategic Communications Manager  
Anthony Flordelis – Business Systems Analyst  
Adekunle Ojo – Water Resources Manager

Bradley Neufeld, Varner & Brandt, District Counsel  
Meredith Nikkel, Downey Brand, District Counsel

**Members of the Public in Attendance:**

George Saunders, Riverside-Highland Water Co.  
David Raley, San Bernardino Valley Water Conservation District  
Richard Corneille, San Bernardino Valley Water Conservation District  
Jennifer Ares, Yucaipa Valley Water District  
Lonni Granlund – Yucaipa Valley Water District  
Madeline Blua - Yucaipa Valley Water District  
Ron Coats, East Valley Water District

The special meeting of the Board of Directors was called to order by President Kielhold at 2:00 p.m.

All actions taken by the Board at the meeting will be conducted by a roll-call vote.

## **Agenda Item 1. Public Comment**

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

Chief of Staff/Clerk of the Board Jose Macedo announced the submission of a written comment from Richard Corneille regarding Agenda Item 3.

*Audience attendance will be recorded in the minutes based on registration information generated in the teleconference or by stating their name during this time.*

**Agenda Item 2. Closed Session.** President Kielhold adjourned the meeting to Closed Session at 2:04 p.m.

### **2.1) Conference with Legal Counsel – Existing Litigation**

Pursuant to Govt. Code Section 54956.9 (1)(d)

Name of case: Endangered Habitats League et. al. v. U.S. Army Corps of Engineers et. al.,

Case No. 2:16-cv-09178 (C.D. Cal.)

President Kielhold returned the meeting to Open Session at 2:05 p.m. Legal Counsel Bradley Neufeld reported no reportable action was taken.

## **Agenda Item 3. Discussion and Possible Action Items**

### **3.1) Discuss and Consider Alternative Forum to the Advisory Commission on Water Policy.**

Mr. Richard Corneille of the San Bernardino Valley Water Conservation District read his written comments aloud. He pointed to his written Memorandum dated August 12, 2021, as an additional part of the record regarding the benefits of the Advisory Commission on Water Policy.

In his statement, Mr. Corneille advised Commission members are open to improvements and noted the ideas for the Water Forum could be incorporated into the current Commission framework. He pointed out the support shown by the agencies at the August 12, 2021, Workshop.

Mr. Corneille questioned the suggested five meetings per year, and noted the availability of technology to facilitate communications. The ability of the Basin Technical Advisory Committee (BTAC) to address technical issues and identify and implement regional solutions does not include elected officials. Although Valley District has several public meetings per month, most elected officials do not have the time to attend the additional meetings and rely on staff and the Commission as the source of information.

Mr. Corneille summarized by saying he believed the reason for staff's position on abolishing the Commission is that the function of the Commission is overseeing District policies and making recommendations that the staff and Board would need to address. The Water Forum has no such provisions, he emphasized.

Chief Executive Officer / General Manager Heather Dyer reminded the Board that staff was asked to bring this item to the Board for consideration on how to make this a more meaningful and valuable forum for the District. The establishment and function of the Advisory Commission on Water Policy (ACWP) in 1987 was based on the following objectives, she explained:

- To maximize opportunities for consultation with elected officials and water-producing agencies
- To study and make recommendations to the Board on local, regional, and statewide water policy matters affecting the District
- To study matters submitted to it by the District Board and bring any questions or comments back to the Board
- To review, comment and make recommendations to the Board on policy items they might be considering
- Details about number of entities, meeting regularity, quorum requirements, etc.

She explained that staff examined how these functions are being met and decided that the staff-level BTAC is working well for technical review in terms of its goals set in the beginning, and items are heard several times via regular Board meetings and workshops. There are not many true policy items coming before the Board, and the Advisory Commission has been brought items that are not policy related.

The new Water Forum addresses opportunity for consultation with elected officials and water agencies, Ms. Dyer continued, allowing a broader discussion about what is happening in the watershed. She pointed out the Board may not agree that oversight is needed. During the last meeting, it was identified, a need for an opportunity of elected officials to engage, learn how to work better together and facilitate collaboration around the watershed.

Ms. Dyer highlighted the ability with the Water Forum to move meetings around, hosted by directors in each division and to focus on the future via collaboration.

Vice President Hayes pointed out that needs change with time, and the Board has been moving toward this kind of inclusiveness and collaboration. She opined the Board does not need oversight or direction and noted that the Water Forum concept arose from the Commission appearing to believe they were a directive board. This came due to problems in the way the Advisory Commission handled their interaction with the Valley District Board. She expressed support for the proposal and suggested it be deemed Inland Empire rather than Santa Ana River.

Director Longville expressed support for many concepts in the proposal, and said she takes seriously the letter from Mr. Corneille. She said she had expected inclusion of Advisory Commission leadership in the discussion. Director Longville pointed out that in addition to educating and bringing in community leaders, the Water Forum must also include the concept of mentoring the next generation of leaders. She pointed out some issues with the proposed scheduling.

Director Longville touched on complex process issues and said the District's meetings are where people hear about activities. She recommended discussion with the Commission Chair to truly accomplish a priority and be a collaborative partner. She cautioned against rushing and indicated confidence that the goal can be achieved.

In response, Ms. Dyer described her understanding of the process between agencies and said that the system seems to work well, with agency staff taking items directly to their elected officials. The BTAC professionals update their own municipality or agency, allowing the project to go through their approval process.

Ms. Dyer reminded the Board this is a starting point; the workshop is meant to facilitate discussion among elected officials. This is a slight shift in direction that is complementary to Valley District's current role in the watershed, she clarified.

Lonni Granlund reported she has discussed the Water Forum concept with others including her board members and staff about the direction of this effort. She expressed a desire to reach out more to the community, as their input is very helpful. She pointed out that the Forum would focus on water in the region with discussion items helpful to each individual area. She opined that this is a much better direction with a view to the future and said five meetings are not necessary if there is nothing to discuss, she said.

In response to Director Harrison, Ms. Dyer described the formation of the BTAC in 2007 to provide extensive technical review by the various water agency experts and to provide feedback on water management and policy decisions. Harrison noted the value and great participation of the BTAC. He said it seems to accomplish some of what the Advisory Commission was originally intended to do. He acknowledged the comments of Richard Corneille and Lonni Granlund but said it may be time to try something new.

Counsel Neufeld replied to President Kielhold that no one other than the voters are authorized to provide oversight to the Board of Directors of Valley District.

President Kielhold pointed out that what began as an advisory committee seems to have morphed into an oversight committee not authorized by law. He indicated the need to engage the elected officials while also wanting technical advice. It was attempted to put that into one meeting, and it seems both can be done, but separately rather than in one meeting of the Advisory Commission, he said. There are many mechanisms to accomplish this, he said.



This particular Commission is archaic and does not serve a necessary function, President Kielhold continued. The function can be accomplished by other means, relieving the Commission from eliciting opinions from elected officials who choose not to attend, he concluded.

Director Botello agreed with much of the discussion that the Advisory Commission has morphed into an oversight commission. If the Valley District Board has issues that need to be taken to BTAC or an advisory commission, it should be done by consensus of the Board. The ratepayers have oversight of this Board, he said. He noted the original intent during the creation of the Advisory Commission, as concerned local elected officials felt the original Valley District Board was dealing only with the State and ignoring local officials and ratepayers. There has been enough discussion, he opined. Communication with staff is readily available at the District, he added, and said he strongly agrees with the staff recommendation.

Director Longville said she felt the recommendation could be better, suggested improving the draft and reiterated her request regarding mentoring.

Ms. Dyer requested direction from the Board as to moving forward with building the new Water Forum and indicated that Director Longville's concerns about scheduling could be addressed. She reminded the Board that they had indicated need for assurance that Valley District supports engagement with the community and recommended that the Board adopt a resolution that memorializes what it seeks.

If moving forward, staff and Legal Counsel will develop a resolution and details will be worked out upon planning the first event, Ms. Dyer noted.

Director Longville offered to provide a redline version of the resolution with suggestions. As written, she said, the resolution does not address all her concerns.

Ms. Dyer pointed out that a name must be determined.

Richard Corneille reiterated his support for the Advisory Commission. He said he thinks the Commission has accomplished much over the years and has supported the District almost 100 percent. The Board's concept that the Commission is trying to dictate is totally wrong, he stated.

Director Harrison commended the Board for recent public outreach expansion, and the community and officials for their increased interest in the District. He said he would not be interested in doing anything that would not continue to expand the involvement. He said there is an opportunity to change the procedure to allow more people to be involved. There is a huge increase in interest of the community in water, he noted. Reaching out to the community and its leaders in any way possible is important, he emphasized.

Director Harrison suggested the forum be named "Upper Santa Ana" which is identifying, rather than "Inland," which would be too encompassing.

President Kielhold asserted this action is not a repudiation of the Advisory Commission, but a restructuring of District mechanisms to accomplish more.

Vice President Hayes moved to place an item on an upcoming Board meeting to adopt Resolution 113X with the understanding that more detail and changes as discussed will be forthcoming. Director Botello seconded. The motion was adopted 3-2 by the following roll-call vote:

MOVED: Hayes	SECONDED: Botello	APPROVED: 3-2-0
AYES:	Botello, Hayes, Kielhold	
NOES:	Longville, Harrison	
ABSTAIN:	None	
ABSENT:	None	

Counsel Neufeld advised regarding directors providing feedback on the Resolution. Ms. Dyer stated she would accept feedback from all directors and selected October 22 as the deadline for sending edits to her so that she can bring it back to the Board during the November 16, 2021, Regular Board meeting.

In response to Director Harrison, Ms. Dyer and Counsel Neufeld explained that Ordinance 77 would need to be rescinded by a new ordinance to dissolve the Advisory Commission.

Director Harrison moved to adjourn the meeting. Vice President Hayes seconded. The motion was adopted by a unanimous roll-call vote.

### **Agenda Item 7. Adjournment.**

The meeting was adjourned at 2:58 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><b>Secretary</b></p> <p>Date _____</p>
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Respectfully submitted,

Lynda J. Kerney  
Contract Assistant



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**DATE:** November 2, 2021  
**TO:** Board of Directors  
**FROM:** Tom Holcombe, Water Operations Manager  
**SUBJECT:** Progress Update on Development of the District's Safety Program

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As part of the District's membership in the Association of California Water Agencies Joint Powers Insurance Authority (JPIA) Liability, Property and Workers' Compensation insurance, a review of the District's safety program and Incident and Illness Prevention Plan was conducted by ACWA JPIA Risk Management group in August. The review is part of the New Member Service Plan and evaluates the District's existing safety policies and protocols. A 2021-2022 Service Plan agenda was developed that identifies specific areas that should be addressed to ensure the District meets the minimum safety standards and requirements. The Service Plan is intended to complement the District's safety and risk management program with JPIA resources. It also provides JPIA Risk Management a method to ensure the efficiency of their services to the District.

Today's presentation will provide an overview of the Service Plan and activities and actions implemented to meet the recommendations.

**Fiscal Impact**

None.

**Staff Recommendation**

Receive and file.



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**DATE:** November 2, 2021

**TO:** Board of Directors

**FROM:** Heather Dyer, CEO/General Manager  
Tom Holcombe, Water Operations Manager

**SUBJECT:** Consider ACWA JPIA Commitment to Excellence Agreement

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The Board is being asked to consider adoption of the Association of California Water Agencies (ACWA) Joint Powers Insurance Authority (JPIA) Commitment to Excellence (C2E) agreement. The C2E program and agreement are part of the District's participation in the New Member Service Plan for 2021-2022 and is required to be eligible for specific program/grant opportunities.

**Background**

At the May 18, 2021, Regular Meeting of the Board of Directors, the Board elected to join the ACWA JPIA for Liability, Property and Workers' Compensation insurance with an effective coverage date of July 1, 2021. An Initial New Member Orientation was held in July with District staff and an in-person property review of major District facilities was conducted in late September. Additionally, a Service Plan and agenda was established by JPIA to outline the major events and milestones that are to be completed by the District in its first year of JPIA membership. Events and milestones for the 1<sup>st</sup> quarter (August - October 2021) have been completed on schedule and adoption of the C2E agreement is scheduled for the beginning of the 2<sup>nd</sup> quarter (November 2021 – January 2022).

The C2E program was developed following a seven (7) year loss review that was completed for workers' compensation, liability, and property in 2013. The review found the most frequent and costly claims came from vehicle, infrastructure, construction, employment practices, ergonomic, fall claims, and wildfires. The focus of the C2E program is encouraging and assisting members to implement programs and practices that can prevent claims specifically in these focus areas. JPIA's long-term outreach effort includes information and resources to assist with establishing policies and protocols that will maximize safety on the job and reduce the frequency and severity of liability,

workers' compensation, and property losses. Adoption of the C2E agreement underscores the District's commitment to its safety program and the implementation of "best practices" in the workplace.

Participating in the C2E program also makes the District eligible for JPIA's Risk Control Grant Program grant of up to \$10,000 to fund risk management and safety program projects or equipment. The grant funds specific one-time, non-routine risk management or loss control programs or activities that are intended to address those risks.

**Fiscal Impact**

None.

**Staff Recommendation**

Staff recommends that the Board adopt the ACWA JPIA Commitment to Excellence agreement and authorize the CEO/General Manager and the members of the Board to execute the agreement.

**Attachment**

- 1) Commitment to Excellence agreement



# Commitment to Excellence

## San Bernardino Valley Municipal Water District

and the ACWA JPIA in mutual support for ensuring the most consistent, cost effective and broadest possible affordable insurance coverage and related services, and in partnership with all JPIA members, and in the interest of reducing **San Bernardino Valley Municipal Water District's** insurance costs, commit to a program of excellence that, through the implementation of "best practices" reduces the potential and frequency of:

- **Vehicle Losses**
- **Infrastructure Related Losses**
- **Construction Related Losses**
- **Employment Practices Claims**
- **Ergonomic (Musculoskeletal) and Fall Injuries**
- **Wildfire Prevention**

and fully support the goal of implementing effective preventative measures that work to achieve these loss reductions.

Walt "Budj" Sells (CEO, ACWA JPIA)  
Signature

\_\_\_\_\_  
Signature (CEO/Gen Mgr)

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Signature (Board Member)

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Signature (Board Member)

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Signature (Board Member)

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Signature (Board Member)

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Signature (Board Member)



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**DATE:** November 2, 2021

**TO:** Board of Directors

**FROM:** Heather Dyer, CEO/General Manager

**SUBJECT:** Consider Resolution No. 1132 Authorizing Workers' Compensation for Volunteer Personnel

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The Board is being asked to consider adoption of Resolution No. 1132 authorizing workers' compensation benefits for volunteer personnel. On May 18, 2021, the Board approved joining the Association of California Water Agencies (ACWA) Joint Insurance Power Authority (JPIA) for Liability, Property and Workers' Comp Insurance Coverage Effective July 1, 2021. This resolution is required for all members that are part of the ACWA JPIA's Liability Program.

**Background**

The JPIA's Board of Directors requires all Liability Program members to adopt a resolution making volunteers subject to Workers' Compensation coverage. This is a standard recommendation of the Risk Management and Member Services Departments.

Section 3363.5 of the California Labor Code empowers public agencies to designate that persons performing voluntary service without pay for the agency shall be deemed employees for purposes of workers' compensation benefits. This is accomplished by means of the governing body of the agency adopting a resolution to that effect.

Covering volunteers under workers' compensation has significant benefits and reduces the District's exposure. Workers' compensation benefits are statutorily defined. Claims costs are usually significantly lower compared to liability lawsuits for the same injuries or illnesses. The claims are easier to control, since litigation is generally avoided.

Volunteers can include student interns, youth and civic groups undertaking projects, work-release inmates, or individuals responding to or assisting in emergency situations. Even directors attending meetings or performing other services for which they are not compensated on a per diem or other basis are considered volunteers. All of these can be provided with workers' compensation benefits.

### **Fiscal Impact**

The fiscal impact of this item is minimal but is dependent on the number of volunteer hours per year. A rough estimate of 120 hours per year is less than \$100/year in additional cost of workers' compensation premiums. The number of hours actually recorded will be reviewed annually and included in the General Fund budget category 6180 Worker's Comp Insurance.

### **Staff Recommendation**

Staff recommends the Board adopt Resolution No. 1132 Authorizing Workers' Compensation Benefits for Volunteer Personnel.

### **Attachments**

- 1) Draft Resolution No. 1132 Authorizing Workers' Compensation Benefits for Volunteer Personnel



**RESOLUTION NO. XXXX**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT  
AUTHORIZING WORKERS' COMPENSATION INSURANCE  
FOR VOLUNTEER PERSONNEL**

WHEREAS, San Bernardino Valley Municipal Water District (District) is a municipal water district organized and existing under the Municipal Water District Law of 1911 (Water Code § 71000 *et seq.*); and

WHEREAS, this board desires to provide Workers' Compensation Insurance benefits for persons authorized by the District to perform volunteer services for the District; and

WHEREAS, the Legislature of the State of California has provided through legislation (Labor Code Section 3363.5) authorization for the inclusion of such coverage in the District's workers' compensation insurance policy.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT** hereby adopts the policy that an unpaid person authorized to perform volunteer service for the District shall be deemed to be an employee of the District for the purposes of Workers' Compensation Insurance benefits provided for by law for any injury or illness sustained by them while engaged in the performance of services for the District under its direction and control.

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Paul R. Kielhold  
President

\_\_\_\_\_  
Heather P. Dyer  
Secretary



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**DATE:** November 2, 2021

**TO:** Board of Directors

**FROM:** Shavonne Turner, Water Conservation Program Manager

**SUBJECT:** Authorize Participation in the Proposition 1 Round 1, Regional Comprehensive Landscape Rebate Program

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### **Summary**

This item was presented at the October 14, 2021 Policy Workshop; the Board Members in attendance asked that it be placed on an upcoming Board of Directors meeting for consideration.

At the workshop, Staff briefed the Board on a \$2,767,344 award the Santa Ana Watershed Project Authority (“SAWPA”) received from Proposition 1 Round 1 for water conservation. The Municipal Water District of Orange County (MWDOC) is managing these funds on behalf of SAWPA to support a Regional Comprehensive Landscape Rebate Program (“Program”). The five (5) participating agencies are the City of Big Bear Lake Department of Water and Power, Eastern Municipal Water District, Inland Empire Utilities Agency, and Valley District. The Program is calculated to save an estimated 2,697 acre-feet per year of potable water across the watershed.

Based on the Board’s feedback at the workshop, Staff revised the Tentative Work Plan to include measures such as landscape design assistance and rain barrels. Staff is recommending the Board authorize Valley District’s participation in the Regional Program, which would be made available to the retail water agencies within the Valley District service area. Valley District would receive \$298,693 in grant funds and be required to spend \$314,414 in local match (past expenditures can be used to satisfy Valley District’s portion of local match) for a total of \$613,017 over four (4) years to save 144 acre-feet per year, or \$426 per acre-foot over the 10-year life, at the end of project completion. The water savings goal must be reached by September 2025.

## **Discussion**

Under the lead of MWDOC, Valley District will participate in program funding and water savings goals as part of the agreement and will be required to meet benchmarks and reporting requirements. Valley District will use the grant funds and local match for approved rebate programs and activities. Eligible rebate programs under the agreement include turf removal, smart timers, high efficiency rotating nozzles, landscape design and maintenance assistance, spray-to-drip irrigation, industrial process, pressure regulation valves, native plants, and rain barrels. Program tracking requirements for reporting includes application database, invoicing, consultant invoicing, participant applications, and photo verification, where applicable. Valley District must meet benchmarks identified for grant dollars spent, match accrued, and water savings. Progress reports will be due quarterly. Valley District will work with retail agencies to target some mixture of the following interventional measures to achieve the 144 AFY of savings and within the allocated funds:

<b>Measure</b>	<b>Quantity</b>	<b>Proposed Incentive Amount per Measure</b>	<b>Estimated Total Spending (Grant Funding Match) +</b>	<b>Water Savings (AFY)</b>	<b>Lifetime (Years)</b>	<b>Lifetime Cost of Water Saved (\$/AF)</b>
Residential and CII Turf Removal	350,000 sq. ft.	\$1 per sq. ft.	\$350,000	47.25	10	\$741
Residential and CII Smart Timer	1,200 timers	\$150	\$180,000	49.68	10	\$362
High Efficiency Rotating Nozzles	16,000 nozzles	\$4 per nozzle	\$64,000	42.24	5-10	\$152-303

Spray to Drip Conversion	20,000 sq. ft.	\$0.5	\$10,000	3	unknown	unknown
Pressure Regulation Valves	40	\$150	\$6,000	unknown	7-12	unknown
Landscape Design & Maintenance Assistance	24	\$500	\$12,000	0	0	0
Native Plants	100	\$5	\$500	unknown	unknown	unknown
Alternative Irrigation (Rain Barrels)	25	\$35-\$350 depending on size	\$6,250	0.08-2	5	\$3,125-11,250
<b>TOTAL</b>			<b><u>\$628,750</u></b>	<b><u>144.17</u></b>		
	Additional Local Cost Share		<b><u>\$15,733</u></b>			

The table represents a tentative work plan and the most cost-effective way to achieve the water savings goal; retail agencies will have the flexibility to implement other eligible rebate programs and Valley District staff can reallocate funding as implementation progresses. As seen in the table, the majority of water savings results from the removal turf, smart timers, and high-efficiency nozzles. However, the other items in the program of work are key elements supporting the overall conversion to successful drought tolerant landscapes, which over time, can affect change on a much larger scale within communities.

This agreement shall become effective upon the date of the earliest execution by Valley District, and shall extend thereafter through the completion of all program activities; all work

must be completed by December 31, 2025 and no funds may be requested under the grant agreement between SAWPA and DWR after March 31, 2026. MWDOC shall issue a Notice of Completion to Valley District upon the disbursement of all program funds. Staff is confident it will fulfill its obligations under the agreement significantly ahead of schedule.

**Fiscal Impact:**

Staff intends to use rebates paid by Valley District and retail agencies after January 1, 2015 to meet the \$314,414 funding match. The \$298,693 in grant funding will reimburse only rebates/program implementation activities after June 2, 2020. Funding for current fiscal year program is budgeted under item 6640 (Water Conservation) and future operating budgets will include similar funding. This agreement does not create a new fiscal obligation; it will partially reimburse Valley District's existing and future contributions to eligible retailer's programs.

**Staff Recommendation:**

Staff recommends authorizing the CEO/General Manager to execute the agreement between Valley District and Municipal Water District of Orange County.

**Attachment:**

1. Agreement between MWDOC and Valley District

**AGREEMENT FOR PROPOSITION 1 ROUND 1, REGIONAL COMPREHENSIVE LANDSCAPE REBATE PROGRAM, BETWEEN MUNICIPAL WATER DISTRICT OF ORANGE COUNTY AND SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT**

THIS AGREEMENT is made and entered into as of \_\_\_\_ 2021, by and between the Municipal Water District of Orange County (“MWDOC”), and San Bernardino Valley Municipal Water District (“SBVMWD”), a public water agency. Including SBVMWD, MWDOC will also enter into substantially the same agreements with the following public water agencies:

1. City of Big Bear Lake Department of Water and Power (“BBLDWP”)
2. Eastern Municipal Water District (“EMWD”)
3. Inland Empire Utilities Agency (“IEUA”)
4. Western Municipal Water District (“WMWD”)

For the purposes of this Agreement, these public water agencies are referred to collectively as “Water Agencies” and individually as “Water Agency.” Water Agency and MWDOC are also collectively referred to as “Parties.”

**RECITALS**

WHEREAS, Section 79740 *et seq.* of the Water Code authorized the California Legislature to appropriate \$810 million to help water infrastructure systems adapt to climate change, provide incentives for water agencies to collaborate in managing the region’s water resources and setting regional priorities for water infrastructure, improve regional water self-reliance, and reduce reliance on the Sacramento-San Joaquin Delta; and

WHEREAS, the California Department of Water Resources (“DWR”) and the Santa Ana Watershed Project Authority (“SAWPA”) entered into that certain Proposition 1 Round 1 Integrated Regional Water Management Implementation Grant Agreement No. 4600013842 (“Grant Agreement”) attached as Exhibit “A,” whereby SAWPA serves as project manager for \$23,091,428 in Proposition 1 Round 1 Integrated Regional Water Management Program (“IRWMP”) grant funds to be disbursed; and

WHEREAS, SAWPA shall disburse a portion of such IRWMP grant funds in a sum not-to-exceed Two Million Seven Hundred Sixty-Seven Thousand Three Hundred Forty-Four dollars (\$2,767,344) to MWDOC as part of SAWPA’s Regional Comprehensive Landscape Rebate Program (“Program”) pursuant to that certain Grant Funding Agreement between SAWPA and MWDOC (“Funding Agreement”), attached as Exhibit “B;” and

WHEREAS, MWDOC and Water Agency will benefit from grant funding for the Program to accomplish a number of permissible intervention goals throughout the Santa Ana River Watershed; and

WHEREAS, MWDOC, as the Program's lead agency, and Water Agency will be participating in Program funding and water savings obligations that are subject to certain benchmarks and reporting obligations, including the terms of this Agreement; and

WHEREAS, MWDOC is bound by the terms of both the Grant Agreement (Exhibit A) and Funding Agreement (Exhibit B), and is required to ensure Water Agency complies with the terms therein to ensure Program activities are reimbursable at the established rates; and

WHEREAS, Water Agency intends to utilize their allocation for permissible Program activities subject to the benchmarks required by MWDOC; and

WHEREAS, MWDOC and its staff are willing to coordinate this process as it relates to the obligations contained within the Grant Agreement and Funding Agreement, provided Water Agency meets its obligations for use of Program funding;

NOW, THEREFORE, in considerations as set forth below and the mutual promises of the Parties hereto, it is agreed:

1. Binding Agreement Documents; Order of Precedence; Water Agency's General Commitment

A. This Agreement incorporates and includes as part of its terms and conditions the Grant Agreement and Funding Agreement, which are incorporated herein by reference. Water Agency shall comply with all terms, provisions, conditions, and commitments of the Grant Agreement and Funding Agreement, to the extent applicable, and this Agreement.

B. In the event of any inconsistency between this Agreement, the Grant Agreement, or Funding Agreement, except as otherwise specifically provided, the inconsistency shall be resolved by giving precedence in the following sequential order: 1) the Grant Agreement, 2) the Funding Agreement, and finally, 3) this Agreement.

C. Such compliance shall include providing MWDOC promptly with all deliverables, data, reports and all other documents in the stated formats as required by this Agreement, including as necessary to meet the requirements in the Work Plan, as set forth and described in both the Grant Agreement and the Funding Agreement ("Work Plan"), see Section 2 herein.

D. On behalf of and for the benefit of MWDOC and Water Agency, to the extent applicable, Water Agency shall comply with all of the obligations and requirements of this Agreement as if Water Agency were the "Grantee" under the terms of the Grant Agreement, or the "Sub-Grantee" under the terms of the Funding Agreement. Such compliance shall be to the fullest extent necessary as may be required by MWDOC, in order to enable MWDOC to comply with all conditions required for Program funding.

2. Work Plan: Scope, Permissible Rebate/Program Activities.

A. Water Agency will be utilizing Program funds subject to the following “Permissible Rebate/Program Activities,” which are included in Section 3 below and in part, from the Grant Agreement. For a specific breakdown of Water Agency’s Program funding allocation and required benchmark obligations, see Exhibit “C” attached hereto.

3. Rebate/Program Implementation Activities.

A. This consumer-based rebate Program targets public agency, residential, commercial, industrial, and institutional landscapes throughout the entire Santa Ana River Watershed by implementing the nine rebates/programs set forth in Section 3.E below (“Implementation Activity” or “Implementation Activities”). Water Agency, through the Program, will promote water-efficient practices and interventions/devices and increase the affordability and accessibility for the public of completing these improvements. Each of the nine components of the Program has its own terms and conditions and/or its own EPA Water Sense labeling or eligible products list that places it on an approved standards list. Prior to receiving any Program funds, Water Agency must agree to follow these terms and conditions and/or select devices from the approved standards list in order to participate.

B. Included in each Implementation Activity described below is the expected range for the respective Implementation Activity rebate amount levels. Water Agency understands it has an expected Match and Water Savings obligation as set forth in Exhibit “C”. Furthermore, Water Agency understands the rebate levels implemented in Water Agency’s Program can affect its Match and Water Savings goals, and as such, will select rebate levels in the range that will help Water Agency best obtain these goals. MWDOC, as lead agency to the Program, reserves the right to meet and request additional information from Water Agency about the rebate levels selected by Water Agency and how Water Agency intends to meet its Match and Water Savings Goals, pursuant to MWDOC’s authority with respect to Program grant funding described in Section 4(A) herein. If MWDOC believes the rebate levels implemented by Water Agency are inappropriate to accomplish Match and Water Savings Goals, MWDOC and Water Agency will confer about how Water Agency intends to meet its Benchmark obligations.

C. “Project costs,” as described below, are defined as the cost of the device with reasonable installation costs included. Water Agency may be required to submit these invoices with its Program reporting to MWDOC. Final rebate paid to Program participants cannot exceed the device’s cost with any verified and reasonable installation costs.

D. Water Agency agrees and acknowledges that rebates/program implementation activity performed after January 1, 2015 is eligible to be counted as local match. Rebates/program implementation activity performed after June 2, 2020, is eligible for grant reimbursement.



## E. Rebate/Program Implementation Activities

(1) Turf Removal: This project will facilitate the removal of approximately 3.6 million square feet (82 acres) of turfgrass across the Santa Ana River Watershed, and replace with California native/friendly landscapes. Projects will include stormwater retention features, such as rain gardens, that will capture, retain, and percolate stormwater, and will include a plant density minimum of three plants per 100 square feet.

- The average rebate paid across the entire implementation area is estimated to be approximately \$1.25 per square foot, but could range from \$0.25/square foot to \$5/square foot. Water Agency will work with MWDOC to achieve the average. Rebates paid to Program participants will not exceed the project costs as supported by invoices submitted by Water Agency's Program Participants.
- Water Agency will keep copies of all required project documents, including project invoices, and will provide such project documents to MWDOC upon request and at the time of the initial or Quarterly Progress Reports.
- Approximately 25% of project sites will receive an in-person quality control inspection, and up to 100% will receive photo verification to ensure the project terms and conditions are being followed.

(2) Smart Timers: The project will facilitate the installation of approximately 11,300 smart irrigation timers across the Santa Ana River Watershed, also known as weather-based irrigation controllers (WBICs). These controllers irrigate based on real-time weather data to prevent the common issue of overwatering.

- The rebate for residential WBICs are estimated to range from \$50 to \$250 per residential WBIC, and from \$50 to \$2,500 per commercial WBIC. Total rebates will not exceed the cost for each WBIC.

(3) High-Efficiency Rotating Nozzles: This project aims to install up to 276,000 high-efficiency rotating nozzles across the Santa Ana River Watershed, in residential, commercial, and public landscapes.

- The rebate are estimated to range from \$1 per nozzle to \$4.50 per nozzle. Rebates paid will not exceed the cost for each nozzle.

(4) Landscape Design and Maintenance Assistance: Approximately 240 residential sites will receive a free customized landscape design and/or receive free landscape maintenance plans. Participants wishing to have this service will sign up for approximately four hours of consultation time with a Program-qualified landscape professional and receive the benefit of a professionally designed landscape plan.

- Total funding for each site landscape design or maintenance plan is approximately \$1,500. Total funding cannot exceed the cost of the design,

as provided through invoicing supplied by Program-qualified landscape professional. Water Agency will keep all submitted copies of invoicing.

(5) Spray-to-Drip Irrigation: Approximately 220,000 square feet of landscape irrigated with inefficient spray nozzles will be converted to drip irrigation across the Santa Ana River Watershed, at residential, commercial, and public properties.

- Rebates are estimated to range from \$0.20 to \$0.50 per square foot of landscape transformed. Nearly 100% of sites will receive an installation inspection to ensure project terms and conditions are followed. Rebates paid will not exceed the project cost as supported by project invoices. Water Agency will keep all submitted copies of invoicing.

(6) Industrial Process: Approximately five industrial sites will improve their processes to be more water efficient across the Santa Ana River Watershed.

- Incentives are estimated to range from \$195 per acre-foot of water saved up to the total project costs. The water saving engineering estimates serving as the basis of the rebate value will be verified through project monitoring and actual metered consumption data.

(7) Pressure Regulation Valve (PRV) Replacement: Pressure will be tested/adjusted and, if necessary, failed PRVs will be replaced at approximately 350 residential sites within high-pressure zones, as a free service offered to qualifying customers across the Santa Ana River Watershed.

- Each site visit is estimated to cost from \$150 to \$800 depending on the extent of work performed. Licensed plumbers will first inspect, then replace, failed PRVs where appropriate. Rebates paid will not exceed the project cost as supported by project invoices. Water Agency will keep all submitted copies of invoicing.

(8) Native Plants: This project will facilitate the installation of approximately 960 native plants in place of higher water using plants at residential, commercial, and public sites.

- The rebate will be approximately \$5 per plant. Rebates paid will not exceed the project cost as supported by project invoices. Water Agency will keep all submitted copies of invoicing.

(9) Alternative Irrigation (Rain Barrels): This project will facilitate the installation of approximately 60 rain barrels across the Santa Ana River Watershed, at residential, commercial, and public sites.

- The rebate is estimated to range from \$35 per barrel to \$350 per barrel. Rebates paid will not exceed the cost for each barrel.

F. Water Agency will be required to keep the following Program Activities documentation for a minimum of five (5) years after the Grant Agreement termination date. Water Agency is required to submit to MWDOC upon request of MWDOC and within ten (10) days of receipt of such request, copies of the following Program documentation at any time throughout the term of this Agreement.

- Applicable Application Program Database
- All supported Program invoicing per project
- Water Agency's own Program consultant invoicing
- Program participant applications
- Photo verification, where applicable

4. Grant Funding Disbursement, Retention, Acknowledgement of Accounting Standards.

A. MWDOC shall disburse Program grant funds in its sole discretion, in a sum not-to-exceed Two Million Seven Hundred Sixty-Seven Thousand Three Hundred Forty-Four Dollars (\$2,767,344) across all Program Water Agencies for Permissible Rebate/Program Activities. MWDOC's disbursement of Program grant funds shall not exceed payments MWDOC has received from DWR and SAWPA. MWDOC may withhold Program grant funds or reallocate Program grant funds among Program Water Agencies for any violation of this Agreement, as determined by MWDOC in its sole discretion, including a failure to meet the required Reporting Obligations & Benchmarks pursuant to Section 5 and Exhibit "C."

B. A Grant Funding Retention percentage will be withheld from Program payments made to MWDOC by DWR/SAWPA. Likewise, MWDOC will withhold the same Grant Funding Retention percentage from payments made to Water Agency until such time as DWR/SAWPA forwards the retention payment to MWDOC. MWDOC has no obligation to provide the retention payments until such payments are received by MWDOC.

C. Disbursement for Permissible Rebate/Program Activities is subject to the provisions governing such disbursement within the Grant Agreement, and subject to enforcement by DWR, SAWPA and MWDOC ("Enforcing Agencies"). If any Enforcing Agencies determine that Program activities were completed by Water Agency contrary to Program requirements, MWDOC may withhold funding. If Enforcing Agencies determine any disbursed Program funds require repayment, Water Agency may be required to repay such disbursed funds consistent with terms set forth in the Grant Agreement and Funding Agreement.

D. Water Agency agrees and acknowledges that, at a minimum, its fiscal control and accounting procedures are sufficient to permit tracking of Program grant

funding to a level of expenditure adequate to establish that such funds have not been used in violation of applicable law, this Agreement, or the Grant Agreement or Funding Agreement, incorporated herein by reference. Water Agency shall maintain a separate Program account in accordance with generally accepted accounting principles and practices.

E. Water Agency indemnifies MWDOC pursuant to the terms of Section 11 of this Agreement with respect to the disbursement of Program grant funds, for Permissible Rebate/Program Activities, or any repayment of Program grant funds required pursuant to applicable law, and the Grant Agreement, Funding Agreement, and this Agreement, and any applicable terms incorporated herein.

## 5. Reporting Obligations & Benchmarks

A. To be eligible for disbursement of Program funds, Water Agency must meet the following three benchmarks (collectively, "Benchmarks"), as described in further detail in Exhibit "C":

- (1) Grant Dollars Spent Benchmark;
- (2) Match Accrued Benchmark; and
- (3) Water Savings Accrued Benchmarks.

The Benchmarks may be updated periodically, in line with any revised Benchmarks that result from reallocation of Program funding as described herein, in which case a revised Exhibit "C" will be dated and provided to Water Agency and incorporated by reference.

B. Water Agency will be responsible for providing MWDOC and its Consultant with an initial Progress Report and then Quarterly Progress Reports based on the templates incorporated herein as Exhibit "D," and which include the following:

- (1) Written prose narrative Quarterly Report template; and
- (2) Excel Quarterly Report template.

The initial and Quarterly Progress Reports shall include sufficient information to enable MWDOC to monitor use of Program funds and to ensure Water Agency is meeting the Benchmarks subject to the terms of this Agreement, the Grant Agreement, and the Funding Agreement. If MWDOC determines that it requires additional information, MWDOC shall follow the notice requirements set forth pursuant to Sections 3.F and 13 herein.

C. The initial Progress Report is due July 1, 2021 for review by MWDOC, with the final Report 1 due on July 20, 2021. Subsequent Quarterly Progress Report shall be due according to the "Due Dates of Reports" Table 1 set forth below.

**Table 1. Due Dates of Reports**

<b>Report #</b>	<b>Activity Date Range Start</b>	<b>Activity Date Range End</b>	<b>Data due from Water Agency to MWDOC</b>
1	(Match) ≤ 1/1/2015 (Grant) ≥ 6/2/2020	6/30/2021	<b>7/20/2021</b>
2	7/1/2021	9/30/2021	<b>10/20/2021</b>
3	10/1/2021	12/31/2021	<b>1/20/2022</b>
4	1/1/2022	3/31/2022	<b>4/20/2022</b>
5	4/1/2022	6/30/2022	<b>7/20/2022</b>
6	7/1/2022	9/30/2022	<b>10/20/2022</b>
7	10/1/2022	12/31/2022	<b>1/20/2023</b>
8	1/1/2023	3/31/2023	<b>4/20/2023</b>
9	4/1/2023	6/30/2023	<b>7/20/2023</b>
10	7/1/2023	9/30/2023	<b>10/20/2023</b>
11	10/1/2023	12/31/2023	<b>1/20/2024</b>
12	1/1/2024	3/31/2024	<b>4/20/2024</b>
13	4/1/2024	6/30/2024	<b>7/20/2024</b>
14	7/1/2024	9/30/2024	<b>10/20/2024</b>
15	10/1/2024	12/31/2024	<b>1/20/2025</b>
16	1/1/2025	3/31/2025	<b>4/20/2025</b>
17	4/1/2025	6/30/2025	<b>7/20/2025</b>
18	7/1/2025	9/30/2025	<b>10/20/2025</b>
Additional reports may be required beyond #18. If necessary, such additional reports will be due by the 20 <sup>th</sup> of the month following the end of activity date range.			

Water Agency will also be responsible for submitting any and all data required by MWDOC to show Permissible Program Activities are following the required schedule to ensure disbursement of Program funds and to meet the Benchmarks set forth below.

D. Failure to submit the data required by this Section, or to meet any of the applicable Benchmarks set forth herein and pursuant to Exhibit “C,” shall mean that MWDOC has the right, in its sole discretion, to reallocate Program funding from one Water Agency to another participating Water Agency, or to deny reimbursement to Water Agency. MWDOC will provide written notice to Water Agency thirty (30) days before MWDOC reallocates Program funding in its sole discretion, and will provide an amended, dated Exhibit “C” that sets forth the revised allocation which shall be incorporated herein.

6. Acknowledgement of Credit/Signage Requirements

A. Water Agency shall include appropriate acknowledgement of credit to the State, SAWPA and to all cost-sharing partners for their support when promoting a project or using any data and/or information developed under this Agreement. Signage shall be posted in a prominent location at the project site(s), if applicable, or at Water Agency's headquarters and shall include the following disclosure statement: "Funding for this project has been provided in full or in part from the Water Quality, Supply, and Infrastructure Improvement Act of 2014 and through an agreement with the State Department of Water Resources and by the Santa Ana Watershed Project Authority". The sign shall include the Department of Water Resources logo, One Water One Watershed logo and SAWPA logo (available from SAWPA). Before it is constructed, Water Agency shall provide the draft design layout of the sign to MWDOC for approval. Water Agency shall notify MWDOC that the sign has been erected by providing a site map with the sign location noted and a photograph of the sign.

7. Project Activities and Notification

Water Agency shall immediately notify MWDOC in writing of:

(1) Any substantial changes in work performed on the Project. Water Agency agrees that no substantial changes in the scope of the Project may be undertaken until written notice of the proposed changes has been provided to MWDOC and written approval has been provided by MWDOC, SAWPA and DWR.

(2) Any public or media event publicizing the accomplishments and/or results of this Agreement to provide the opportunity for attendance and participation by MWDOC, SAWPA and/or DWR. Water Agency must notify MWDOC at least 30 calendar days prior to the event.

(3) Unscheduled cessation or reduction in Water Agency rebate implementation work on the Project where such cessation/reduction of work is expected to or does continue for a period of 30 calendar days or more.

(4) Any circumstance, combination of circumstances, or condition which is expected to delay Project completion for a period of 90 calendar days or more beyond the initial estimated date of completion of the Project previously provided to MWDOC.

(5) Completion of the rebate implementation Project by Water Agency to provide MWDOC, SAWPA and DWR the opportunity to participate in any required inspections of participation sites. Water Agency must notify MWDOC at least 30 calendar days prior to any such inspection.

8. Engagement of Consultant and Administration of Consultant Agreement

A. MWDOC has awarded a professional services agreement to Soto Resources ("Consultant"), an independent contractor, for the sole purpose of assisting MWDOC with Program administration. Consultant will assist in coordinating with Water

Agency and MWDOC, including in the submittal of any reporting required for Permissible Program Activities to MWDOC, and the Initial and then Quarterly Progress Reports set forth in Exhibit “D”.

B. Water Agency agrees to cooperate with Consultant to the extent necessary for MWDOC to meet its Program reporting requirements pursuant to the Grant Agreement and Funding Agreement, and shall furnish any and all records necessary pursuant to this Agreement. Said cooperation includes responding to requests and communications within three (3) business days of receipt of such requests and communications from Consultant.

9. Accounting and Audit

A. Upon request by Water Agency, MWDOC will provide copies of the selected Consultant's invoices and MWDOC's payment records.

B. MWDOC may call for an audit with respect to Water Agency's financial information relative to the Program, where MWDOC, SAWPA, or DWR determines that an audit is necessary to assure Program integrity, relevant Benchmarks are being met, or where such an audit becomes necessary because of applicable law, the Grant Agreement or the Funding Agreement. The audit shall be in the form required by MWDOC.

10. Entities Not Employees or Agents of MWDOC

Water Agency, Consultant, and any and all other consultants or subconsultants engaged by either MWDOC or Water Agency in furtherance of this Agreement will not be an employee or agent of MWDOC, either as a result of this Agreement, or as a result of the professional services agreement between MWDOC and the Consultant.

11. Indemnification and Defense

A. Water Agency shall defend, indemnify, and hold and save SAWPA, DWR and MWDOC, and their directors, commissioners, officers, employees, agents and assigns (collectively the “Indemnified Parties”), free and harmless from any and all liabilities for any claims and damages (including inverse condemnation) that may arise out of the Program pursuant to this Agreement, the Grant Agreement or Funding Agreement. Water Agency shall require its contractors or subcontractors to name MWDOC, its officers, agents and employees as additional insureds on their liability insurance for activities undertaken pursuant to this Agreement.

B. Water Agency understands and agrees that it has complied and will comply with CEQA and the State CEQA Guidelines with respect to the Program that is the subject matter of this Agreement. Water Agency understands and agrees that it is ultimately and solely responsible, as the lead agency, for compliance with CEQA and any mitigation measures required for the Program. Water Agency hereby agrees to indemnify, defend, and hold harmless MWDOC, SAWPA and the DWR from any and all claims or actions

related to this Program that may be made by any third party or public agency alleging, among other things, violations of CEQA or the State CEQA Guidelines.

C. MWDOC shall use its best efforts in administering the Program, but makes no representations, guarantees, or warranties to Water Agency as to the quality or timeliness of work product provided by Consultant pursuant to the Consultant Agreement. All losses or liabilities resulting from any and all actions, claims, penalties, obligations, or liabilities, in law or in equity, of every kind or nature whatsoever, that may be asserted or claimed by any person, firm, entity, corporation, political subdivision, or other organization arising out of or in any manner directly or indirectly connected with any work contemplated by this Agreement shall be subject to the indemnification described in this Section.

## 12. Insurance

Water Agency shall ensure that adequate insurance coverage is provided by Water Agency and/or its contractors and subcontractors on the Program funded, in part, by this Agreement. Such insurance shall include adequate coverage for comprehensive commercial general liability, business auto liability, workers compensation liability, professional and errors and omissions liability, property insurance, including all builders risk insurance. Such insurance coverage shall, at a minimum, insure against injuries to third parties, damage to property owned by third parties, physical damage, theft of physical property, delays in Program completion, delays in Program completion due to strikes and governmental actions, liquidated damages, employee injuries and work-related illnesses, design errors resulting in increased costs, environmental damage caused by construction activities related to the Program, and nonperformance by the contractors and subcontractors. Such insurance coverages shall be provided by admitted insurance companies authorized to do business in the State of California, and with a minimum "Best's Insurance Guide" rating of "A:VII".

## 13. Notice

Any notice or communication required to be given under this Agreement shall be in writing and effective when deposited, first class postage prepaid, return receipt requested, with the United States Postal Service addressed to the contracting Parties as follows. Notices sent by electronic means will be effective on the date of transmission, which is documented in writing.



Notice to Parties	
If to:	
1. MWDOC	Joseph Berg Municipal Water District of Orange County 18700 Ward St. P.O. Box 20895 Fountain Valley, CA 92728 Email: jberg@mwdoc.com
2. Water Agency	Heather Dyer, CEO/General Manager San Bernardino Valley Municipal Water District 380 E. Vanderbilt Way San Bernardino, CA 92408 Email: heatherd@sbsvmwd.com

14. Jurisdiction and Venue

In all matters concerning the validity, interpretation, performance, or effect of this Agreement, the laws of the State of California shall govern and be applicable. The Parties hereby agree and consent to the exclusive jurisdiction of the courts of the State of California and that venue of any action brought hereunder shall be in Orange County, California.

15. Counterparts and Electronic Means

All parties have participated in the drafting of this Agreement. This Agreement may be executed by the Parties in counterparts, which counterparts shall be construed together and have the same effect as if all the Parties had executed the same instrument. Counterpart signatures may be transmitted by facsimile, email, or other electronic means. The Uniform Electronic Transactions Act, California Civil Code section 1633.1 et seq., authorizes Parties to conduct business electronically. In accordance with California Civil Code section 1633.5, Parties acknowledge, consent and agree that transactions subject to this Agreement may be effectuated by electronic means through the use of electronic and/or digital signatures. For purposes of this section, an electronic signature means an electronic symbol or process logically associated with the intent to sign an electronic record pursuant to Civil Code section 1633(h). A digital signature, which is a type of electronic signature, means an electronic identifier, created by a computer that is intended to have the same force and effect as the use of a manual signature under Government Code 16.5(d). An example of an electronic signature would be a JPG of a manual signature imposed onto this Agreement, an example of a digital signature would be the use of DocuSign or similar provider that requires an encrypted key that certifies the authenticity of the signature.

This consent to conduct transactions by electronic means through the use of electronic and/or digital signatures extends to the execution of this Agreement or any related contract or other document necessary for the performance of this Agreement including, without limitation, any related offers, proposals, bids, amendments, change orders, task orders and notices.

16. Severability

If any provision of this Agreement shall be held illegal, invalid, or unenforceable, in whole or in part, the legality, validity, and enforceability of the remaining provisions shall not be affected thereby.

17. Term

A. This Agreement shall commence upon the date of the earliest execution by Water Agency, and shall extend thereafter through the completion of all Permissible Program Activities. MWDOC shall issue a Notice of Completion to Water Agency upon the disbursement of all Program funds.

B. This Agreement may be terminated earlier by MWDOC in its sole discretion, including upon or after termination of the Grant Agreement or Funding Agreement.

(1) MWDOC may terminate this Agreement at any time upon written notice from the Enforcing Agencies of any violation by Water Agency of Program, and failure of Water Agency to come into compliance within a reasonable time as established by MWDOC.

(2) MWDOC may terminate this Agreement should DWR or SAWPA terminate Project funding, or the Grant Agreement or Funding Agreement are terminated. Upon any DWR or SAWPA initiated termination, MWDOC shall not be liable to Water Agency for any damages, costs or expenses resulting from such termination.

18. Entire Agreement

This Agreement contains the entire agreement of the Parties relating to the subject matter hereof; and the Parties have made no agreements, representations, or warranties, either written or oral, relating to the subject matter hereof that are not set forth herein. Except as provided herein, this Agreement may not be modified or altered without prior written approval from both parties.

IN WITNESS WHEREOF, the Parties have hereunto affixed their names as of the day and year thereafter written, which shall be and is the effective date of This Agreement.

Execution of Agreement by Parties	
Municipal Water District of Orange County	<p>By: _____            Robert J. Hunter, General Manager            Municipal Water District of Orange            County</p> <p>APPROVED AS TO FORM</p> <p>Date: _____</p> <p>By: _____            Joseph Byrne            General Counsel</p>
San Bernardino Valley Municipal Water District	<p>Date: _____</p> <p>By: _____            Heather P. Dyer, CEO/General            Manager            San Bernardino Valley Municipal Water            District</p> <p>APPROVED AS TO FORM</p> <p>Date: _____</p> <p>By: _____            Brendan W. Brandt            Varner &amp; Brandt LLP            General Counsel</p>

**EXHIBIT A**

Proposition 1 Round 1 Integrated Regional Water Management  
Implementation Grant Agreement No. 4600013842

**EXHIBIT B**  
Grant Funding Agreement between SAWPA and MWDOC

## EXHIBIT C

### Allocation, Goals and Benchmarks

The table below includes MWDOC's existing allocation method based on Water Agency Goals and Benchmarks. Should Water Agency fail to meet any of the required Benchmarks tied to Program funding, MWDOC may in its discretion reduce Program funding for Water Agency in a proportionate amount to Water Savings within the designated time period shown in the table below.

For example, if Water Agency fails to meet its Benchmarks, and MWDOC reduces Water Agency's Program funding by 10%, MWDOC will also reduce its Match and Water Agency's Water Savings Accrued Benchmarks by 10%.

This Exhibit C will be updated and incorporated herein based on any reallocation in the sole discretion of MWDOC.

#### Water Agency Goals and Benchmarks

San Bernardino Valley Municipal Water District	
	<b>Goals</b>
<b>Grant Funding:</b>	\$ 298,693
<b>Match Goal:</b>	\$ 314,414
<b>Water Savings Goal:</b>	144 AFY
<b>Benchmark Date</b>	<b>Benchmark (Percent of Goal)</b>
12/31/2021	15%
6/30/2022	25%
12/31/2022	35%
6/30/2023	48%
12/31/2023	60%
6/30/2024	75%
12/31/2024	85%
6/30/2025	95%
9/30/2025	100%

Executed or Amended by MWDOC on the following date: \_\_\_\_\_.

## EXHIBIT D

### Quarterly Progress Report Templates



**PROJECT 8 – REGIONAL COMPREHENSIVE LANDSCAPE REBATE PROGRAM**  
Implementing Agency: Municipal Water District of Orange County (MWDOC)

**PROJECT PARTNER:** \_\_\_\_\_

#### **PROGRESS REPORT #1**

**Reporting Period:**

**Match:** 1/1/2015 – 6/30/2021

**Grant:** 6/2/2020 – 6/30/2021

**Due to MWDOC/Soto Resources:** 7/20/21

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#### **PROJECT INFORMATION**

##### *Task 8.5 Construction/Implementation Activities – Rebate Programs*

- **Work Accomplished During this Reporting Period:**  
*(Besides the data as provided in the Data Table, summarize work you would like to highlight.)*
  
- **Work Challenges, Scheduling Concerns &/or Other Issues:**  
*(Identify anything that has or may delay or inhibit implementation of the program.)*
  
- **Deliverables Submitted this Reporting Period:**  
Program Data Tables for PE 6/30/21  
Photo Verifications/Documentation with Captions, as applicable

	A	B	C	D	F	G	H	I	J	K	L	O	P	Q	R	S	
	program_name	program_type	sub_program	Site19 MET MA	application_tracking_no	Date Rebate Recvd	Account Last Name	Account First Name	Site08 Street Name	Site10 City	Device Type	Report Date	Station Capacity	Final Qty	Amount MET	Amount Member Agency	
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**DATE:** November 2, 2021

**TO:** Board of Directors

**FROM:** Heather Dyer, CEO/General Manager

**SUBJECT:** Consider Ordinance No. 81 Dissolving the Advisory Commission on Water Policy and Consider Resolution No. 1133 Establishing a Regional Water Forum as a New Venue to Promote Engagement and Collaboration on Water-Related Issues

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During the Board of Directors Strategic Plan Retreat, staff was asked to place a discussion item on a future Board of Directors Workshop regarding the history and current role of the Advisory Commission on Water Policy. The item was discussed at the July 8, 2021, Board of Directors' Workshop – Policy where staff was directed to compile additional information for the Board to consider regarding the potential dissolution of the Advisory Commission. The staff memo and materials for the July 8<sup>th</sup> meeting can be found at:

<http://laserfiche.sbvwmwd.com/WebLink/ElectronicFile.aspx?docid=333933&dbid=0&repo=SBVMWD>)

The item was subsequently discussed at the August 12, 2021 Board of Directors' Workshop – Policy, where staff was directed to develop a concept plan for convening a reformatted regional water policy forum to include interested parties and meet the transparency goals of the Board. The Board indicated it would consider rescinding Ordinance Nos. 61, 62, 63, 66, 67, 69, 72, and 77, and Valley District Resolution No. 724, thus dissolving the Advisory Commission, if a satisfactory reformatted alternative

was developed that would better meet the current needs of the service area and promote effective communication with other elected officials. The staff memo and materials for the August 12<sup>th</sup> discussion item can be found at <http://laserfiche.sbvmwd.com/WebLink/ElectronicFile.aspx?docid=334076&dbid=0&repo=SBVMWD>)

The item was also discussed at a workshop on October 11, 2021, where staff was directed to place this item on an upcoming Regular Board of Directors meeting for consideration. The staff Memo and materials for the October 11<sup>th</sup> discussion item can be found at:

<http://laserfiche.sbvmwd.com/WebLink/ElectronicFile.aspx?docid=334375&dbid=0&repo=SBVMWD>

### **Background – Advisory Commission**

The Advisory Commission Ordinance No. 61 was approved by the Valley District Board on July 6, 1987, establishing the Advisory Commission with the purpose to explore water resource problems and to establish an effective dialogue between the District and local water community through which we could solve regional and basin management problems. From 1987 to 2016, various ordinances have been adopted, including establishing the Commission's function, adding members to the Commission, and lowering the number of attendees needed to reach a quorum due to continued low participation.

In 1987, the Board desired to provide a vehicle by which local elected officials of the water producing agencies could provide feedback and communicate with the Board. However, since the formation of the Advisory Commission, several new avenues have been established that meet those stated goals above. Specifically, in relation to the desire to explore water resource problems and basin management issues, we now have in place a highly effective technical review process developed through the Basin Technical Advisory Committee (BTAC) which has provided tremendous value to regional planning efforts. Through the BTAC and its subcommittees, which include

Engineering, Project Review, and Water Conservation, highly qualified technical experts from many local agencies and jurisdictions have the opportunity to review, discuss, refine, and develop new studies, planning documents, projects, initiatives, and water policies that have the potential to affect the upper Santa Ana River watershed. The BTAC representatives are then able to take pertinent information back to their agency and local elected officials to receive feedback. The BTAC reviews and decides by consensus projects, initiatives, and policies that it supports (or does not) before an item is taken to the Valley District Board.

Additionally, in relation to the original desire by the 1987 Board to establish a line of communication with the public and other elected officials, there is currently that opportunity through every Board of Directors workshop and Board meeting, which welcome public comment both at the beginning of meetings and after each discussion item. It should be noted, the first Ordinance to establish the Advisory Commission was adopted before the internet, email, District website development and much of the current technology used to facilitate communication was established. The transparency of Valley District's activities has improved over the years with Valley District adding these three regular monthly workshops, the Basin Technical Advisory Committee (BTAC) meetings, Board agendas being emailed and easily accessible on the District website, and more recently, all meetings being broadcast via video conference. Each of these improvements in technology give the public and elected officials the opportunity to access and review meeting materials in advance of meetings as well as attend and communicate with the Board of Directors during these Brown Act published meetings.

Finally, the District recognizes there is value in the engagement and communication among local elected officials and other interested stakeholders within the region. For this reason, in our Strategic Plan, the Board committed the District to effective engagement and governance by embracing three specific values that moves towards a new era, one which embraces more collegial watershed dialogue and coordination; **Collaborative:** Dedicated to work inclusively, **Trustworthy:** Committed to earn respect, and **Innovative:** Proactive and effective problem solvers. As we turn that corner and

open up new opportunities to work together as a watershed, staff is requesting the Board consider a re-envisioned regional forum to discuss important water issues.

### **Proposed Alternative to the Advisory Commission**

For the Board's consideration today, staff is proposing a potential alternative forum to the Advisory Commission that would promote more effective engagement with a broader network of community leaders and members of the public while supporting strategic communication with other elected officials. The re-envisioned forum would facilitate the introduction, discussion, and debate of current and emerging water issues among policymakers and members of the public interested in water issues. The proposed, expanded regional "Water Forum" (name to be determined) format is supported by our Strategic Plan **Priority #4**, *Build trust by being a collaborative resourceful partner through effective communication and engagement*, and **Priority #6**, *Commit to effective governance through Board leadership development*.

Staff proposes a few potential names that we believe accurately reflect the regional nature of major water initiatives in the area: the *Inland SoCal Water Forum*, the *Inland Valleys Water Forum*, *Inland Valleys Forum on Water Policy*, *Upper Santa Ana River Water Forum*, or the *Upper Santa Ana River Forum on Watershed Resilience*. During discussion on this item, the Board can consider these or other names for the Forum.

Staff proposes that the "Water Forum" would meet five (5) times per year, once each in Valley District's five (5) divisions. The Board Member for that Division would serve as the "host" and chair for that meeting. This could include the Director working with staff to identify an emerging topic of interest in that Division as a focus of the meeting, specific invitees, a potential keynote speaker, and a particular venue, if so desired by the hosting Director. An alternate chair/vice chair could also be designated by the host. Staff envisions a luncheon meeting held at a service club or other venue of appropriate size. Staff would work with the hosting Director to plan and coordinate the meeting details. The retail agencies in each Division could be involved in planning and potentially co-hosting the Forum, if an agency expressed interest.

The Forum would be open to all who would like to attend including local business leaders, realtors, attorneys, engineers, consultants, academics, educational entities, and members of the public who are interested in regional water issues and how those issues are tied to other community interests. These meetings would provide Directors and attendees an opportunity for professional networking, open dialogue and more consistent engagement with our stakeholders.

The meeting format would include a guest presentation or keynote speaker, a division update from the Director hosting the meeting, and a roundtable to receive updates and reports from those in attendance. Updates from the groundwater councils may be an appropriate topic of discussion as well. If there are specific items of interest that the Board of Directors would like to present to the Forum, by staff or others, those presentations would be made.

If the Board chooses to move forward with this new Water Forum, a tentative 2022 meeting schedule is listed below. This slightly modified proposed schedule is based on random selection to determine the sequence of Divisions hosting the forums. This new revised schedule addresses Director Longville's concern that Directors potentially up for reelection complete their forum prior to July and also avoids the months of July and August when many people are out of town for vacation.

- February 2022 – Division V
- April 2022 – Division IV
- June 2022 – Division III
- September 2022 – Division II
- November 2022 – Division I

The continued education of the public and elected officials of local and state-wide water related issues is of utmost importance to staff and the Board of Directors. The goal of providing valuable water-related information in a timely fashion continues to keep all agencies working together. Staff is confident that, with the platform of the new "Water

Forum”, this goal will be more effectively achieved; as the manner in which the Advisory Commission currently functions does not serve this goal.

### **Staff Recommendation**

There are two actions as part of this item for your consideration today, which can be considered in either order.

- 1) Staff recommends consideration of Ordinance No. 81 which officially rescinds Ordinance Nos. 61, 62, 63, 66, 67, 69, 72, and 77, and Valley District Resolution No. 724, thus dissolving the Advisory Commission on Water Policy
- 2) Staff recommends consideration of Resolution No. 1133 which formally acknowledges the progress the District and the region has taken to increase collaboration and transparency in the watershed; and formally commits the District to establishing and supporting this newly envisioned regional Water Forum.

### **Fiscal Impact**

The estimated fiscal impact of hosting five Water Forum lunch meetings per year is approximately \$5,000 per year, depending on the number of attendees and event location.

### **Attachments**

- Ordinance No. 81
- Resolution No. 1133

**ORDINANCE NO. 81**

**ORDINANCE OF THE BOARD OF DIRECTORS OF THE SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT DISSOLVING THE ADVISORY COMMISSION ON WATER POLICY TO THE BOARD OF DIRECTORS OF THE SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT**

WHEREAS, the Board of Directors (Board) of the San Bernardino Valley Municipal Water District (District) established the Advisory Commission on Water Policy to the Board of Directors of the San Bernardino Valley Municipal Water District (Commission) by Ordinance No. 61 on July 6, 1987, to provide maximum opportunities for consultation with elected officials of water producing agencies and other members of the community.

WHEREAS, Ordinance No. 61 has been amended by Ordinance Nos. 62, 63, 66, and 69 to add Commission members; by Ordinance No. 67 to delete an original member; by Ordinance No. 72 providing for a quorum of 9 members to conduct business at a meeting; by Ordinance No. 77 to amend and restate the practices and functions of the Commission; and by Resolution No. 724 regarding the Board following the recommendations of the Commission.

WHEREAS, the Board now desires to dissolve the Commission.

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

Section 1. The Advisory Commission on Water Policy to the Board of Directors of the San Bernardino Valley Municipal Water District is hereby dissolved.

Section 2. The Chief Executive Officer/General Manager, or her designee, is hereby authorized to take any and all actions and to execute any and all documents which may be necessary to carry out the provisions of this Ordinance.

Section 3. This Ordinance shall take effect immediately upon adoption, and Valley District Ordinance Nos. 61, 62, 63, 66, 67, 69, 72, and 77, and Valley District Resolution No. 724, along with any amendments thereto, are hereby repealed by this Ordinance and are of no further force or effect.

ADOPTED this 2<sup>nd</sup> day of November, 2021.

\_\_\_\_\_  
Paul R. Kielhold  
President

\_\_\_\_\_  
Heather P. Dyer  
Secretary

**RESOLUTION NO. 1133**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT SUPPORTING FORMATION OF A WATER FORUM**

**WHEREAS**, the San Bernardino Valley Municipal Water District (“Valley District”) is a wholesale water provider and State Water Contractor in southwest San Bernardino County, California; and

**WHEREAS**, Valley District provides a supplemental water supply for 14 retail water providers throughout a 325 square mile service area, helping to meet the water needs of over 700,000 people; and

**WHEREAS**, the Advisory Commission on Water Policy to the Valley District Board (“Advisory Commission”) was formed in 1987 by Ordinance No. 61 to provide a forum for elected officials of local water agencies to provide feedback and communicate with the Board, and also to make occasional recommendations on matters of water policy to the District; and

**WHEREAS**, the Basin Technical Advisory Committee (BTAC) was formed in 2007 comprised of highly qualified multi-disciplinary staff representatives from plaintiffs and non-plaintiffs of the Western Judgment, providing another forum for discussion, feedback, development and early resolution of water issues in the region; and

**WHEREAS**, BTAC meets on a bimonthly basis or as needed to provide technical examination and review of policies and issues related to basin management, and members cooperatively make decisions by consensus; and

**WHEREAS**, policy issues emanating from BTAC, if any, are forwarded to the applicable advisory bodies and elected governing bodies (utilities commissions, water policy committees, board of directors, city councils, etc.) for review and consideration; and

**WHEREAS**, BTAC has demonstrated its effective role for ongoing basin management and reviewing and updating of regional water plans and projects, and staff representatives have the responsibility to report their discussions and recommendations from time-to-time to their respective governing bodies; and

**WHEREAS**, the priority basin issues that the Advisory Commission was formed to address, including but not limited to banking of excess water, high groundwater, water quality monitoring, groundwater recharge criteria, groundwater modeling, interagency interties, water reuse, regional water conservation, and preservation of historical water rights, have been resolved or are being addressed through other platforms such as BTAC or other collaborative watershed groups; and

**WHEREAS**, Valley District desires to provide an expanded forum to consider broader water issues and the District’s strategic priorities than is possible within the existing Advisory



Commission and open to all individuals to work together with a common goal in mind to actualize the District's Strategic Plan; and

**WHEREAS**, Valley District desires to establish a Water Forum to provide continued education to the public and elected officials of local and state-wide water related issues while expanding the opportunity for engagement and transparency; and

**WHEREAS**, Valley District would host periodic Water Forum meetings throughout the District service area, inviting all to attend in an effort to keep individuals informed of ongoing District business, to provide another avenue for Directors to hear from their constituents, elected officials and retail water entities, and to facilitate the introduction, discussion, and debate of current and emerging water issues; and

**WHEREAS**, nothing in this Resolution should be construed as limiting the Valley District's Board of Directors from setting up future ad-hoc advisory bodies to review, comment and recommend actions on policy issues under the Board's jurisdiction, including but not limited to new water supply development, water rate changes, and changes to the State Water Project contract. Such ad-hoc advisory bodies may be comprised of various stakeholder representatives and hold meetings that are open to the public in accordance with the Brown Act;

**NOW, THEREFORE, BE IT RESOLVED** that the Governing Board of the San Bernardino Valley Municipal Water District does hereby support the formation of a Water Forum.

ADOPTED this 2<sup>nd</sup> day of November, 2021.

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Paul R. Kielhold  
President

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Heather P. Dyer  
Secretary



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**DATE:** November 2, 2021  
**TO:** Board of Directors  
**FROM:** Heather Dyer, CEO/General Manager  
**SUBJECT:** CEO/General Manager's Report

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

I. Update on Waterman Basins Cleanup

Following the Board's authorization at the August 17 Board Meeting and receipt of approvals from the resource's agencies, Borden Excavating began clearing and grubbing of the Waterman Basins on September 20. Thus far the work has consisted of clearing all vegetation on side slopes and basin bottoms, removing trees, and "de-bouldering" of the basins for ease of maintenance in the future. The clear and grub effort is nearing completion and the next phase will be to survey the basin bottoms to determine the depths of the clogging layers, followed by the removal of the materials. Removal of the silty and clay layers will enhance the overall infiltration rate of these Basins. Staff plans to give the Board a presentation on the project completion at an upcoming Board of Directors meeting, likely in December. Valley District has been invoiced for three weeks of work at a cost of \$119,000. The overall budget for this cleaning cycle is \$400,000.

II. Yucaipa Sustainable Groundwater Management Agency Community Meeting

On Tuesday, November 16, at 6 p.m., the District – together with the Yucaipa Sustainable Groundwater Management Agency (SGMA) agencies – will host the second Community Meeting at the Yucaipa Performing Arts Center. The purpose of this meeting is to receive feedback and answer questions from the public regarding the Draft Groundwater Sustainability Plan of the Yucaipa SGMA. This meeting will also serve as a time to commemorate the near completion of the Groundwater Sustainability Plan, which will be implemented over the next 20

years. The meeting will include a presentation overview of the Yucaipa SGMA agencies and the GSP and will promote the collaboration and teamwork of the agencies who worked together to complete the Groundwater Sustainability Plan. Valley District Directors are encouraged to attend to help celebrate the progress made on this initiative.

### III. Louis Robidoux Parkland & Pecan Grove

Together with the Inland Empire Resource Conservation District and other Louis Robidoux Parkland & Pecan Grove (LRPPG) project partners, staff has been participating in a monthly event called Second Saturdays. Every second Saturday of the month, the partners host a small outreach event at the LRPPG to engage the community and share the project status and updates. These events kicked off during the summer months. In October, the event included a farmers' market-style fresh vegetable sale. The next event will occur on Saturday, November 13, from 8-12 p.m. The address is 5370 Riverside Dr., Riverside, CA 92509. Visit <https://www.louisrobidouxparkland.org/> to see more about what the LRPPG has been working on.

### IV. Upper Santa Ana River Mayors' Breakfast

The Save-the-Date emails for the Santa Ana River Mayors' Breakfast were sent out on October 21. They were sent to 81 people, and we have received 25 RSVPs so far. We will send out an event invitation in early December. We are reaching out directly to all the Mayors of the cities from Big Bear to Norco, to ensure their receipt of the Save-the-Date email and inquiring about their attendance. We have had a good response so far from the Mayors' offices of Colton, Fontana, Riverside, and Rialto, and City Managers and General Managers from Fontana Water Company, Grand Terrace, Redlands, San Bernardino, Jurupa Community Services District, Riverside Public Utilities, San Bernardino Municipal Water Department, and Big Bear Lake Department of Water and Power.

We will host this inaugural event on Wednesday, January 26, 2022, 8:00 – 10 a.m. at the Mission Inn in Riverside. The proposed format of the event will be a breakfast/networking period, keynote speaker, and a short presentation by several of the cities to highlight activities they are working on with ties to the River. Staff is working on the event agenda and will bring additional details to the Board in December.

#### V. Recent Past and Upcoming Presentations

- October 21: California Stormwater Quality Association: presentation on stormwater capture and multi-use projects/
- October 28-29: National Water Supply Alliance Annual Meeting (Kansas City, MO): presentation on water supply priorities and maximizing the public benefits of the Seven Oaks Dam.
- November 4: Southern California Edison 2021 Annual Water Conference: presentation on the State of Water.
- November 30: Presentation to the Osher Lifelong Learning Institute (University of California Riverside): The Future of Resilience in the Inland Empire.

#### VI. Upcoming Events

- November 15: ASBCSD Dinner hosted by Yucaipa Valley Water District at YVWD's Crystal Creek Facility. Please RSVP with Jose.
- November 25 – 26: District closed for Thanksgiving Holiday.
- November 30 – December 2: Association of California Water Agencies Conference at the Pasadena Convention Center. \*Conference available in-person and online. Please RSVP with Jose.

#### **Staff Recommendation**

Receive and file.



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**DATE:** November 2, 2021  
**TO:** Board of Directors  
**FROM:** Staff  
**SUBJECT:** Summary of October 7, 2021 Board of Directors Workshop – Resources

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The Resources Workshop convened on October 7, 2021. Vice President Hayes chaired the meeting via video conference.

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  
Bob Tincher, PE, MS – Deputy General Manager/Chief Water Resources Officer  
Melissa Zoba, MBA, MPA – Chief Information Officer

Kristeen Farlow, MPA – Strategic Communications Manager  
Anthony Flordelis – Business Systems Analyst  
Matthew E. Howard, MS – Water Resources Senior Planner  
Adekunle Ojo, MPA – Manager of Water Resources

**Members of the Public Present:**

Joyce McIntire, Yucaipa Valley Water District  
Melody McDonald, San Bernardino Valley Water Conservation District  
Ron Coats, East Valley Water District

## **2. Public Comment**

Chair Hayes invited public comment. There was none.

### **3. Summary of Previous Meeting**

The meeting notes from the September 2, 2021 Board of Directors Workshop - Resources were accepted with no comments.

#### **4.1 Consider Agreement to Allow Inclusion of Sites Reservoir Costs on the State Water Project Statement of Charges**

Deputy General Manager/Chief Water Resources Officer Bob Tincher reminded the Board that Valley District is considering participation in the Sites Reservoir project as an enhancement to the State Water Project (SWP). Discussions have been held with the Department of Water Resources (DWR) to consolidate the costs of Sites Reservoir on the SWP Annual Statement of Charges, which provides some advantages.

This Agreement, developed with Special Counsel, covers only Amendment No. 3 to the Sites Reservoir Planning Agreement. DWR asked for approval as soon as possible, in order to begin updating invoicing procedures. This does not obligate Valley District to stay in the project, it only provides the vehicle.

Director Longville noted administrative fees were allowed on DWR invoices and asked if five percent administrative charges would be added. Deputy General Manager/Chief Financial Officer Cindy Saks said the administrative fee is based on the property taxes received, on the revenue side and not calculated on the expense side.

Director Harrison agreed with the consolidation, and Ms. Saks concurred.

Vice President Hayes asked if all Sites partners would be billed this way. Mr. Tincher said it would be the State Water Contractors that receive the majority of their revenue via property taxes.

**Action Item(s):** By a unanimous roll-call vote, the Board authorized staff to place the agreement on the next regular Board of Directors meeting agenda for consideration.

#### **4.2 Presentation of the Results from the Study to Determine Whether Spills from the Big Bear Valley Water Sustainability Project Can Be Captured by the Enhanced Recharge Project**

Deputy General Manager/Chief Water Resources Officer Bob Tincher explained Big Bear Valley Water District is proposing to recycle some of their wastewater into Big Bear Lake to restore its water levels and has asked if Valley District would be interested in participating, as it brings water back into the watershed. He reminded the Board of their authorization of this study of the benefits in capturing the water.

Mr. Tincher provided some history of Bear Valley Mutual Water Company, Big Bear Municipal Water District (BBMWD), and their 1996 Agreement regarding lake releases and in-lieu deliveries of water. BBMWD pays Valley District whether there are flows or not.

Mr. Tincher detailed the Replenish Big Bear Project. Big Bear is currently sending its treated wastewater to the other side of the mountain (Mojave watershed) for farming alfalfa. The Big Bear Lake level is low, which is not good for tourism, so the concept is to recycle approximately 2,000 acre-feet (af) of wastewater and return it to the lake. Options for the water include habitat, return to the lake, or groundwater recharge. Some Proposition 1 money was allotted to the project, and additional funding is being sought, Mr. Tincher explained. It is hoped the project will be completed in 2025, he said.

Mr. Tincher presented the Geoscience study regarding the project benefit to the Valley District service area and shared the points of significance to Valley District. He detailed the current Lake Operating Rules and options to maximize the recharge captured. The results of the study show a fairly large portion of the water would flow out of Valley District's service area and into Orange County. However, once the Enhanced Recharge Project and Riverside North Rubber Dam are in place, the ability to capture more water significantly increases, he explained. The limitation is not the stormwater capture facilities; it is how it is operating, he stated.

For optimization to increase capture, alternatives were studied and release of water in dry years was considered, Mr. Tincher continued. He pointed to alternatives including lake operations.

The project fits into the Local Resources Investment Program (LRIP), which provides seed money, Mr. Tincher stated, and he showed costs over a 20-year period for Alternative P-11. Big Bear could apply for LRIP for consideration by the Board, he explained

In response to Director Harrison, Tincher said the operator of the dam is BBMWD.

Director Longville said she was astonished at the study results and said it would be a remarkable success for the watershed to work in such a sophisticated way with Bear Valley.

Director Harrison wondered if the results had been shared with Big Bear, Mr. Tincher said they had, but no direct response has yet been received. Director Harrison noted there is a meeting coming up this week. He said it seems to make a lot of sense but pointed out the impact of the water no longer flowing to the Mojave. Mr. Tincher noted that Mojave is not happy, but water rights law is straightforward: The person who owns the recycled water gets to do with it what they please. He anticipated that comments on the project would be received from Mojave.

In response to Director Harrison, Mr. Tincher said the \$50 million project cost was included in the WIFIA application and could be a loan. Although this is very expensive water, Chief Executive Officer/General Manager Heather Dyer explained, Big Bear is looking beyond the cost per acre foot of water, and instead considering the long-term economic value of a reliably full lake since the lake is at the center of their long-term economic health. It is a different economic calculation that just a water cost comparison, she indicated.

Director Longville stated she is a taxpayer in Mojave County and has followed water rights cases. It is a difficult project, but the water belongs in the watershed. The amount of water being used by the alfalfa farmers dwarfs what is being pumped out of the Mojave for cannabis, she said.

Director Longville said she was excited when the project came to SAWPA and is delighted it has been included in WIFIA.



Director Botello asked about the control of the Bear Valley dam and water flow, and the value of Valley District's investment. Mr. Tincher replied that through LRIP, the District only pays for water actually received, and answered questions about measurement and monitoring, and evaporation. Director Botello asked about raising the \$50 million project costs, and Mr. Tincher said the agencies have access to other funding options such as boat fees or tourism fees.

In response to Director Botello, Mr. Tincher further explained that with this study, the Board was trying to determine whether there was a worthwhile investment here; whether water would be received. The answer was yes, he continued, a varied amount of water and LRIP seems to be the most logical connection that assures something would be received for the investment.

Director Harrison clarified that the investment would be in response to the water they are creating, not to build the facility, which would come under the WIFIA federal funding.

Director Botello opined that there still is no guarantee and noted the cost per acre-foot. He recommended more time to discuss before moving forward. Mr. Tincher reiterated that with LRIP, the District pays only for what is received, and said the agreement would describe how that is to be done.

President Kielhold asked how water recharged into the San Bernardino Basin would be measured. Mr. Tincher said that measuring locations would be needed and noted that water could be for a number of purposes. It could include real time monitoring of water releases, and it could track evaporation, but Geoscience modeling shows that loss due to evaporation is negligible and insignificant.

In response to Vice President Hayes, Mr. Tincher explained that the projection of Alternative 11 was similar to Alternative 13 but 11 is better considering current facilities and even better with Enhanced Recharge.

Director Harrison pointed out these are all operational alternatives, and none are within the control of Valley District.

Director Botello reiterated the priority of Big Bear is sustainability of lake level. Mr. Tincher acknowledged that in dry years, there would be release of water from the

lake, and Big Bear might choose a different alternative. There are challenges for them to consider in releasing water in a dry year in order for Valley District to maximize its recharge, but it is possible, and there is a way to help pay for the project, Mr. Tincher stated. They were open to it, he said.

Director Longville said SAWPA is also interested in the project and the water they would receive. She pointed to potential beneficial value to the headwaters partnership.

**Action Item(s):** Receive and file.

#### **4.3 Discuss CSDA Committee Participation**

Strategic Communications Manager Kristeen Farlow briefed the Board on the California Special Districts Association and noted the value of their annual conference and legislative advocacy. She explained potential service on committees or Expert Feedback Teams.

Director Harrison said he currently serves on the Legislative Committee and the Elections and Bylaws Committee and would like to continue to serve.

**Action Item(s):** Staff to submit the Committee Interest Form on behalf of the District as directed by the deadline.

#### **5. Future Business**

Ms. Dyer advised of a change in format to the Board Workshop scheduled for October 11, 2021 to a Regular Meeting of the Board of Directors.

#### **6. Adjournment**

##### **Staff Recommendation**

Receive and file.



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**DATE:** November 2, 2021

**TO:** Board of Directors

**FROM:** Staff

**SUBJECT:** Summary of October 12, 2021, Board of Directors Workshop – Engineering

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The Engineering Workshop convened on October 12, 2021, 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 – Chief Information Officer

Dan Borrell – Geospatial Services Manager  
Michael Esquer – Senior Project Manager  
Anthony Flordelis – Business Systems Analyst  
Matthew Howard, MS – Water Resources Senior Planner  
Aaron Jones, EIT – Associate Engineer  
Chris Jones, MESM – Preserve System Program Manager  
Adekunle Ojo, MPA – Water Resources Manager  
Shavonne Turner, MPA – Water Conservation Program Manager  
Scott Heil, Varner Brandt

Members of the Public Present:

Melody McDonald, San Bernardino Valley Water Conservation District  
Jennifer Ares, Yucaipa Valley Water District

Lonni Granlund, Yucaipa Valley Water District  
Madeline Blua, Yucaipa Valley Water District  
Nyles O’Harra, Yucaipa Valley Water District  
Fermin Preciado, City of Yucaipa

## **2. Public Comment**

Director Harrison invited public comment. There was none.

## **3. Summary of Previous Meeting**

The meeting notes from the September 14, 2021, Board of Directors Workshop – Engineering were accepted.

### **4.1 Consider Resolution No. 1130 Authorizing Prequalification of Bidders for Public Works Contracts**

Deputy General Manager/Chief Engineer Wen Huang provided background regarding the competitive bidding process. Staff prepares the contractual document, advertises the project and will recommend the lowest responsible bid to the Board, Mr. Huang explained. He requested the Board consider adding a pre-qualification process.

Preferred bidders would be familiar with the Endangered Species Act, migratory birds guidelines and more, Mr. Huang noted. Staff collaborated with legal counsel to develop the process being presented to the Board, he noted. Once adopted by the Board and established, this process can be used for future projects. Mr. Huang detailed the procedure to tailor the prequalification package to individual projects.

Director Harrison indicated support and asked about categories of prequalification. Mr. Huang clarified for Vice President Hayes that whoever meets the minimum requirements will be invited to the competitive bidding process.

Chief Executive Officer / General Manager Heather Dyer further explained the pre-qualification provides a list of all qualified to do the work; in this case, habitat restoration. Once qualified, those on the prequalified list submit bids and the District accepts the lowest bidder, she said.

Director Longville indicated that the prequalification package was well done.

Director Botello noted the process does not award points for local preference and suggested this be addressed. He pointed out there are often transferable skills that do not translate well, such as military experience, and asked how staff would guard against exclusion. He also asked what precipitated the prequalification process. Mr. Huang explained a problem was anticipated with potentially receiving bids for this work from contractors who do only basic mass grading and have no experience with the sensitive nature of the habitat environment. Mr. Huang assured Director Botello that the lowest bidder would be awarded the contract for most engineering and construction projects.

Director Harrison suggested this is a way to save time on technical projects. Ms. Dyer explained this issue arises because of the restoration of four streams with success criteria to be met in perpetuity and the work must be done correctly. She cited grading, compacting, creating sub-strata for fish, and planting as key for a restoration that will survive over time. Consequently, contractors and subcontractors who understand long-term restoration ecology are needed, she concluded.

Senior Project Manager Michael Esquer offered examples of recent work to demonstrate the need for the prequalification process.

Director Botello recommended Valley District ensure minority-owned and local preference businesses are included in the bidding process.

**Action Item(s):** The Board directed staff to move forward Resolution No. 1130 Authorizing Prequalification of Bidders for Public Works Contracts to the next Board of Directors meeting for consideration.

#### **4.2 Consider Financial Participation in the City of Yucaipa Wilson III Phase 1 Basin to Increase Stormwater Capture in the Yucaipa Basin**

Deputy General Manager / Chief Water Resources Officer Bob Tincher reminded the Board that Valley District is requested to consider investment of about \$1.8 million

toward the construction of the Project. The Board had requested during the last workshop presentation of this item to produce a process that is more consistent with the Local Resources Investment Program (LRIP). Counsel Scott Heil helped develop this agreement, he said.

Investing in stormwater capture and utilizing this local resource is one of the goals in the Integrated Regional Urban Water Management Plan (IRUWMP). He listed the District's partnership with San Bernardino County Flood Control District (Flood Control), the San Bernardino Valley Water Conservation District (SBVWCD), and the City of Yucaipa's Wildwood Basins.

The LRIP provides seed money for an agency over the first 20 years, he explained, but the benefits continue beyond 20 years. The payment is the avoided cost of imported State Water Project water, he noted.

The original LRIP agreement was written for recycled water projects, Mr. Tincher explained. District Counsel helped define a performance requirement in terms of the volume of water purchased, he explained, then the participant proves to the Board over time that the volume has been delivered; this would ensure that water was received for the investment. This is a one-time agreement for this project, he maintained.

Mr. Tincher provided detail on the project. Yucaipa basins benefit the City in terms of flood control, he said, but this approach is from the recharge standpoint. As investments are made in these types of projects, an incentive for retailers or cities within the service area to participate is created, thereby increasing stormwater capture.

The Wilson Basins are currently under construction, Mr. Tincher, continued, with the goal to detain stormflows to prevent downstream flooding. The District will assure the basins remain unlined to get the recharge benefit, he stated.

Chair Harrison inquired whether the site is part of the large housing project currently under construction on Oak Glen Road. Mr. Fermin Preciado with the City of Yucaipa

responded that it is part of the Oak Glen Creek Specific Plan which includes the basin, Wilson Creek, and the residential development. Tincher shared an engineering drawing of the project and highlighted the recharge areas.

This project is estimated to capture and recharge about 700 acre-feet (af) of stormwater per year at a total cost of about \$7 million, Mr. Tincher advised. Valley District's requested investment is around \$1.8 million. Under LRIP, the Board is paying the avoided cost of not having to bring in a like amount of State Project Water (SPW) at a current cost of \$179 per af. The total investment of \$1.8 million results in a volume requirement of 10,300 af, but the benefits continue beyond that amount, he explained.

Mr. Tincher described the mechanisms of the agreement and explained the cumulative recharge will continue to climb until it reaches the performance requirement, at which time the City will submit a final confirmation report to the District and the last five percent payment would be made, he stated. He noted five percent is the typical holdback in a construction project. He briefly explained the measuring and monitoring program map.

Mr. Tincher noted the request is for investment of up to \$1.8 million in through the LRIP style one-time agreement and to consider paying a 25 percent share of the monitoring equipment cost not to exceed \$30,000.

In response to Chair Harrison, Mr. Tincher elaborated on the locations of recharge channels, berms, and ponds. Mr. Preciado added that some concrete and rock structures are being proposed for further retention.

Director Botello pointed out that necessary basin maintenance is the City's responsibility; Mr. Preciado confirmed. He indicated support for the investment and commented on the innovative partnership.

Chair Harrison asked where monitoring equipment will be placed. Mr. Tincher and Mr. Preciado responded in detail provided assurance.

Director Longville accepted a cost of 25 percent of the monitoring equipment with a cap of 30 percent.

Mr. Tincher assured Ms. Lonni Granlund that 10,300 af will be reached at some point and the remaining five percent would be paid. The monitoring program is to provide assurance that the investment produced water, he said. Monitoring had not been done before the existence of LRIP, but the Board now wants to see how much water they are buying, Mr. Tincher explained. Mr. Tincher further responded that groundwater well levels can be examined to prove that the water went into the ground.

Ms. Dyer explained that future projects will go through the LRIP program. Previous projects were wastewater projects where recharge could be measured, but this is the first one to incorporate a stormwater capture project into the LRIP program. She noted the importance of establishing the requirement for monitoring. This is a good, innovative, transitional project, Ms. Dyer stressed, which is hoped will be an example for other potential partners to enhance and promote recharge.

Director Longville pointed out extreme weather is predicted to worsen, and stormwater capture performance is important. She cited incidents in which poorly designed projects have been sold to agencies and did not perform. Monitoring is essential, she said.

Chair Harrison stated this is a large, significant project, and invited public comment. There was none.

**Action Item(s):** The Board directed staff to move this item forward.

#### **4.3 Consider Electrical Design for Central Feeder and East Branch Extension Intertie Project**

Associate Engineer Aaron Jones described the location of the Inland Feeder San Bernardino / Opal Intertie in Mentone and the 78" Central Feeder pipeline along San Bernardino Avenue. Staff seeks to make an intertie with the Mentone South Pipeline, the East Branch Extension II Pipeline (EBX), and the Citrus Reservoir. This is planned to be a bi-directional flow facility pumping groundwater from the San Bernardino Basin area from the west to the Citrus Reservoir and farther east, he said. It is also planned to move



State Water Project (SWP) water from the EBX down into the San Bernardino Basin area and would function as part of the Bunker Hill Conjunctive Use Program (BHCUP).

Mr. Jones further detailed the connections on the plan sheet and advised that structural plans are nearly complete. The electrical design must now be completed and the lowest bid of \$40,000 came from EETS, who did the electrical design for the hydro plant at Waterman, he said.

In response to Chair Harrison, the lines were further identified on the map.

Director Longville inquired about capturing design costs through the Santa Ana River Conservation and Conjunctive Use Project (SARCCUP). Ms. Dyer replied it was not possible, but Mr. Huang pointed out that \$750,000 in grant funding was received through the Bureau of Reclamation for this project.

**Action Item(s):** The Board directed staff to move the proposal from EETS Inc. for \$40,870 to a future regular Board of Directors meeting for consideration of approval.

#### **4.4 Discussion of 2020 Census Results for District Service Area**

CEO / General Manager Dyer referenced past practices and advised that District Counsel has been consulted regarding moving forward.

Chief Information Officer Melissa Zoba explained due to COVID-19, the U.S. Census 2020 data was not released in April but in August. She drew attention to the chart of Census statistics compiled by Geospatial Services Manager Dan Borrell and pointed out the deviations between each of the director divisions and past population. Overall, there was an increase of just over 48,000 from the 2010 Census, and total population is now a little over 709,704, she advised, and the target population for each division is now 141,941, she said.

Ms. Zoba noted the largest increase was in Division 3, and the smallest increase was in Division 2, which will determine how recommendations are made moving forward. The target deviation shows where population must be added or decreased per division if redistricting were to move forward, she said, and provided a table illustrating how the divisions might be equalized.

California Elections Code (EC) Section 22000 requires each Special District to adjust division boundaries after each decennial census, Ms. Zoba continued. As far as practical, boundaries are adjusted based on topography, geography, cohesiveness, and communities of interests in the divisions, she explained.

Ms. Zoba stated the recommendation is to get some direction from the Board to Staff regarding redistricting based on the results of the 2020 Census.

If there were to be redistricting, a consultant could be hired or the District's GIS Department would move forward, Ms. Zoba said. There are certain statutory requirements, some case law, and some Federal citations to be considered when making a decision on moving forward, she cautioned.

Counsel Scott Heil confirmed redistricting per EC 22000 is required under the Municipal Water District Act. The goal, as far as is practicable, is to make each division equal in population, he explained. However, he added, the legislature and the courts have allowed for certain other factors to be considered in deciding whether to re-balance. The Board could also determine the current balancing is sufficient, or meets the requirements under the EC, he said.

*Some technical difficulties arose at 3:16 p.m. and the Board recessed before commencing online at 3:22 p.m.*

Mr. Heil provided a brief overview of related court cases and explained a popular rule-of-thumb is that if there is less than a ten percent variation between the lowest and highest divisions there is no need to justify the differential between divisions; the fact that divisions are not mathematically balanced becomes irrelevant. He advised the Board that rule-of-thumb overstates the situation. Although mathematical precision is not necessary, there are factors to be considered in deciding whether there is a violation of the requirement for redistricting, he advised.

The Board should be trying to balance population as far as is practicable, Mr. Heil stated. Ideally there would be zero variation with exactly 1/5 of the District's population in each

division. However, there are various factors that can be considered that would allow some variation, but the closer it is, the more defensible it will be, he concluded.

In response to Chair Harrison, Mr. Heil clarified that the current percentage deviation between lowest and highest to be considered by the Board is about 12 percent.

Director Longville pointed out some geographic areas within the Southern California Association of Governments (SCAG) region were undercounted due to COVID or staffing issues. She agreed adjustments should be made, and she would support engagement of a consultant but opined the changes are small and would not require a lot of deep analysis.

Vice President Hayes noted her division is closest to its goal number and suggested the biggest problem is that Division IV is so low. Given the 12 percent deviation, she said it is important that redistricting be done, but opined that it would not be simple, as all divisions would be affected. She said that although staff could do the work, there would be less tension among Board members if a consultant were hired.

Mr. Heil advised most districts hire consultants to ensure the other factors are considered, so as not to invite a future challenge, he stated, and advised careful consideration.

Director Botello said he agreed with legal counsel and opined that hiring a consultant would allow an objective and thorough process.

Director Longville pointed out this is both a data question and a question of governance. A consultant does not know the communities and the Board must stay engaged, she stated. Director Harrison agreed.

Vice President Hayes pointed out a recent example of West Valley Water District undergoing re-districting and agreed there must be Board involvement. She noted that their consultant advised that they must be certain not to override the will of the people who elected the Board members, and lines were drawn to assure that elected Board members remained in their divisions. She suggested a consultant be hired and that the Board look at their recommendations and remain engaged by sharing Board concerns with them.

Chair Harrison was not opposed to a consultant, Director Longville suggested discussion of communities of interest and providing the consultant direction in advance. President

Kielhold supported hiring a consultant and highlighted one of the advantages to a consultant is the element of objectivity. Director Botello agreed with the concepts of consultant objectivity and expertise, and with the proposal to advise them of Board expectations.

Ms. Dyer commented she views the process as a scientific exercise about data and a mathematical exercise to get as close to the standard as possible. She expressed concern about the defensibility of the outcome and said a consultant would be helpful. She suggested focus on objectivity, defensibility, and the best product.

Director Longville pointed to the factors listed in the EC and stated the process is a blend of both mathematical and social sciences. Board members were elected by those communities to use their judgment to serve the public, she said.

Counsel Heil clarified that balancing population is the overriding goal, but is not the only goal, as Director Longville pointed out. There are multiple ways to achieve the 142,000 within boundary lines, but there is more of an art to balancing and preserving identifiable communities of interest and other factors, he said. He referenced a 2015 Supreme Court case which made clear that the population is the Constitutional mandate but there are still other factors.

What a quality consultant will avoid, Mr. Heil said, is inadvertently carving up a community of interest. A consultant will gather input from the District and all five directors regarding their views on logical boundaries having to do with communities and population centers, and take that into account, he advised.

Vice President Hayes suggested two options and proposed that the Board be proactive rather than being reactive. She said staff could help the consultant prepare some stimulus questions to garner input from each Board member. The consultant can produce a plan that the Board will then dissect, she offered.

Chair Harrison requested that CEO / General Manager Dyer research and make a recommendation. Mr. Heil indicated willingness to work with staff as desired.

Director Botello requested Ms. Dyer introduce her recommended consultant to the Board at a workshop before Board members provide their input.

Vice President Hayes reminded the Board that the deadline for Board approval of the division boundary maps is April 17.

In response to President Kielhold's inquiry, Ms. Dyer stated the usual procedure is to issue a request for proposals or to find trusted entities to ask for multiple proposals, interview them and make a recommendation to the Board.

**Action Item(s):**

The Board directed staff to move forward with Ms. Dyer's recommended procedure.

**5. Future Business**

None added.

**6. Adjournment.**

**Staff Recommendation**

Receive and File



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**DATE:** November 2, 2021

**TO:** Board of Directors

**FROM:** Staff

**SUBJECT:** Summary of October 14, 2021, Board of Directors Workshop – Policy

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The Policy Workshop convened on October 14, 2021, 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  
Bob Tincher, PE, MS – Deputy General Manager/Chief Water Resources Officer  
Melissa Zoba, MBA, MPA – Chief Information Officer

Kristeen Farlow, MPA – Strategic Communications Manager  
Anthony Flordelis – Business Systems Analyst  
Matthew E. Howard, MS – Water Resources Senior Planner  
Adekunle Ojo, MPA – Water Resources Manager  
Shavonne Turner, MPA – Water Conservation Program Manager

Bradley Neufeld, Varner & Brandt

Members of the Public Present:

David E. Raley, San Bernardino Valley Water Conservation District  
Melody McDonald, San Bernardino Valley Water Conservation District  
Drew Tatum, Innovative Federal Strategies  
Leticia White, Innovative Federal Strategies

Madeline Blua, Yucaipa Valley Water District  
Rachel McGuire, RMG  
Sarah Persichetti

## **2. Public Comment**

Chair Botello invited public comment. There was none.

## **3. Summary of Previous Meeting**

The meeting notes from the September 9, 2021, Board of Directors Workshop – Policy were accepted.

### **4.1 Discuss State and Federal Legislative Update**

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

The U.S. House of Representatives (House) has agreed to the U.S. Senate’s short-term extension on the debt limit, a \$480 billion amendment effective through mid-December. The continuing resolution that funds the government runs out on December 3, she noted.

The Energy and Water Bill, the Interior Bill, and others relevant to the District have passed the House; the Senate is expected to make their bills public soon. The Senate plans to present a Committee Recommendation Blueprint rather than markups, White said. The current debate is over money for domestic spending, defense spending, and parity.

It is expected that conferencing between Senate-recommended bills and House-passed or full-committee-passed bills will occur to try to meet the December 3 deadline, she said.

Mr. Tatum explained the usual timeline of the bills and extensions. He highlighted the American Infrastructure and Jobs Act which proposes expenditure of \$1.2 trillion

with \$14.7 billion over five years for the Drinking Water State Revolving Fund plus identical appropriations for the Clean Water State Revolving Fund.

The Infrastructure Bill includes an extension of the \$50 million per year authorization for the Water Infrastructure Finance and Innovation Act (WIFIA). Mr. Tatum advised, an \$8.3 billion for the Bureau of Reclamation's (BOR) Water and Related Resources Activities Accounts, where many grant opportunities lie, including the WaterSMART program and Title 16 Water Reclamation and Reuse program. The Department of Interior and BOR would have wide latitude to determine how those funds are spent, and previous comments indicate a hefty amount would go into addressing the western drought.

There is \$1.2 billion allocated for water storage and conveyance projects, Mr. Tatum continued, noting the District's funding for Sites Reservoir under the Water Infrastructure for Improvements to the Nation (WIIN) Act Section 4007 Water Storage Program. Congress has approved funding for Sites and some of the preliminary work being done, he noted. The Senate passed this legislation on August 10, and it is awaiting a vote in the House, he reported. The hope is that there will be a vote before the end of October.

The Reconciliation Package (the Build Back Better Act) for \$3.5 trillion is linked to the Infrastructure Package but has not been brought to the Floor due to disagreement over the price tag and infrastructure. The legislation will have to be re-written, Tatum stated. While there was \$1.1 billion for emergency drought relief and \$100 million for large scale water recycling projects included, the House recommendations are being taken with a grain of salt until the total number is known, Tatum explained. As the total price tag is reduced, much traditional infrastructure spending will probably be eliminated, he said, as there is a separate legislative vehicle for the large pots of infrastructure funding moving forward.

Mr. Tatum acknowledged the work of Strategic Communications Manager Kristeen Farlow and Business Systems Analyst Tony Flordelis on the National Habitat Conservation Plan Coalition conference last week.

Strategic Communications Manager Kristeen Farlow advised the legislative session ended on September 10 with a total of 2,776 bills introduced. By the October 10



deadline, the Governor signed 1,038 and vetoed 66 bills. Ms. Farlow briefed the Board on the following bills of interest:

- AB 339 (Lee) Local government: open and public meetings was vetoed by the Governor.
- SB 626 (Dodd) Department of Water Resources: Procurement Methods was signed by the Governor and is of interest to the District as a State Water Contractor. It is intended to be the start of allowing use of alternative construction methods on State projects with the exception of the Delta Conveyance.

Ms. Farlow continued, highlighting the \$15 billion California Comeback Plan introduced by the Governor to combat the climate crisis.

**Action Item(s):** Receive and file.

#### **4.2 Consider Participating in the Proposition 1, Round 1, Regional Comprehensive Landscape Rebate Program**

Water Conservation Program Manager Shavonne Turner explained the Santa Ana Watershed Project Authority (SAWPA) completed the grant application on behalf of the entire region. The agreement was made between the Municipal Water District of Orange County (MWDOC) and Valley District, where MWDOC manages the funds on behalf of SAWPA for their regional comprehensive landscape rebate program.

Ms. Turner identified some areas of the grant beneficial to the District, with turf removal, smart irrigation controllers, and high efficiency rotating nozzles as planned targets for the District to help reach conservation goals. Analysis found this approach to be the most cost-effective and flexible in which other eligible devices may be implemented.

This funding is available in the budget and is not something new, Ms. Turner clarified. Staff has reached out to retailers to obtain data and is able to get credit for activities dating back to 2015. Reporting is due quarterly, she said, and will allow the

District to meet identified benchmarks for grant dollars spent, match accrued, and water savings. Valley District will continue to work with retail agencies to collect data used for progress reports. MODOC will reimburse the District for expenditures over the funding match for anything January 1, 2020 and thereafter, she explained. The next report is due at the end of 2021, when the District should be at 15 percent of its goal for spending on water savings. Ms. Turner detailed the mechanisms to achieve the goal including focus on turf removal.

Director Longville drew attention to the focus areas, pointed out that homeowners are unsure what to do with their landscapes and pointed out San Bernardino and East Valley are providing free assistance. She wondered if any of the funds could be used to advise property owners. She also suggested providing rain barrels and targeting apartment buildings. Ms. Turner replied that in her previous experience, landscape maintenance and education as well as rain barrels have been offered as part of the turf removal program. Director Longville requested further information.

Water Resources Manager Adekunle Ojo explained the activity is based on the provisions of the grant program and correlation of spending with water savings. He added that other elements can be folded into turf removal education, such as California native plants, rain barrels and landscape design. Director Longville expressed frustration at the conundrum. Mr. Ojo pointed out that customer rebates are the most inefficient way to achieve water use efficiency; there are better ways to reward customers, direct their attention to their water bills, and to empower them. Staff will bring better approaches to the Board in the future, he concluded.

President Kielhold inquired about a list of specific existing Valley District programs that meet the requirements, and which retailers are implementing the programs. Ms. Turner and Ms. Dyer listed the weather-based irrigation controller program, the 25 percent rebates for smart irrigation controllers and high efficiency nozzles to retailers, and the turf removal program. Ms. Turner added that the participating retailers submit invoices for the 25 percent reimbursement.

In response to President Kielhold, Ms. Turner explained that progress toward the water savings goal is reported quarterly including dates and percentage target. Ms.

Dyer explained that the goal comes from SAWPA's agreement with the Department of Water Resources (DWR).

In response to Vice President Hayes, Ms. Dyer advised a 25 percent rebate is offered for residential irrigation controllers, but large water users have a separate program. If a retailer does not have a controller program, Valley District has, in the past, paid rebates directly to customers. Vice President Hayes emphasized the importance of advertising, so people know what is available. Retailers should be aware of the program, Ms. Dyer stated, and pointed to the Water Conservation Subcommittee of the Basin Technical Advisory Committee.

Ms. Dyer advised that Ms. Turner is working with retail agencies to assist them in building a tailored program. She reminded the Board the District is building a program for the long-term, including how to incentivize retailers to reduce their production out of the Basin, and how to translate that to reaching out to specific customers to change their behavior so retailers can produce less. The staff is trying to shape a holistic vision for the future, she noted. Rebates to customers is not getting the region to where it needs to go, or providing the large-scale benefits such as reduced production, she explained.

Vice President Hayes advocated communication and involvement with the retailers in order to reach their customers.

Director Harrison reiterated homeowners may not know what to change and there may be advantage to having an expert available. He pointed out that change is expensive; a 25 percent rebate is not motivating.

Director Botello described a scenario and Ms. Turner further detailed Valley District's contribution.

Director Longville pointed out the City of San Bernardino and East Valley Water District will both consult with a resident free of charge, recognizing that is the first step toward getting the customer to do something. She opined it is a shame some of the SAWPA money could not be used to support those agencies that are providing services and offer it to other agencies.

Director Harrison noted the disincentive for water agencies to do this, as it affects their revenue. Ms. Dyer commented this will be addressed in an upcoming meeting. The goal would be to get everyone to agree that water use must be reduced, she added.

Ms. Dyer clarified a rebate is offered by the retailer to the customer, then Valley District reimburses the retailer 25 percent. This was developed as encouragement to retail agencies to have a rebate program, she explained, but this may not be enough of an incentive.

Mr. Ojo noted some agencies would offer \$3 per square foot for turf removal, which would come to a very expensive \$1.2 million to save 54 acre-feet of water. He also pointed to a resource to help homeowners step-by-step called *SoCal Yard Transformation*. It can be mailed or accessed on the Valley District website, he advised.

**Action Item(s):** Staff was directed to place this item on a future regular Board of Directors meeting to authorize the CEO / General Manager to execute the agreement.

#### **4.3 Discuss Proposed 2021 Drought Outreach Campaign**

Water Conservation Program Manager Shavonne Turner spoke about the current drought and reminded the Board of the Governor's request for 15 percent voluntary water use reduction. Valley District prepares for drought by securing supplemental water resources for the region, regardless of current weather conditions, she stated. To continue to be proactive, Ms. Turner introduced the Drought Outreach Campaign with focus on education of the public on investments made by the District to ensure water supply reliability, and long-term regional efforts. The District also wants to recognize those who are being efficient, encourage them, and ask how more can be done to increase water savings, she explained.

Ms. Turner enumerated the outreach campaign goals using the acronym "PIECE:"

- Provide transparency about investments the taxpayers have made

- Increase trust of customers and retailers
- Educate the public on Valley District and what is done to ensure water supply reliability
- Clarify the customers' understanding of their role as partners
- Encourage everyone to do their part and spread the word

Strategic Communications Manager Kristeen Farlow identified two key messages for outreach campaign focus:

1. The region is prepared for this drought with water use efficiency becoming a way of life, planning has been done for extreme climate conditions, and water has been stored in wet years.
2. As a region, Valley District customers are responsible water stewards and are encouraged to continue using water efficiently. The District has been here before, and knows what to do, and clearly customers are doing something right.

Ms. Farlow detailed the first steps in outreach tactics which would be primarily print, social media and website. She added that community presentations could include chambers of commerce, Rotary, Kiwanis, city councils, and retailer boards of directors.

Ms. Farlow shared a sample print media ad and described content of five others, continuing to use the tag line that was featured on the shopping bags, "Saving tomorrow's resources today."

Ms. Farlow next described a fact sheet to be distributed to stakeholders, elected leaders, community groups, and others, showing preparation for the drought and highlighting a few water reliability projects. A fact sheet including ways to save water, as well as potential rebates, could be developed for distribution in the community, she added.

A new website drought landing page is under development, she explained, and noted that a number of other outreach and marketing opportunities are available including billboards, bus tail ads, marquee signage, and local TV and radio spots.

The title should be “2021 – 22 Drought Outreach Campaign,” as a winter roll-out is anticipated depending on water supply, she noted.

Vice President Hayes suggested changing the message from a fear-based focus to a reality and fact-based focus and defining the difference between efficiency and conservation. The positivity of the message can be increased by helping people see what’s rational and reasonable, and asking customers to help their friends and neighbors learn to be efficient, she opined.

President Kielhold said he hears two things that seem to confound people: the variability of water supply throughout the state such as an empty Lake Oroville yet full park lakes, which demonstrated the complexity of the water system; and, even more difficult, many perceive a land use / water use disconnect where they see the legislature allowing the doubling of housing in California while they are being asked to cut back on water. Helping people understand the complexity is part of the education as to why the public sees disparate actions occurring at the same time, he suggested.

Director Longville said she sees a lot of waste and expressed a desire to have reduction of waste and saving of water addressed in the outreach materials. Ms. Dyer said the input will be incorporated and said staff is trying to balance the message between acknowledging the water use levels while advising there is more to be done. She noted that the DWR has indicated the starting point will be a five percent allocation for the water year, but again it could be zero.

Chair Botello said he is concerned yet reassured since the District is preparing and is on top of things. Next year, could be another year of zero water deliveries, he noted, and it is scary to depend on the water savings (storage) account. He opined the outreach initiative breathes life into the recent strategic planning and is in alignment with the mission and vision of the District. He highlighted Director Longville’s suggestions regarding messaging and being mindful, but suggested the materials be less wordy.

**Action Item(s):** Receive and file

#### **4.4 Clarification on policy regarding Directors speaking on behalf of the Board with outside entities**

CEO / General Manager Heather Dyer reminded the Board about discussion that led to this item and shared the Board of Directors Handbook section on Representing an Official District Position, as approved by past Boards. She noted this section is under revision by Legal Counsel Brad Neufeld, Director Harrison, and President Kielhold.

Chair Botello reminded the Board of prior questions on protocol and said he understands he is one of five and does not speak on behalf of the Board.

Ms. Dyer stated Counsel Neufeld and President Kielhold will undertake revision of the Board Handbook, identifying policies that need updating or further discussion. If the Board is not satisfied with this policy, revision is one step to be taken along with any other policy in the Handbook, she noted.

Ms. Dyer clarified for Director Longville the Handbook revisions by President Kielhold and Director Harrison was originally decided upon when committees were first assigned in 2020. The Handbook Committee was put on hold until development of the Strategic Plan, after which work resumed, she said. Chair Botello added that this has been mentioned during other meetings.

Vice President Hayes indicated she does not to speak for the Board and requested the Handbook address directors' activity in other directors' divisions.

Director Harrison assured Director Longville the Handbook Committee assignment was made while being Board president and reiterated the delay due to the Strategic Plan. Director Longville acknowledged recall of the background.

Chair Botello encouraged open and transparent discussion on the topic and opined Director Harrison and President Kielhold will do an excellent job at the policy revision.

President Kielhold requested suggestions from the Board regarding the Handbook be sent to him, Director Harrison, or Ms. Dyer. Vice President Hayes requested an electronic version of the Handbook.

Referencing Section 1 of the Policy, Ms. Dyer reminded the Board that sometimes when they introduce themselves at outside meetings, use of their title might give the

impression that they are speaking on behalf of the Board, and suggested making a clarification when speaking.

In response to comments by Director Longville and President Kielhold, Counsel Neufeld advised that Board members have broad rights to speak out and said he would like to give the Section 1 edits further consideration. The qualifier is in some later provisions in the policy, he noted.

Counsel Neufeld assured Chair Botello he would remain involved in the editing process and that any proposed changes will be brought back to the full Board for discussion and approval. The Committee's changes will be a recommendation to the Board.

Vice President Hayes requested from Mr. Neufeld a periodic review of the law and expectations, limits, and boundaries of Board members' speech.

Director Longville advised against going to an extreme by making the policy too broad. The policy was intended to foster appropriate behavior at the highest level of conduct of Board members, she said.

Chair Botello said he looks forward to recommendations from the Committee.

**Action Item(s):** Receive and file

## **5. Future Business**

It was moved by Vice President Hayes that her request of Mr. Neufeld for a periodic review of the law and expectations of Board members' speech be included as a Future Business item. There was no second. The motion failed.

Director Longville requested and Vice President Hayes concurred that future meetings summary include the motion and second. There was no vote.



## **6. Adjournment**

### **Staff Recommendation**

Receive and file.



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**DATE:** November 2, 2021

**TO:** Board of Directors

**FROM:** Staff

**SUBJECT:** Summary of October 18, 2021, Board of Directors Workshop – Branding

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The Branding Workshop convened on October 18, 2021, via Zoom teleconference.  
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  
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  
Shavonne Turner, MPA – Water Conservation Program Manager

Members of the Public Present:

Haili Matsukawa, WSC  
Jeff Szytel, WSC  
Nina Thoming, WSC  
Ricky Franklin, WSC  
Sarah Walker, WSC  
Ron Coats, East Valley Water District  
Sarah Five

## **2. Public Comment**

Chair Kielhold invited public comment. There was none.

## **3. Brand Refresh Workshop**

Ms. Haili Matsukawa of Water Systems Consulting (WSC) reminded the Board this is an extension of previous conversations regarding the agency's Strategic Plan. She noted the creation of the District's identity via the Strategic Plan and said this workshop would work toward creating an identity or evaluating the District's existing identity and determining how it aligns with the recently formed Strategic Plan.

Ms. Matsukawa reviewed the agenda and purposes of the workshop and said that this exercise would assist directors in evaluating whether there is an opportunity to refresh the District's visual identity, so it aligns better with the new mission, vision, and values. Should the decision be made to move forward, there will be a second workshop to see some renderings from graphic designers and dig further into District identity. Step 3 would present some draft brand assets such as logo, name, tagline, color scheme, font, and more. Ultimately, the work would be toward a style guide, she explained.

CEO / General Manager Heather Dyer reviewed the content of the Strategic Plan, emphasizing the inspiring words and forward-looking language. She read the following:

Mission statement:

Work collaboratively to provide 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:

We are transformative, by living our values.

We are collaborative, dedicated to work inclusively.

We are trustworthy, committed to earn respect.

We are innovative, proactive, and effective problem-solvers, and

We are driven, passionate and empowered leaders.

Ms. Dyer assured the Board the staff works toward these concepts every day and expressed support for bringing the statements into a powerful, representative brand. She pointed to the success of the branding for the Watershed Connect program.

Strategic Communications Manager Kristeen Farlow reviewed the District's existing brand and logo and shared the desire to develop a brand that would honor the past and the District's achievements, along with representing who the District is today and moving forward. Ms. Dyer added that the District is a significant forward-thinking agency in the Santa Ana River Watershed and is known as a trusted partner. She discussed the vision of the District and urged thinking toward what is possible for the District in the future.

Ms. Matsukawa described the benefits of a brand and visual identity to a professional organization.

Director Harrison suggested review of Valley District's name and pointed out the current District name includes "municipal," which reflects city-type activities and conflicts with the San Bernardino Municipal Water District name. He also noted that three other agencies in the region include "Valley" in their names.

Director Longville pointed out that under state law, Valley District is a municipal water district. She emphasized the importance of a geographic connection and pointed to the Santa Ana River as an identity.

President Kielhold opined the District has outgrown the name; activities are greater than San Bernardino Valley and a Municipal Water District. He suggested looking at a name that reflects the larger responsibilities. The name stems from the 1911 Act authorizing municipal water districts, but this District is not a retailer. He also suggested looking beyond San Bernardino Valley, expanding beyond groundwater, identifying a larger geographic area, and indicating a broader focus.

Vice President Hayes acknowledged that all statements were pertinent. She voiced concern over confusion with other agencies. She said it is vital to combine the

Strategic Communications Plan with the identity of Valley District. She questioned the process of changing the District's name and noted its length and indicated support for the exercise.

Director Harrison added that the name does not match the vision. President Kielhold pointed out that the branding name does not need to be the legal name and pointed out complications of changing the legal name on documents.

Director Botello said he is a proponent of branding and said the legacy of the District must be considered. He pointed to the District's recent successes, the work of the Board, and the variety of District activities. He said he would not support a name change that excluded "San Bernardino," and said he favored the "watershed" idea.

Ms. Matsukawa assured the Board that the process will deliver a thoughtful product. WSC Creative Director Sarah Walker provided a primer on branding and the process to establish brand guidelines. Ms. Farlow added detail on how the guidelines would be used for consistency. Ms. Dyer pointed to the examples of East Valley Water District and Sterling Natural Resource Center and said she would like to achieve a point where everything is consistent so that the logo indicates a Valley District product.

Ms. Matsukawa shared some examples of refreshed and modernized logos. Director Longville pointed out that some are using their brand identity rather than legal name. Director Hayes equated it to a "doing business as" name. Ms. Walker emphasized the ability to honor elements of the original identity but evolve to a professional logo.

The Board members participated in an exercise and identified words associated with the District: trusted, accomplished, dependable, scientific, bold, approachable, energetic, technical, disciplined, open-minded, and dynamic. Director Longville also suggested factual, honest, equitable, fair, sustainable, collaborative, problem-solving, and science-driven which describe the core of the District's identity.

Director Botello added fearless, innovative, and pioneering, and noted that all these words describe where the District is headed. Director Longville added that the future will be challenging, and the District is redefining what a public agency is, and the kinds of qualities that a public agency must have in order to be transformative. Ms. Dyer added visionary, optimistic, and shared the term "improbable collaborations."

Vice President Hayes noted that these words were used during the Strategic Plan workshop.

Director Botello expanded on “transformative,” and pointed out that the District is unique and wants to do significant things.

*3:21 p.m. – The Board recessed and reconvened at 3:30 p.m.*

Ms. Matsukawa explained that the brand experience will align with the characteristics defined by the Board. WSC Graphic Designer and Brand Expert Nina Thoming discussed logo types and led the Board in an exercise obtaining input on design.

Ms. Matsukawa reviewed the legal name in contrast to the brand concept and pointed out there are many different ways by which the District is known. Director Longville noted that she did not want to lose what has been gained in being Valley District and investment in the current logo. The goal is to connect the identity with the agency, and is not starting from scratch, Ms. Matsukawa assured the Board. There are many different ways to accomplish the goal, it will depend on with what the Board connects, she added. Ms. Dyer reviewed the reason to change the name – it is not descriptive of the agency or its role, does not connote the agency and is not reflective of its future, and suggested the Board consider the why and the benefit of changing the name, and how it may help reach the goals of the future. This would require a separate workshop, she added.

Director Botello opined this is deeper than a refresh, and the activity has been very constructive. President Kielhold clarified that the name is not being changed, a brand is being created. Director Longville pointed out that sometimes long-term things, like name, should not change. Ms. Matsukawa offered suggestions for reflection and suggested further conversation at Workshop #2. Vice President Hayes agreed with Director Longville’s inclusion of a reference to the River or the watershed.

Director Botello reiterated that this is a rebranding and said he agrees that the legal name should not change but, rather, what defines the District’s bold move forward. Director Longville emphasized gaining something of value for the investment and expressed concern about not losing what has been gained with recognition beyond

the property tax bill line item. Ms. Dyer posited that the gain in transition from “Muni” to “Valley District” included a new role in the watershed as a leader, collaborator, transparent, cooperative entity beyond supplemental water. Even a new common name would not negate the accomplishments, she noted, as it is connected to the District’s culture and leadership which goes with the agency no matter the name. She expanded on the direction of the agency.

Director Harrison expressed concern about retaining the name “San Bernardino” and adding “Santa Ana.” He suggested “San Bernardino Regional Water Management District.” Director Botello recommended a tagline such as “An Upper Santa Ana Watershed Source.”

Ms. Matsukawa offered options for the next workshop and described next steps. Director Longville pointed out the reinvention of the Advisory Commission on Water Policy and noted that the new branding would be a place from which to tell the story of Valley District and would have value for many years to come. Ms. Dyer agreed this is a launchpad for District future progress and emphasized the promotion of the new brand to assure public recognition.

Director Botello suggested allowing time for the information to simmer and then meeting one-on-one with the consultant prior to the second workshop. Ms. Matsukawa acknowledged the need to stop and reflect. Ms. Dyer added that a scope and cost for the rebrand should be understood and requested ideas and suggestions from the consultant for roll out and implementation to achieve maximum impact in conjunction with the Strategic Communications Plan.

Ms. Matsukawa indicated she will work with Ms. Dyer and identify next steps. She said she would share the notes from this meeting with the Board. In response to Ms. Dyer, Ms. Matsukawa indicated she would provide some thought exercises for the Board to work through prior to the one-on-one meetings.

Director Longville cautioned the consultant to start with the information gleaned from the Board at this meeting, and Director Botello indicated that a common thread has been established and challenged the consultant to bring it all together.

CEO / General Manager Dyer expressed enthusiasm.

## **6. Adjournment**

### **Staff Recommendation**

Receive and file.





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**DATE:** November 2, 2021

**TO:** Board of Directors

**SUBJECT:** List of Announcements

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- A. November 2, 2021, 2 p.m. – Regular Board Meeting by Teleconference
- B. November 3, 2021, 8:30 a.m. – Upper Santa Ana River Watershed Infrastructure Financing Authority
- C. November 4, 2021, 2 p.m. – Board Workshop – Resources by Teleconference
- D. November 9, 2021, 2 p.m. – Board Workshop – Engineering by Teleconference
- E. November 10, 2021, 1:30 p.m. – San Bernardino Valley Water Conservation District Board Meeting
- F. November 11, 2021, 2 p.m. – District Closed for Veteran's Day
- G. November 16, 2021, 9:30 a.m. – SAWPA Commission Meeting
- H. November 16, 2021, 2 p.m. – Regular Board Meeting by Teleconference
- I. November 17, 2021, 8:30 a.m. – Upper Santa Ana River Watershed Infrastructure Financing Authority
- J. November 18, 2021, 2 p.m. – Board Workshop – Policy by Teleconference
- K. November 25-26, 2021, 8:30 a.m. – District Closed for Thanksgiving
- L. November 30-2 Dec, 2021, – ACWA Fall Conference