



Yucaipa Valley Water District

12770 Second Street, Yucaipa, California 92399 Phone: (909) 797-5117

Notice and Agenda of a Regular Meeting of the Board of Directors

Tuesday, June 6, 2017 at 6:00 p.m.

- I. **CALL TO ORDER** - Pledge of Allegiance
- II. **ROLL CALL**
- III. **PUBLIC COMMENTS** - At this time, members of the public may address the Board of Directors on matters within its jurisdiction. To provide comments on specific agenda items, please complete a speaker's request form and provide the completed form to the Board Secretary prior to the board meeting.
- IV. **CONSENT CALENDAR** - All consent calendar matters are routine and will be acted upon in one motion. There will be no discussion of these items unless board members, administrative staff, or members of the public request specific items to be discussed and/or removed prior to the vote for approval.
 - A. Minutes of Meetings
 - 1. Regular Board Meeting - May 16, 2017
 - 2. Board Workshop - May 30, 2017
- V. **STAFF REPORT**
- VI. **DISCUSSION ITEMS**
 - A. **PUBLIC HEARING** - Execution of Memorandum of Agreement to Form a Groundwater Sustainability Agency for the Yucaipa Subbasin [[Director Memorandum No. 17-044 - Page 12 of 105](#)]
RECOMMENDED ACTION: That the Board conducts a public hearing and approves the Memorandum of Agreement.
 - B. **PUBLIC HEARING** - Execution of Memorandum of Agreement to Form a Groundwater Sustainability Agency for the San Timoteo Subbasin [[Director Memorandum No. 17-045 - Page 35 of 105](#)]
RECOMMENDED ACTION: That the Board conducts a public hearing and approves the Memorandum of Agreement.
 - C. Consideration of Resolution No. 2017-14 Establishing the Appropriation Limit for Fiscal Year 2017-18 [[Director Memorandum No. 17-046 - Page 51 of 105](#)]
RECOMMENDED ACTION: That the Board adopts Resolution No. 2017-14.

Any person who requires accommodation to participate in this meeting should contact the District office at (909) 797-5117, at least 48 hours prior to the meeting to request a disability-related modification or accommodation.

Materials that are provided to the Board of Directors after the meeting packet is compiled and distributed will be made available for public review during normal business hours at the District office located at 12770 Second Street, Yucaipa. Meeting materials are also available on the District's website at www.yvwd.dst.ca.us

- D. Identification and Declaration of Bad Debt for Calendar Year 2015 [[Director Memorandum No. 17-047 - Page 69 of 105](#)]
RECOMMENDED ACTION: That the Board authorizes the District staff to declare bad debt for Calendar Year 2015 in the amount of \$27,288.24.
- E. Discussion Regarding the Renewal of Insurance Coverage for Fiscal Year 2018 [[Director Memorandum No. 17-048 - Page 70 of 105](#)]
RECOMMENDED ACTION: That the Board authorizes the District staff to execute the necessary contracts and documents with Allied Community Insurance Services and Inland Counties Insurance Services for a sum not to exceed \$208,731.
- F. Consideration of a Proposal for the 2016-2017 Habitat Monitoring Program Activities, Groundwater/Surface Water Data Assistance, Annual Report, and Watershed Budget Analysis [[Director Memorandum No. 17-049 - Page 89 of 105](#)]
RECOMMENDED ACTION: That the Board authorizes the District staff to execute a contract with Dudek for a sum not to exceed \$59,620.

VII. BOARD REPORTS & DIRECTOR COMMENTS

VIII. ANNOUNCEMENTS

- A. June 13, 2017 at 4:00 p.m. - Board Workshop
- B. June 20, 2017 at 6:00 p.m. - Regular Board Meeting
- C. June 27, 2017 at 4:00 p.m. - Board Workshop
- D. July 4, 2017 at 6:00 p.m. - Regular Board Meeting - **Cancelled**
- E. July 11, 2017 at 4:00 p.m. - Board Workshop
- F. July 18, 2017 at 6:00 p.m. - Regular Board Meeting
- G. July 25, 2017 at 4:00 p.m. - Board Workshop
- H. August 1, 2017 at 6:00 p.m. - Regular Board Meeting
- I. August 8, 2017 at 4:00 p.m. - Board Workshop

IX. ADJOURNMENT

Consent Calendar



Yucaipa Valley Water District

MINUTES OF A REGULAR BOARD MEETING

May 16, 2017 at 6:00 P.M.

Directors Present:

Jay Bogh, President
Chris Mann, Director
Tom Shalhoub, Director

Staff Present:

Joseph Zoba, General Manager
Allison Edmisten, Chief Financial Officer
Mike Kostelecky, Operations Manager-Water
Jennifer Ares, Water Resource Manager
Kathryn Hallberg, Management Analyst

Directors Absent:

Bruce Granlund, Vice President
Lonni Granlund, Director

Consulting Staff Present:

David Wysocki, Legal Counsel

Registered Guests and Others Present:

Leonard Stephenson, San Gorgonio Pass Water Agency
Linda Shelton, Customer
Jan Leja, Customer

The regular meeting of the Board of Directors of the Yucaipa Valley Water District was called to order by Director Jay Bogh at 6:00 p.m. at the Administrative Office Building, 12770 Second Street, Yucaipa, California.

CALL TO ORDER

Director Jay Bogh led the pledge of allegiance.

FLAG SALUTE

The roll was called with Director Jay Bogh, Director Chris Mann, and Director Tom Shalhoub present. Director Bruce Granlund and Director Lonni Granlund were absent.

ROLL CALL

None

PUBLIC COMMENTS

Director Tom Shalhoub moved to approve the consent calendar and Director Chris Mann seconded the motion.

CONSENT CALENDAR

- A. Minutes of Meetings
 - 1. Regular Board Meeting – May 2, 2017
 - 2. Board Workshop – May 9, 2017

The motion was approved by the following vote:

Director Jay Bogh - Yes
Director Bruce Granlund - Absent
Director Lonni Granlund - Absent
Director Chris Mann - Yes
Director Tom Shalhoub - Yes

General Manager Joseph Zoba reported on the upcoming budget workshops scheduled for May 22, and 23, 2017. He also reported on the upcoming Solar Challenge on May 20, and 21, 2017, and invited the board members to attend.

STAFF REPORT

Following a staff presentation by Chief Financial Officer Allison Edmisten, Director Tom Shalhoub moved and Director Chris Mann seconded a motion that the Board receive and file the unaudited financial report.

DISCUSSION ITEMS:

DM 17-041
PRESENTATION OF
THE UNAUDITED
FINANCIAL REPORT
FOR THE PERIOD
ENDING ON APRIL 30,
2017.

The motion was approved by the following vote:

Director Jay Bogh - Yes
Director Bruce Granlund - Absent
Director Lonni Granlund - Absent
Director Chris Mann - Yes
Director Tom Shalhoub - Yes

Following a staff presentation by Chief Financial Officer Allison Edmisten, Director Chris Mann moved and Director Tom Shalhoub seconded a motion that the Board adopt Resolution No. 2017-12.

DM 17-042
CONSIDERATION OF
RESOLUTION NO.
2017-12 AUTHORIZING
INVESTMENT OF
MONIES IN THE
LOCAL AGENCY
INVESTMENT FUND

The motion was approved by the following vote:

Director Jay Bogh - Yes
Director Bruce Granlund - Absent
Director Lonni Granlund - Absent
Director Chris Mann - Yes
Director Tom Shalhoub - Yes

Following a staff presentation by General Manager Joseph Zoba, Director Tom Shalhoub moved and Director Chris Mann seconded a motion that the Board adopt Resolution No. 2017-13.

The motion was approved by the following vote:

- Director Jay Bogh - Yes
- Director Bruce Granlund - Absent
- Director Lonni Granlund - Absent
- Director Chris Mann - Yes
- Director Tom Shalhoub - Yes

DM 17-043
CONSIDERATION OF
RESOLUTION NO.
2017-13 SUPPORTING
THE CONSTRUCTION
OF WATER
PURIFICATION AND
SUSTAINABLE WATER
ENHANCEMENTS AT
THE YUCAIPA
REGIONAL WATER
FILTRATION FACILITY
AND THE WOCHHOLZ
REGIONAL WATER
RECYCLING FACILITY
AS AN EXPANSION OF
THE YUCAIPA
REGIONAL WATER
SUPPLY RENEWAL
PROJECT

Director Tom Shalhoub reported on the West Valley Water District meeting on May 4, 2017; the San Bernardino Municipal Valley Water District meeting on May 9, 2017; the San Bernardino park dedication on May 13, 2017; and the San Gorgonio Regional Pass Water Agency meeting on May 13, 2017.

BOARD REPORTS &
DIRECTOR
COMMENTS

Director Jay Bogh called attention to the announcements listed on the agenda.

ANNOUNCEMENTS

None

CLOSED SESSION

The meeting was adjourned at 6:10 p.m.

ADJOURNMENT

Respectfully submitted,

Joseph B. Zoba, Secretary

(Seal)

MINUTES OF A BOARD WORKSHOP

May 30, 2017 at 4:00 P.M.

Directors Present:

Jay Bogh, President
Bruce Granlund, Vice President
Lonni Granlund, Director
Chris Mann, Director
Tom Shalhoub, Director

Staff Present:

Joseph Zoba, General Manager
Allison Edmisten, Chief Financial Officer
Jennifer Ares, Water Resource Manager
Ashley Gibson, Water Resource Supervisor
Matthew Porras, Management Analyst
Kathryn Hallberg, Management Analyst
Kevin King, Operations Manager
Mike Kostelecky, Operations Manager
John Wrobel, Reg. and Environ. Control Manager

Directors Absent:

None

Consulting Staff Present:

David Wysocki, Legal Counsel

Guests and Others Present:

Linda Shelton, Customer
Leonard Stephenson, San Gorgonio Pass Water Agency
Mike Turner, Developer
Mike Heath, TKE Engineering, Inc.

- I. Call to Order - 4:00 p.m.
- II. Public Comments - None.
- III. Staff Report - Water Resource Manager Jennifer Ares discussed the following topics:
 - The District will be providing tours to individuals from La Paz, Mexico and South Korea. The purpose of the tours is to provide information about the District and share solutions to water resource issues using state-of-the-art technology.
- IV. Operational Updates
 - A. Overview of the Dewatering Equipment Pilot Testing Study at the Wochholz Regional Water Recycling Facility [Workshop Memorandum No. 17-068] - Operations Manager Kevin King provided an overview of the dewatering equipment pilot testing study at the Wochholz Regional Water Recycling Facility.
- V. Capital Improvement Project Updates
 - A. Status Report on the Construction of the Site Improvements for the Recycled Water Booster Station 12.4.0 in Calimesa [Workshop Memorandum No. 17-069] - Management Analyst Matthew Porras provided an overview of the site improvements for RWB - 12.40 Recycled Water Booster Station.
 - B. Status Report on the Construction of Replacement Pipelines on Date Avenue, Dodd Street, Panorama Drive, Lennox Street, Verona Street, Calvin Street, and Vista Lane - Yucaipa [Workshop Memorandum No. 17-070] - Management Analyst Matthew Porras provided a status report on the construction of replacement

pipelines on Date Avenue, Dodd Street, Panorama Drive, Lennox Street, Verona Street, Calvin Street, and Vista Lane.

VI. Policy Issues

- A. Overview of a Draft Resolution Setting the Methodology for Calculating a Facility Capacity Charge Component Related to the Purchase of Supplemental Water from the San Gorgonio Pass Water Agency [Workshop Memorandum No. 17-071] - General Manager Joseph Zoba provided an overview of a draft resolution setting the methodology for calculating a facility capacity charge component related to the purchase of supplemental water from the San Gorgonio Pass Water Agency.
- B. Discussion Regarding Potential On-Bill Financing for Recycled Water Connection Improvements to Ridgeview Elementary School [Workshop Memorandum No. 17-072] - General Manager Joseph Zoba provided a discussion regarding potential on-bill financing for recycled water connection improvements to Ridgeview Elementary School.

VII. Administrative Issues

- A. Review of the Memorandum of Agreement to form a Groundwater Sustainability Agency for the San Timoteo Subbasin [Workshop Memorandum No. 17-073] - Water Resource Manager Jennifer Ares provided an overview of the Groundwater Sustainability Agency for the San Timoteo Basin.
- B. Review of the Memorandum of Agreement to form a Groundwater Sustainability Agency for the Yucaipa Subbasin [Workshop Memorandum No. 17-074] - Water Resource Manager Jennifer Ares provided an overview of the Groundwater Sustainability Agency for the Yucaipa Basin.
- C. Review of Draft Resolution No. 2017-xx Establishing the Appropriation Limit for Fiscal Year 2017-18 [Workshop Memorandum No. 17-075] - Chief Financial Officer Allison Edmisten provided an overview of the appropriation limitation.
- D. Review of Bad Debt Summary for Calendar Year 2015 [Workshop Memorandum No. 17-076] - Chief Financial Officer Allison Edmisten provided an overview of the bad debt information for 2015.
- E. Overview of the Operating Budget and Capital Improvement Plan for Fiscal Year 2018 [Workshop Memorandum No. 17-077] - Chief Financial Officer Allison Edmisten provided an overview of the operating budget and capital improvement program.
- F. Review of Proposed Insurance Policy for Fiscal Year 2018 [Workshop Memorandum No. 17-078] - Management Analyst Kathryn Hallberg provided information about pooled insurance programs and renewal of the District's existing insurance policy.
- G. Review of a Proposal for the 2016-2017 Habitat Monitoring Program Activities, Groundwater and Surface Water Data Assistance, and Annual Report [Workshop Memorandum No. 17-079] - Water Resource Manager Jennifer Ares provided an overview of the habitat monitoring program for next year.

VIII. Director Comments

- A. None.

IX. Adjournment - The meeting was adjourned at 4:48 p.m.

Respectfully submitted,

Joseph B. Zoba, Secretary

Staff Report



Yucaipa Valley Water District

Discussion Items



Yucaipa Valley Water District



Director Memorandum 17-044

Date: June 6, 2017

Prepared By: Jennifer Ares, Water Resource Manager

Subject: PUBLIC HEARING - Execution of Memorandum of Agreement to Form a Groundwater Sustainability Agency for the Yucaipa Subbasin

Recommendation: That the Board conducts a public hearing and approves the Memorandum of Agreement.

On Sept. 16, 2014, Governor Jerry Brown signed into law a three-bill legislative package, known as the Sustainable Groundwater Management Act of 2014 (the "Act"). The Act provides a framework for sustainable management of groundwater supplies by local authorities, with a limited role for state intervention only if necessary to protect the resource. The Act protects existing surface water and groundwater rights and requires the formation of local groundwater sustainability agencies (GSAs) that must assess conditions in their local water basins and adopt locally-based management plans.

The District has been actively involved in the development of the Groundwater Sustainability Agency for the Yucaipa Sub-basin. Additional agencies involved within the basin are South Mountain Water Company, Western Heights Water Company, City of Calimesa, City of Redlands, City of Yucaipa, San Bernardino Valley Municipal Water District, and San Geronio Pass Water Agency.

In order to become a Groundwater Sustainability Agency for the Yucaipa Sub-basin, each party of the Agreement must conduct a public hearing and obtain Board and/or Council approval. The attached Memorandum of Agreement will be subject to approval at the June 6, 2017 board meeting. All documents required for the GSA must be submitted to the Department of Water Resources by June 30, 2017.

PUBLIC HEARING PROCESS

The following process was developed to encourage and facilitate public participation by describing the public hearing process.

Public Hearing - Execution of Memorandum of Agreement to Form a Groundwater Sustainability Agency for the Yucaipa Subbasin

- _____ **Staff Presentation** - A District staff member will provide a brief presentation and overview of this agenda item.
- _____ **Questions by the Board of Directors to District Staff** - The Board President will ask if there are any questions at this time from board members based on the staff presentation.
- _____ **Open the Public Hearing** - The Board President will open the public hearing stating the time of day to be recorded in the board meeting minutes.
- _____ **Comments from the Public and Property Owners** - The Board of Directors will request written and oral comments from the public as part of the deliberation and consideration process. The Board of Directors will be focused on receiving information to assist in the decision-making process and will not answer questions or debate an issue. This portion of the public hearing process provides an opportunity for the public and property owners to enter information into the record that should be considered by the Board of Directors.
- _____ **Close the Public Hearing** - The Board President will close the public hearing stating the time of day to be recorded in the board meeting minutes.
- _____ **Final Comments by District Staff** - The District staff may provide additional information and clarification of points raised during the public hearing process to assist the deliberation by the Board of Directors.
- _____ **Questions by the Board of Directors** - The Board President will determine if there are any questions from the Board of Directors.
- _____ **Entertain a motion from the Board** - The Board President will ask for a motion from the Board of Directors based on the written and oral information presented.

**MEMORANDUM OF AGREEMENT TO FORM A
GROUNDWATER SUSTAINABILITY AGENCY
FOR THE YUCAIPA SUB-BASIN
(Sub-basin No. 8-02.07)**

This 2017 Memorandum of Agreement ("MOA") is entered into by and among: South Mesa Water Company ("SOUTH MESA"), South Mountain Water Company ("SOUTH MOUNTAIN"), Western Heights Water Company ("WESTERN HEIGHTS") and Yucaipa Valley Water District ("YVWD"), herein collectively referred to as the "WATER PURVEYORS"; and, the City of Calimesa ("CALIMESA"), the City of Redlands ("REDLANDS") and the City of Yucaipa ("YUCAIPA"), herein collectively referred to as the "MUNICIPALITIES"; and, the San Bernardino Valley Municipal Water District ("SAN BERNARDINO VALLEY MUNICIPAL") and the San Gorgonio Pass Water Agency ("SAN GORGONIO"), herein collectively referred to as the "REGIONALS." The MUNICIPALITIES are sometimes herein collectively referred to as the "LAND USE AGENCIES." Each of the above-described entities is individually referred to as a "Party" and are collectively referred to as the "Parties". For purposes of this MOA, SOUTH MESA, SOUTH MOUNTAIN and WESTERN HEIGHTS are collectively referred to as the "MUTUALS"; and, the Parties other than the MUTUALS are collectively referred to as the "LOCAL AGENCIES."

Pursuant to the Sustainable Groundwater Management Act ("SGMA") and as further set forth herein, the purpose of this MOA is to form a Groundwater Sustainability Agency ("GSA") for the entire Yucaipa Sub-basin (Basin or Sub-Basin No. 8-02.07), in order to preserve local management and control of the Basin as set forth under SGMA.

The County of Riverside ("RIVERSIDE") and the County of San Bernardino ("SAN BERNARDINO"), collectively "COUNTIES," shall be considered "Stakeholders" but not Parties to this MOA.

Recitals

WHEREAS, on September 16, 2014, Governor Jerry Brown signed into law Senate Bills 1168 and 1319, and Assembly Bill 1739, collectively known as the Sustainable Groundwater Management Act ("SGMA"), codified in certain provisions of the California Government Code, including commencing with Section 65350.5, and codified in Part 2.74 of Division 6 of the California *Water Code*, commencing with Section 10720, and amending other provisions of the California *Government Code* and California *Water Code*; and

WHEREAS, SGMA went into effect on January 1, 2015; and,

WHEREAS, various clarifying amendments to SGMA were signed into law in 2015, including Senate Bills 13 and 226, and Assembly Bills 617 and 939, which were codified in part in California *Water Code* Section 10723.6(a), authorizing a combination of local agencies to form a GSA pursuant to a joint powers agreement, a memorandum of agreement, or other legal agreement; and, California *Water Code* Section 10723.6(b), authorizing water corporations regulated by the California Public Utilities Commission and mutual water companies to participate in a GSA through a memorandum of agreement or other legal agreement; and

WHEREAS, the legislative intent and effect of SGMA, as set forth in California *Water Code* Section 10720.1, includes the following: (1) to provide for the sustainable management of groundwater basins; (2) to enhance local management of groundwater consistent with rights to use or store groundwater and Section 2 of Article X of the California Constitution, and to preserve the security of water rights in the state to the greatest extent possible consistent with the sustainable management of groundwater; (3) to establish minimum standards for sustainable groundwater management; (4) to provide local groundwater agencies with the authority and the technical and financial assistance necessary to sustainably manage groundwater; (5) to avoid or minimize subsidence; (6) to improve data collection and understanding about groundwater; (7) to increase groundwater storage and remove impediments to recharge; (8) to manage groundwater basins through the actions of local governmental agencies to the greatest extent feasible, while minimizing state intervention to only when necessary to ensure that local agencies manage groundwater in a sustainable manner; and (9) to provide a more efficient and cost-effective groundwater adjudication process that protects water rights, ensures due process, prevents unnecessary delay, and furthers the objectives of SGMA; and,

WHEREAS, SGMA affords GSAs specific powers to manage groundwater in addition to existing legal authorities, which powers may be used to provide the maximum degree of local control and flexibility consistent with the sustainability goals of SGMA; and,

WHEREAS, SGMA includes several un-codified findings by the California Legislature, including the determination that the people of the state have a primary interest in the protection, management, and reasonable beneficial use of the water resources of the state, both surface and underground, and that the integrated management of the state's water resources is essential to meeting its water management goals; and,

WHEREAS, the Basin, as depicted in **Exhibit A** to this MOA, is identified by the California Department of Water Resources Bulletin 118 as Sub-basin No. 8-02.07 of the Upper Santa Ana Valley Groundwater Basin, and is designated by DWR as medium-priority; and,

WHEREAS, California *Water Code* Section 10720.7 requires the Basin, as a medium-priority basin that is not designated by DWR as being subject to critical conditions of overdraft, to be managed by a Groundwater Sustainability Plan ("GSP") or coordinated GSPs by January 31, 2022; and,

WHEREAS, in order to avoid designation as a probationary basin and become subject to direct intervention and management by the State Water Board, California *Water Code* Section 10735.2 requires that, by June 30, 2017 a collection of local agencies must form a GSA or prepare agreements to develop one or more GSPs that will collectively serve as a GSP for the entire Basin, in the event that a local agency has not decided to become a GSA that intends to develop a GSP for the entire Basin; and,

WHEREAS, the LOCAL AGENCIES have water supply, water management, and/or land use responsibilities for their respective jurisdictional areas overlying the Basin and are local agencies as defined by SGMA in California *Water Code* Section 10721(n), and thus each is authorized by SGMA to become or form a GSA; and,

WHEREAS, the LOCAL AGENCIES' individually have jurisdictional and/or service areas within and their collective jurisdictional areas and/or service areas cover the entirety of the Basin, with no gaps in coverage; and,

WHEREAS, the WATER PURVEYORS, including the MUTUALS, produce groundwater and provide water service within the Basin, and it is the Parties' shared intent to provide for management-level participation by the MUTUALS in the GSA to the maximum extent allowed by law without limiting any powers afforded to a GSA under SGMA; and,

WHEREAS, the REGIONALS are State Water Contractors, and have the rights and duties of such, including for the delivery of State Water Project Water within the Basin; and,

WHEREAS, in accordance with the terms of this MOA, and in furtherance of the shared intent of the Parties to maximize funding opportunities for the Basin and avoid potential intervention in the Basin by the State Water Board, the Parties agree that the YUCAIPA-GSA formed by this MOA will cover the entire Basin; and,

WHEREAS, the Parties mutually desire and intend to work with local stakeholders and interested parties in the Basin that are not Parties to this MOA, to carry out the policy, purposes, and requirements of SGMA in the Basin.

Agreement

NOW, THEREFORE, in consideration of the promises, terms, conditions, and covenants contained herein, it is mutually understood and agreed as follows:

- I. **Incorporation of Recitals.** The Recitals stated above are incorporated herein by reference.
- II. **Purposes.** The purposes of this MOA is to form the YUCAIPA-GSA for the Basin as specified herein pursuant to applicable provisions and requirements of SGMA, including but not limited to California *Water Code* Sections 10723 and 10723.6.
- III. **Approval of MOA and Formation of the YUCAIPA-GSA.** Approval of this MOA and formation of the YUCAIPA-GSA shall be accomplished by the LOCAL AGENCIES each holding its own noticed public hearing pursuant to California *Water Code* Section 10723(b) and California *Government Code* Section 6066 and at such hearing will consider approval of a Resolution by its governing board to enter this MOA and jointly form the YUCAIPA-GSA as specified in this MOA. Approval of this MOA by the MUTUALS shall be accomplished through their respective governing boards' duly authorized procedures.
- IV. **Definitions.** The following terms, whether used in the singular or plural, and when used with initial capitalization, shall have the meanings specified herein. The Parties agree that any definitions set forth herein are intended to be consistent with SGMA, and in the event of any discrepancy between a defined term in this MOA and a defined term in SGMA, the terms of SGMA shall control.
 - A. "Basin" refers to the Yucaipa Sub-basin, designated by the California Department of Water Resources Bulletin 118 as Sub-basin No. 8-02.07, as depicted in **Exhibit A** to this MOA.
 - B. "DWR" means the California Department of Water Resources.

- C. "GSA" means a Groundwater Sustainability Agency, as defined by SGMA.
- D. "GSP" means a Groundwater Sustainability Plan, as defined by SGMA.
- E. "Memorandum of Agreement" or "MOA" refers to this Memorandum of Agreement.
- F. "SGMA" refers to the Sustainable Groundwater Management Act, of 2014, as amended.
- G. "State Water Board" means the California State Water Resources Control Board.
- H. "YUCAIPA-GSA" refers to the Yucaipa Sub-basin GSA formed under this MOA.

V. Coordination and Cooperation

- A. Continued Cooperation. The Parties to this MOA will continue to meet, confer, coordinate, and collaborate to discuss and develop technical, managerial, financial, and other criteria and procedures for the preparation, governance, and implementation of a GSP or coordinated GSPs in the Basin and to carry out the policy, purposes, and requirements of SGMA in the Basin.
- B. Points of Contact. Each Party shall designate a principal contact person for that Party, who may be changed from time to time at the sole discretion of the designating Party. The principal contact person for each Party shall be responsible for coordinating with the principal contact persons for the other Parties in scheduling meetings and other activities under this MOA.
- C. Voting Methodology. The voting structure for matters pertaining to the establishment and implementation of the administrative components of the YUCAIPA-GSA shall be by simple majority (51%) of the voting Parties, wherein each WATER PURVEYOR, MUNICIPALITY and REGIONAL holds a single vote.

VI. Roles and Responsibilities

- A. The YUCAIPA-GSA shall be controlled by a Governing Board comprised of one representative of each of the Parties to this MOA.
- B. The Parties agree to jointly establish their specific roles and responsibilities for implementing this MOA, including through the adoption of organizational documents, management policies, rules and procedures.
- C. The Parties agree to jointly develop and implement a GSP or coordinated GSPs for the Basin in accordance with SGMA.
- D. The Parties agree to work in good faith and coordinate all activities to carry out the purposes of this MOA in implementing the policy, purposes, and requirements of SGMA in the Basin, including continuing to meet, confer, coordinate, and collaborate to discuss and develop governance, management, technical, financial, and other matters, including respective roles and responsibilities for activities such as, but not limited to, the following: modeling;

metering; monitoring; hiring consultants; developing and maintaining list of interested persons under California *Water Code* Section 10723.4; budgeting; and other initial tasks as determined by the Parties.

- E. The LOCAL AGENCIES shall coordinate with each other to cause all applicable noticing and submission of required information to DWR regarding formation of the YUCAIPA-GSA.

VII. **Funding and Budgeting.** The Parties shall work together to identify the costs, funding needs and funding sources for the administration of the YUCAIPA-GSA and the development and implementation of the GSP. To the extent not otherwise funded in accordance with or inconsistent with SGMA's provisions regarding GSA funding, the PURVEYORS shall collectively bear seventy-five percent (75%) and the MUNICIPALITIES and REGIONALS shall collectively bear twenty-five percent (25%) of the cost of the creation and administration of the YUCAIPA-GSA; and within each group, the Parties shall equally share in the costs of the creation and administration of the YUCAIPA-GSA. Nothing in this provision shall obligate any party to bear any portion of the attorneys' fees and legal costs of another Party.

VIII. **Stakeholders.** The initially designated stakeholders are the COUNTIES. The Parties agree to work together in ensuring public outreach and involvement of the public and other interested stakeholders throughout the SGMA process, including but not limited to all beneficial uses and users of groundwater as provided in SGMA Section 10723.2. Stakeholders have no voting rights under Section V.C. and no cost sharing obligations under Section VII of this MOA.

IX. **Term, Termination, and Withdrawal.**

- A. **Term.** This MOA shall continue and remain in effect unless and until terminated by the unanimous written consent of the Parties, or as otherwise provided in this MOA or as authorized by law.
- B. **Withdrawal.** After the YUCAIPA-GSA is officially established as the GSA for the Basin, any Party may decide, in its sole discretion, to withdraw from this MOA by providing ninety (90) days written notice to the other Parties. A Party that withdraws from this MOA shall remain obligated to pay its share of costs and expenses incurred or accrued under this MOA and any related cost-sharing agreement or arrangement up to the date the Party provides its notice of withdrawal as provided herein. Withdrawal by a Party shall not cause or require the termination of this MOA or the existence of the YUCAIPA-GSA with respect to the non-withdrawing Parties. In the event of withdrawal by one of the LOCAL AGENCIES, the Parties shall meet and confer during the 90-day notice period regarding: (i) whether the withdrawing Party wishes to seek GSA status for a portion of the Basin underlying the jurisdictional area or service area of the withdrawing Party; (ii) whether, as a result of the withdrawal, a co-GSA management or other arrangement with the withdrawing Party is necessary to satisfy the requirements of SGMA; and (iii) any other issues and steps that are necessary to avoid triggering probationary status of the Basin and State Water Board intervention. Any resolution of issues pertaining to withdrawal and any

other GSA issues shall be undertaken in a manner that satisfies all requirements of SGMA and DWR, including any requirement to file new GSA notices.

X. Notice Provisions

All notices required by this MOA shall be made in writing and delivered to the respective representatives of the Parties at their respective addresses as follows:

PARTIES:

PURVEYORS:

South Mesa Water Company
391 West Avenue L
Calimesa, California 92320
Attn: Dave Armstrong, General Manager
Email: smwc@verizon.net

South Mountain Water Company
35 Cajon Street
Redlands, California 92373
Attn: Cecilia Griego, Water Resources Specialist
Email: cgriego@cityofredlands.org

Western Heights Water Company
32352 Avenue D
Yucaipa, California 92399
Attn: William Brown, General Manager
Email: w.brown@westernheightswater.org

Yucaipa Valley Water District
12770 Second Street
Yucaipa, California 92399
Attn: Joseph, Zoba, General Manager
Email: jzoba@yvwd.dst.ca.us

MUNICIPALS:

City of Calimesa
908 Park Avenue
Calimesa, California 92399
Attn: Bonnie Johnson, City Manager
Email: bjohnson@cityofcalimesa.net

City of Redlands
35 Cajon Street
Redlands, California 92373
Attn: Chris Diggs, Municipal Utilities and Engineering Director
Email: cdiggs@cityofredlands.org

City of Yucaipa
 34272 Yucaipa Boulevard
 Yucaipa, California 92399
 Attn: Ray Casey, City Manager
 Email: rcasey@yucaipa.org

REGIONALS:

San Bernardino Valley Municipal Water District
 380 E. Vanderbilt Way
 San Bernardino, CA 92408
 Attn: Douglas Headrick, General Manager & Chief Engineer
 Email: douglash@sbnmwd.com

San Geronimo Pass Water Agency
 1210 Beaumont Avenue
 Beaumont, CA 92223
 Attn: Jeff Davis, General Manager and Chief Engineer
 Email: jdavis@sgpwa.com

STAKEHOLDERS:**COUNTIES:**

County of Riverside
 4080 Lemon Street
 Riverside, CA 92501
 Attn: Steve Horn, Senior Management Analyst, Executive Office
 Email: shorn@rceo.org

County of San Bernardino
 385 N. Arrowhead Avenue
 San Bernardino, CA 92415-0120
 Attn: Bob Page, Principal Management Analyst, Special Projects
 Email: bp@sbcounty.gov

Any Party or Stakeholder may change the address to which notices are to be given under this MOA by providing all other Parties with written notice of such change at least fifteen (15) calendar days prior to the effective date of the change. All notices shall be effective upon receipt and shall be deemed received upon confirmed personal service, confirmed facsimile delivery, confirmed courier service, or on the fifth (5th) calendar day following deposit of the notice in registered first class mail.

XI. General Terms

- A. **Amendments.** Amendments to this MOA require the unanimous written consent of all Parties and approval by the Parties' respective governing boards.
- B. **Successors and Assigns.** The terms of this MOA shall be binding upon and inure to the benefit of the successors-in-interest and assigns of each Party; provided, however, that no transfer or assignment shall be effective until approved by the

Parties in accordance with the provisions of Section V.C. of this MOA. Once succession and/or assignment has been approved, a former Party shall have no further rights or obligations under this MOA.

- C. Waiver. No waiver of any provision of this MOA by any Party shall be construed as a further or continuing waiver of such provision or any other provision of this MOA by the waiving Party or any other Party.
- D. Authorized Representatives. Each person executing this MOA on behalf of a Party hereto affirmatively represents that such person has the requisite authority to sign this MOA on behalf of the respective Party.
- E. Exemption from CEQA. The Parties recognize and agree that, pursuant to SGMA Section 10728.6, neither this MOA nor the preparation or adoption of a GSP constitute a "project" or approval of a project under the California Environmental Quality Act (CEQA) or the State CEQA Guidelines, and therefore this MOA is expressly exempt from CEQA review.
- F. Governing Law and Venue. This MOA shall be governed by and construed in accordance with the laws of the State of California. Any suit, action, or proceeding brought under the scope of this MOA shall be brought and maintained to the extent allowed by law in the County of San Bernardino, California.
- G. Attorney's Fees, Costs, and Expenses. In the event of a dispute among any or all of the Parties arising under this MOA, each Party shall assume and be responsible for its own attorney's fees, costs, and expenses.
- H. Entire Agreement/Integration. This MOA constitutes the entire agreement among the Parties regarding the specific provisions of this MOA, and the Parties hereto have made no agreements, representations or warranties relating to the specific provisions of this MOA that are not set forth herein.
- I. Construction and Interpretation. The Parties agree and acknowledge that this MOA has been developed through a negotiated process among the Parties, and that each Party has had a full and fair opportunity to review the terms of this MOA with the advice of its own legal counsel and to revise the terms of this MOA, such that each Party constitutes a drafting Party to this MOA. Consequently, the Parties understand and agree that no rule of construction shall be applied to resolve any ambiguities against any particular Party as the drafting Party in construing or interpreting this MOA.
- J. Force Majeure. No Party shall be liable for the consequences of any unforeseeable force majeure event that (1) is beyond its reasonable control, (2) is not caused by the fault or negligence of such Party, (3) causes such Party to be unable to perform its obligations under this MOA, and (4) cannot be overcome by the exercise of due diligence. In the event of the occurrence of a force majeure event, the Party unable to perform shall promptly notify the other Parties in writing to the extent practicable. It shall further pursue its best efforts to resume its obligations under this MOA as quickly as possible and shall suspend performance only for such period of time as is necessary as a result of the force majeure event.

- K. Execution in Counterparts. This MOA may be executed in counterparts, each of which shall be deemed an original and all of which when taken together shall constitute one and the same instrument.
- L. No Third Party Beneficiaries. This MOA is not intended, and will not be construed, to confer a benefit or create any right on a third party or the power or right of any third party to bring an action to enforce any of the terms of this MOA.
- M. Timing and Captions. Any provision of this MOA referencing a time, number of days, or period for performance shall be measured in calendar days. The captions of the various articles, sections, and paragraphs of this MOA are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, terms, or intent of this MOA.

IN WITNESS WHEREOF, the Parties hereto have approved and executed this MOA as of the respective dates specified in the adopting Resolution of each Party as provided above in Article III of this MOA.

[Signature Pages Follow]

Water Purveyor Party:

SOUTH MESA WATER COMPANY

By:

President, Board of Directors

Attest:

Secretary, Board of Directors

Approved as to form:

Counsel, South Mesa Water Company

Notices for the South Mesa Water Company shall be sent as follows:

Attention: General Manager
391 West Avenue L
Calimesa, California 92320

With copies to:

Michael Duane Davis, Esq.
GRESHAM SAVAGE NOLAN & TILDEN, PC
550 East Hospitality Lane
Third Floor
San Bernardino, CA 92408

Water Purveyor Party:

SOUTH MOUNTAIN WATER COMPANY

By:

President, Board of Directors

Attest:

Secretary, Board of Directors

Approved as to form:

Counsel, South Mountain Water Company

Notices for the South Mountain Water Company shall be sent as follows:

Attention: General Manager
35 Cajon Street
Redlands, California 92373

With copies to:

Water Purveyor Party:

WESTERN HEIGHTS WATER COMPANY

By:

President, Board of Directors

Attest:

Secretary, Board of Directors

Approved as to form:

Counsel, Western Heights Water Company

Notices for the Western Heights Water Company shall be sent as follows:

Attention: General Manager
32352 Avenue D
Yucaipa, California 92399

With copies to:

Michael Duane Davis, Esq.
GRESHAM SAVAGE NOLAN & TILDEN, PC
550 East Hospitality Lane
Third Floor
San Bernardino, CA 92408

Water Purveyor Party:

YUCAIPA VALLEY WATER DISTRICT

By:

President, Board of Directors

Attest:

Secretary, Board of Directors

Approved as to form:

Counsel, Yucaipa Valley Water District

Notices for the Yucaipa Valley Water District shall be sent as follows:

Attention: General Manager
12770 Second Street
Yucaipa, California 92399

With copies to:

Municipality Party:

CITY OF CALIMESA

By:

Mayor, City Council

Attest:

Secretary, City Council

Approved as to form:

Counsel, City of Calimesa

Notices for the City of Calimesa shall be sent as follows:

Attention: City Manager
908 Park Avenue
Calimesa, California 92320

With copies to:

Municipality Party:

CITY OF REDLANDS

By:

Mayor, City Council

Attest:

Secretary, City Council

Approved as to form:

Counsel, City of Redlands

Notices for the City of Redlands shall be sent as follows:

Attention: City Manager
35 Cajon Street
Redlands, California 92373

With copies to:

Municipality Party:

CITY OF YUCAIPA

By:

Mayor, City Council

Attest:

Secretary, City Council

Approved as to form:

Counsel, City of Yucaipa

Notices for the City of Yucaipa shall be sent as follows:

Attention: City Manager
34272 Yucaipa Boulevard
Yucaipa, California 92399

With copies to:

Regional Party:

SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT

By:

President, Board of Directors

Attest:

Secretary, Board of Directors

Approved as to form:

Counsel, San Bernardino Valley Municipal Water District

Notices for the San Bernardino Valley Municipal Water District shall be sent as follows:

Attention: General Manager
380 E. Vanderbilt Way
San Bernardino, California 92408

With copies to:

Regional Party:

SAN GORGONIO PASS WATER AGENCY

By:

President, Board of Directors

Attest:

Secretary, Board of Directors

Approved as to form:

Counsel, San Gorgonio Pass Water Agency

Notices for the San Gorgonio Pass Water Agency shall be sent as follows:

Attention: General Manager
1210 Beaumont Avenue
Beaumont, California 92223

With copies to:

Stakeholder:

COUNTY OF RIVERSIDE

By:

Chair, Board of Supervisors

Attest:

Secretary, Board of Supervisors

Approved as to form:

Counsel, County of Riverside

Notices for the County of Riverside shall be sent as follows:

Attention: General Manager
4080 Lemon Street
Riverside, California 92501

With copies to:

Stakeholder:

COUNTY OF SAN BERNARDINO

By:

Chair, Board of Supervisors

Attest:

Secretary, Board of Supervisors

Approved as to form:

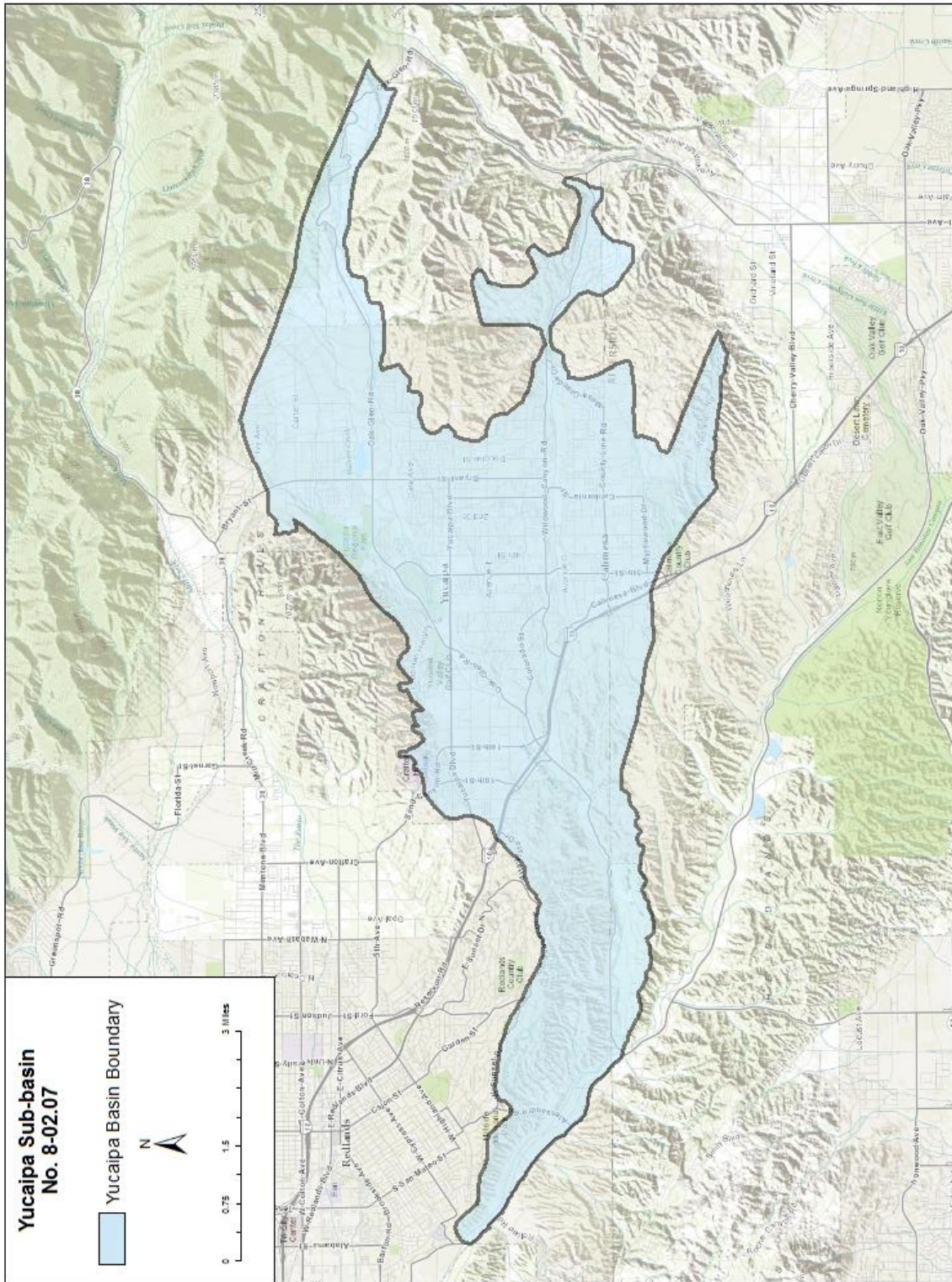
Counsel, County of San Bernardino

Notices for the County of San Bernardino shall be sent as follows:

Attention: General Manager
385 N. Arrowhead Avenue
San Bernardino, California 92415-0120

With copies to:

Exhibit A





Director Memorandum 17-045

Date: June 6, 2017

Prepared By: Jennifer Ares, Water Resource Manager

Subject: PUBLIC HEARING - Execution of Memorandum of Agreement to Form a Groundwater Sustainability Agency for the San Timoteo Subbasin

Recommendation: That the Board conducts a public hearing and approves the Memorandum of Agreement.

On Sept. 16, 2014, Governor Jerry Brown signed into law a three-bill legislative package, known as the Sustainable Groundwater Management Act of 2014 (the "Act"). The Act provides a framework for sustainable management of groundwater supplies by local authorities, with a limited role for state intervention only if necessary to protect the resource. The Act protects existing surface water and groundwater rights and requires the formation of local groundwater sustainability agencies (GSAs) that must assess conditions in their local water basins and adopt locally-based management plans.

The District has been actively involved in the development of the Groundwater Sustainability Agency for the San Timoteo Sub-Basin. Additional agencies involved within the basin are Beaumont Cherry Valley Water District, the City of Redlands, San Geronio Pass Water Agency. Eastern Municipal Water District is represented as a stakeholder to the GSA and will be forming a separate GSA in their service area that covers the lower San Timoteo Basin.

In order to become a Groundwater Sustainability Agency for the San Timoteo Sub-basin, each party of the Agreement must conduct a public hearing and obtain Board and/or Council approval. The attached Memorandum of Agreement has been scheduled for a public hearing at the June 6, 2017 board meeting. All documents required for the GSA must be submitted to the Department of Water Resources by June 30, 2017.

PUBLIC HEARING PROCESS

The following process was developed to encourage and facilitate public participation by describing the public hearing process.

Public Hearing - Execution of Memorandum of Agreement to Form a Groundwater Sustainability Agency for the San Timoteo Subbasin

- _____ **Staff Presentation** - A District staff member will provide a brief presentation and overview of this agenda item.
- _____ **Questions by the Board of Directors to District Staff** - The Board President will ask if there are any questions at this time from board members based on the staff presentation.
- _____ **Open the Public Hearing** - The Board President will open the public hearing stating the time of day to be recorded in the board meeting minutes.
- _____ **Comments from the Public and Property Owners** - The Board of Directors will request written and oral comments from the public as part of the deliberation and consideration process. The Board of Directors will be focused on receiving information to assist in the decision-making process and will not answer questions or debate an issue. This portion of the public hearing process provides an opportunity for the public and property owners to enter information into the record that should be considered by the Board of Directors.
- _____ **Close the Public Hearing** - The Board President will close the public hearing stating the time of day to be recorded in the board meeting minutes.
- _____ **Final Comments by District Staff** - The District staff may provide additional information and clarification of points raised during the public hearing process to assist the deliberation by the Board of Directors.
- _____ **Questions by the Board of Directors** - The Board President will determine if there are any questions from the Board of Directors.
- _____ **Entertain a motion from the Board** - The Board President will ask for a motion from the Board of Directors based on the written and oral information presented.

**MEMORANDUM OF AGREEMENT TO FORM A GROUNDWATER SUSTAINABILITY
AGENCY FOR PART OF THE UNADJUDICATED PORTION OF THE
SAN TIMOTEO SUBBASIN AND TO COORDINATE WITH OTHER
GROUNDWATER SUSTAINABILITY AGENCIES**

This 2017 Memorandum of Agreement (MOA) is entered into by and among Beaumont Cherry Valley Water District (BCVWD), Yucaipa Valley Water District (YVWD), City of Redlands (Redlands), and San Gorgonio Pass Water Agency (SGPWA), which may be referred to herein individually as a “Party” and collectively as the “Parties.”

Pursuant to the Sustainable Groundwater Management Act (SGMA) and as further set forth herein, the purposes of this MOA are to form a Groundwater Sustainability Agency (GSA) for part of the unadjudicated portion of the San Timoteo Subbasin (Basin), the members of which GSA shall be BCVWD, YVWD, Redlands, and SGPWA (herein, the ST-GSA), and to establish that the ST-GSA will coordinate with the Eastern Municipal Water District (EMWD) in its formation of a separate GSA for another part of the unadjudicated portion of the Basin within EMWD’s service area.

Recitals

WHEREAS, on September 16, 2014, Governor Jerry Brown signed into law Senate Bills 1168 and 1319, and Assembly Bill 1739, collectively known as the Sustainable Groundwater Management Act (SGMA), codified in certain provisions of the California Government Code, commencing with Section 65350.5, and in certain provisions of the California Water Code, including but not limited to, Sections 5200 et seq. and 10720 et seq.; and

WHEREAS, SGMA went into effect on January 1, 2015, and thereafter various clarifying amendments to SGMA were signed into law in 2015, including Senate Bills 13 and 226, and Assembly Bills 617 and 939; and

WHEREAS, the San Timoteo Subbasin (Basin), as further depicted in **Exhibit A** to this MOA, is identified by the California Department of Water Resources (DWR) Bulletin 118 as Subbasin No. 8-02.08 of the Upper Santa Ana Valley Groundwater Basin, and is designated by DWR as medium priority, and therefore, except as provided by SGMA, the Basin is subject to the requirements of SGMA; and

WHEREAS, the Parties recognize and agree that a portion of the Basin (herein, the Adjudicated Area) is subject to the Beaumont Basin adjudication and Judgment in the case referred to as *San Timoteo Watershed Management Authority v. City of Banning, et al.*, Riverside County Superior Court Case No. RIC 389197, and that pursuant to SGMA Section 10720.8(a)(1), said portion of the Basin generally is not subject to the requirements of SGMA and will not be managed by the ST-GSA; and

WHEREAS, SGMA Section 10720.7 requires the Basin, as a medium priority basin which is not designated by DWR as being subject to critical conditions of overdraft, to be managed by a Groundwater Sustainability Plan (GSP) or coordinated GSPs by January 31, 2022; and

WHEREAS, SGMA Section 10727(b) authorizes (1) a single GSP covering the entire Basin developed and implemented by one GSA, (2) a single GSP covering the entire Basin developed and implemented by multiple GSAs, or (3) multiple GSPs developed and implemented by multiple GSAs and coordinated pursuant to a single coordination agreement that covers the entire Basin; and

WHEREAS, SGMA Section 10735.2 requires the formation of a GSA or multiple GSAs for the Basin by June 30, 2017; and

WHEREAS, SGMA Section 10723.6(a) authorizes a combination of local agencies to form a GSA pursuant to a joint powers agreement, a memorandum of agreement, or other legal agreement; and

WHEREAS, BCVWD, YVWD, Redlands, and SGPWA are local agencies as defined by SGMA, wherein each agency overlies at least a portion of the Basin and each has respective water supply, water management, and/or land use responsibilities within the Basin, and thus each is authorized by SGMA to become part of the ST-GSA; and

WHEREAS, in accordance with the terms of this MOA, and in furtherance of the shared intent of the Parties to maximize funding opportunities for the Basin and avoid potential intervention in the Basin by the State Water Resources Control Board, the Parties agree that the ST-GSA formed by this MOA will cover the entire Basin except the Adjudicated Area of the Basin and that portion of the Basin that lies within the service area of EMWD, for which EMWD intends to form a separate GSA as further described below; and

WHEREAS, the Parties mutually desire and intend to work with local stakeholders and interested entities in the Basin that are not Parties to this MOA, including but not limited to EMWD, the City of Beaumont (Beaumont), the City of Calimesa (Calimesa), the County of Riverside Planning Department, the County of San Bernardino Flood Control District, the San Bernardino Valley Municipal Water District, the Beaumont Basin Watermaster, overlying landowners, and others to carry out the policy, purposes, and requirements of SGMA in the Basin.

Agreement

NOW, THEREFORE, in consideration of the promises, terms, conditions, and covenants contained herein, it is mutually understood and agreed as follows:

- I. Incorporation of Recitals.** The Recitals stated above are incorporated herein by reference.
- II. Purposes.** The purposes of this MOA are to form the ST-GSA for part of the unadjudicated portion of the Basin as specified herein pursuant to applicable provisions and requirements of SGMA, including but not limited to SGMA Sections 10723 and 10723.6, and to establish that the ST-GSA will coordinate with EMWD in its formation of a separate GSA for another part of the unadjudicated portion of the Basin within EMWD's service area.
- III. Approval of MOA and Formation of the ST-GSA.** Approval of this MOA and formation of the ST-GSA shall be accomplished by BCVWD, YVWD, Redlands, and SGPWA each holding its own noticed public hearing pursuant to SGMA Section 10723(b) and

Government Code Section 6066 and at such hearing will consider approval of a Resolution by its governing board to enter this MOA and jointly form the ST-GSA as specified in this MOA. Upon the respective approvals of such Resolutions and this MOA by BCVWD, YVWD, Redlands, and SGPWA, there shall be established the ST-GSA as provided herein.

IV. Definitions. The following terms, whether used in the singular or plural, and when used with initial capitalization, shall have the meanings specified herein. The Parties agree that any definitions set forth herein are intended to be consistent with SGMA, and in the event of any discrepancy between a defined term in this MOA and a defined term in SGMA, the terms of SGMA shall control.

- A. “Adjudicated Area” refers to that portion of the Basin that is subject to the Beaumont Basin adjudication and Judgment in the case referred to as *San Timoteo Watershed Management Authority v. City of Banning, et al.*, Riverside County Superior Court Case No. RIC 389197, as further depicted in **Exhibit A** to this MOA.
- B. “Basin” refers to the San Timoteo Subbasin, designated by the California Department of Water Resources Bulletin 118 as Subbasin No. 8-02.08, as further specified, and depicted in **Exhibit A** to this MOA.
- C. “BCVWD” means the Beaumont Cherry Valley Water District.
- D. “DWR” means the California Department of Water Resources.
- E. “EMWD” means the Eastern Municipal Water District.
- F. “GSA” means Groundwater Sustainability Agency, as defined by SGMA.
- G. “GSP” means Groundwater Sustainability Plan, as defined by SGMA.
- H. “Memorandum of Agreement” or “MOA” refers to this Memorandum of Agreement.
- I. “Party” or “Parties” refers individually or collectively to Beaumont Cherry Valley Water District, Yucaipa Valley Water District, City of Redlands, and San Gorgonio Pass Water Agency, as signatories to this MOA.
- J. “Redlands” means the City of Redlands.
- K. “SGMA” refers to the Sustainable Groundwater Management Act.
- L. “SGPWA” means the San Gorgonio Pass Water Agency.
- M. “ST-GSA” refers to the San Timoteo Subbasin GSA formed under this MOA, the members of which GSA are BCVWD, YVWD, Redlands, and SGPWA.
- N. “YVWD” means the Yucaipa Valley Water District.

V. Boundaries of ST-GSA. The boundaries of the ST-GSA, as further depicted in **Exhibit B** to this MOA, shall be the entire Basin except the Adjudicated Area of the Basin as further

specified in this MOA and that portion of the Basin that lies within the service area of EMWD, wherein EMWD intends to form a separate GSA for that portion of the Basin in accordance with SGMA and without overlapping the boundaries of the ST-GSA as provided in this MOA. The Parties understand and agree that pursuant to SGMA Section 10720.8, the Adjudicated Area of the Basin generally is not subject to the requirements of SGMA and will not be managed by the ST-GSA.

VI. Coordination and Cooperation

- A. Continued Cooperation. The Parties to this MOA will continue to meet, confer, coordinate, and collaborate to discuss and develop technical, managerial, financial, and other criteria and procedures for the preparation, governance, and implementation of a GSP or coordinated GSPs in the Basin and to carry out the policy, purposes, and requirements of SGMA in the Basin.
- B. Points of Contact. Each Party shall designate a principal contact person for that Party, who may be changed from time to time at the sole discretion of the designating Party. The principal contact person for each Party shall be responsible for coordinating with the principal contact persons for the other Parties in scheduling meetings and other activities under this MOA.
- C. Management Areas. The Parties acknowledge that SGMA, and provisions of the SGMA regulations promulgated by DWR, including but not limited to Section 354.20 (23 C.C.R. § 354.20), authorize the establishment of management areas for the development and implementation of sustainable groundwater management within the Basin, and accordingly the Parties acknowledge and agree that the establishment of management areas within the Basin is a governance alternative that the Parties may explore.

VII. Roles and Responsibilities

- A. The Parties agree to jointly establish their roles and responsibilities for implementing a GSP or coordinated GSPs for the Basin in accordance with SGMA.
- B. The Parties agree to work in good faith and coordinate all activities to carry out the purposes of this MOA in implementing the policy, purposes, and requirements of SGMA in the Basin and particularly within the boundaries of the ST-GSA.
- C. BCVWD, YVWD, Redlands, and SGPWA, as members of the ST-GSA, shall coordinate with each other to cause all applicable noticing and submission of required information to DWR regarding formation of the ST-GSA.
- D. As provided in this MOA, the Parties will continue to meet, confer, coordinate, and collaborate to discuss and develop governance, management, technical, financial, and other matters, including respective roles and responsibilities for activities such as, but not limited to, the following: modeling; metering; monitoring; hiring consultants; developing and maintaining list of interested persons under SGMA Section 10723.4; budgeting; and other initial tasks as determined by the Parties.

VIII. Funding and Budgeting. The Parties shall mutually develop reasonable budgets and cost sharing agreements or arrangements for work to be undertaken in carrying out SGMA in the Basin.

IX. Stakeholders

- A. The Parties agree to work together in ensuring public outreach and involvement of the public, other interested stakeholders, and other agencies such as EMWD that may be responsible for implementing groundwater sustainability in the Basin throughout the SGMA process, including but not limited to all beneficial uses and users of groundwater as provided in SGMA Section 10723.2.
- B. The Parties acknowledge, agree, and desire that the preparation, adoption, and implementation of one or more GSPs for the Basin, and the ongoing process of ensuring compliance with the requirements of SGMA in the Basin, will involve close coordination and cooperation with stakeholders and other interested parties, including but not limited to those identified in this MOA.

X. Term, Termination, and Withdrawal

- A. Term. This MOA shall continue and remain in effect unless and until terminated by the unanimous written consent of the Parties, or as otherwise provided in this MOA or as authorized by law.
- B. Withdrawal. Any Party may decide, in its sole discretion, to withdraw from this MOA by providing ninety (90) days written notice to the other Parties. A Party that withdraws from this MOA shall remain obligated to pay its share of costs and expenses incurred or accrued under this MOA and any related cost sharing agreement or arrangement up to the date the Party provides its notice of withdrawal as provided herein. Withdrawal by a Party shall not cause or require the termination of this MOA or the existence of the ST-GSA with respect to the non-withdrawing Parties.
 - 1. In the event of withdrawal by BCVWD, YVWD, Redlands, or SGPWA from this MOA and the ST-GSA, the Parties shall meet and confer regarding whether the withdrawing Party wishes to seek GSA status for a portion of the Basin underlying the service area or management area of the withdrawing Party. The Parties also may meet and confer regarding issues such as: (i) whether the ST-GSA, or one or more of the non-withdrawing Parties, wishes to retain GSA status over the affected portion of the Basin; (ii) whether to enter a co-GSA management or other arrangement with the withdrawing Party; and (iii) whether to address the GSA issues in a different manner. Any resolution of such and other GSA issues shall be undertaken in a manner that satisfies all requirements of SGMA and DWR, including any requirement to file new GSA notices.

XI. Notice Provisions

All notices required by this MOA shall be made in writing and delivered to the respective representatives of the Parties at their respective addresses as follows:

Beaumont Cherry Valley Water District
Attn: General Manager
560 Magnolia Avenue
Beaumont, California 92223

City of Redlands
Attn: Municipal Utilities and Engineering Director
35 Cajon Street
Redlands, California 92373

Yucaipa Valley Water District
Attn: General Manager
12770 Second Street
Yucaipa, California 92399

San Geronio Pass Water Agency
Attn: General Manager
1210 Beaumont Avenue
Beaumont, California 92223

Any Party may change the address to which notices are to be given under this MOA by providing all other Parties with written notice of such change at least fifteen (15) calendar days prior to the effective date of the change. All notices shall be effective upon receipt and shall be deemed received upon confirmed personal service, confirmed courier service, or on the fifth (5th) calendar day following deposit of the notice in registered first class mail.

XII. General Terms

- A. Amendments. Amendments to this MOA require unanimous written consent of all Parties and approval by the Parties' respective governing bodies.
- B. Successors and Assigns. The terms of this MOA shall be binding upon all successors in interest and assigns of each Party; provided, however, that no Party shall assign its rights or obligations under this MOA without the signed written consent of all other Parties to this MOA.
- C. Waiver. No waiver of any provision of this MOA by any Party shall be construed as a further or continuing waiver of such provision or any other provision of this MOA by the waiving Party or any other Party.
- D. Authorized Representatives. Each person executing this MOA on behalf of a Party hereto affirmatively represents that such person has the requisite authority to sign this MOA on behalf of the respective Party.
- E. Exemption from CEQA. The Parties recognize and agree that, pursuant to SGMA Section 10728.6 and Public Resources Code Section 21065, neither this MOA nor the preparation or adoption of a GSP constitute a "project" or approval of a project under the California Environmental Quality Act (CEQA) or the State CEQA Guidelines, and therefore this MOA is expressly exempt from CEQA review.

- F. Governing Law and Venue. This MOA shall be governed by and construed in accordance with the laws of the State of California. Any suit, action, or proceeding brought under the scope of this MOA shall be brought and maintained to the extent allowed by law in the County of Riverside, California.
- G. Attorney's Fees, Costs, and Expenses. In the event of a dispute among any or all of the Parties arising under this MOA, each Party shall assume and be responsible for its own attorney's fees, costs, and expenses.
- H. Entire Agreement/Integration. This MOA constitutes the entire agreement among the Parties regarding the specific provisions of this MOA, and the Parties hereto have made no agreements, representations or warranties relating to the specific provisions of this MOA which are not set forth herein.
- I. Construction and Interpretation. The Parties agree and acknowledge that this MOA has been developed through a negotiated process among the Parties, and that each Party has had a full and fair opportunity to review the terms of this MOA with the advice of its own legal counsel and to revise the terms of this MOA, such that each Party constitutes a drafting Party to this MOA. Consequently, the Parties understand and agree that no rule of construction shall be applied to resolve any ambiguities against any particular Party as the drafting Party in construing or interpreting this MOA.
- J. Force Majeure. No Party shall be liable for the consequences of any unforeseeable force majeure event that (1) is beyond its reasonable control, (2) is not caused by the fault or negligence of such Party, (3) causes such Party to be unable to perform its obligations under this MOA, and (4) cannot be overcome by the exercise of due diligence. In the event of the occurrence of a force majeure event, the Party unable to perform shall promptly notify the other Parties in writing to the extent practicable. It shall further pursue its best efforts to resume its obligations under this MOA as quickly as possible and shall suspend performance only for such period of time as is necessary as a result of the force majeure event.
- K. Execution in Counterparts. This MOA may be executed in counterparts, each of which shall be deemed an original and all of which when taken together shall constitute one and the same instrument.
- L. No Third Party Beneficiaries. This MOA is not intended, and will not be construed, to confer a benefit or create any right on a third party or the power or right of any third party to bring an action to enforce any of the terms of this MOA.
- M. Timing and Captions. Any provision of this MOA referencing a time, number of days, or period for performance shall be measured in calendar days. The captions of the various articles, sections, and paragraphs of this MOA are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, terms, or intent of this MOA.

IN WITNESS WHEREOF, the Parties hereto have approved and executed this MOA as of the respective dates specified in the adopting Resolution of each Party as provided above in Article III of this MOA.

[The remainder of this page has been intentionally left blank.]
[Signature pages to follow.]

BEAUMONT CHERRY VALLEY WATER DISTRICT

By:

President, Board of Directors

Attest:

Secretary, Board of Directors

Approved as to form:

Counsel, Beaumont Cherry Valley Water District

Notices for the Beaumont Cherry Valley Water District shall be sent as follows:

Attention: General Manager
560 Magnolia Avenue
Beaumont, California 92223

With copies to:

CITY OF REDLANDS

By:

Mayor, City Council

Attest:

Secretary, City Council

Approved as to form:

Counsel, City of Redlands

Notices for the City of Redlands shall be sent as follows:

Attention: Municipal Utilities and Engineering Director
35 Cajon Street
Redlands, California 92373

With copies to:

SAN GORGONIO PASS WATER AGENCY

By:

President, Board of Directors

Attest:

Secretary, Board of Directors

Approved as to form:

Counsel, San Gorgonio Pass Water Agency

Notices for the San Gorgonio Pass Water Agency shall be sent as follows:

Attention: General Manager
1210 Beaumont Avenue
Beaumont, California 92223

With copies to:

YUCAIPA VALLEY WATER DISTRICT

By:

President, Board of Directors

Attest:

Secretary, Board of Directors

Approved as to form:

Counsel, Yucaipa Valley Water District

Notices for the San Gorgonio Pass Water Agency shall be sent as follows:

Attention: General Manager
12770 Second Street
Yucaipa, California 92399

With copies to:

Exhibit A

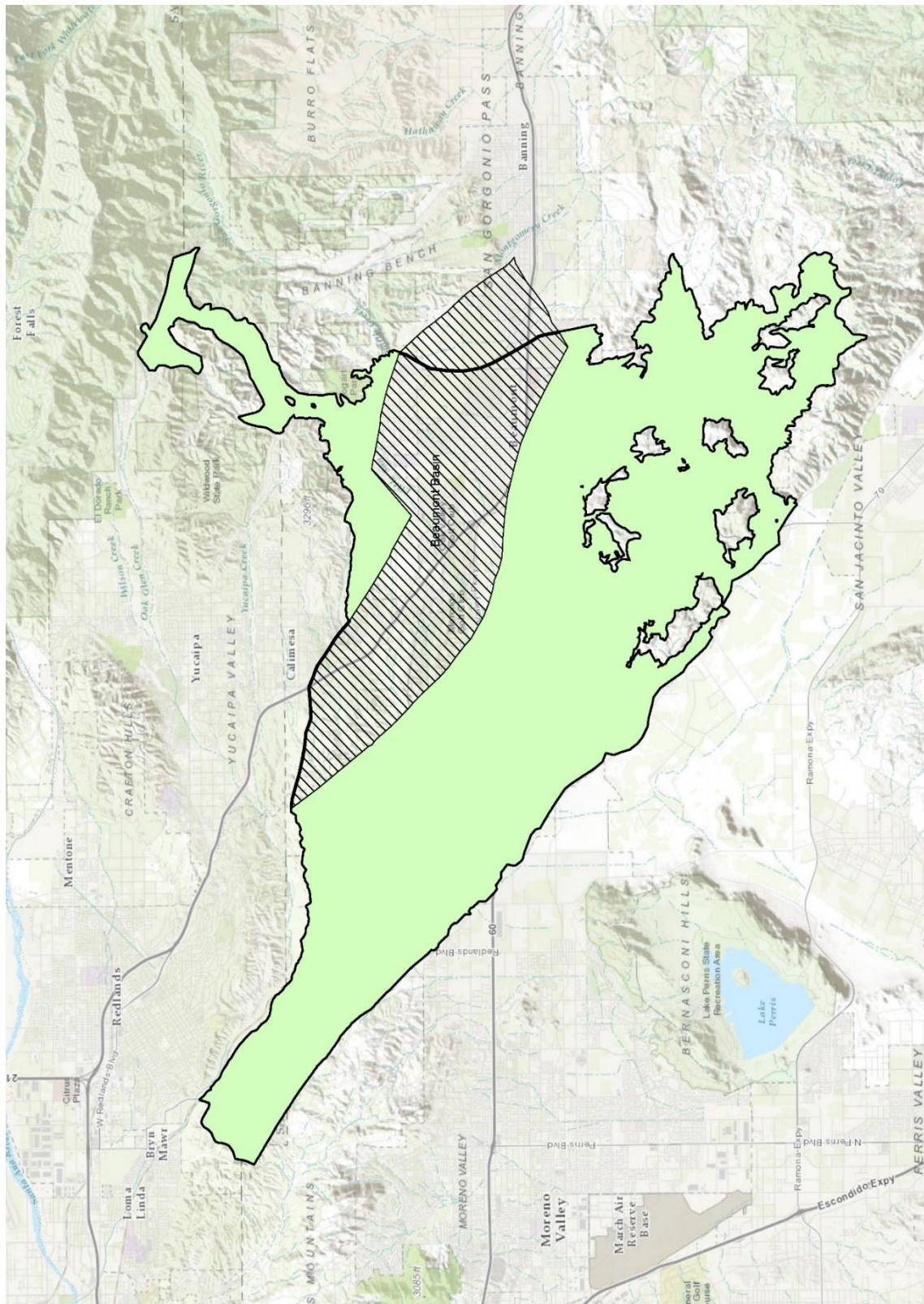
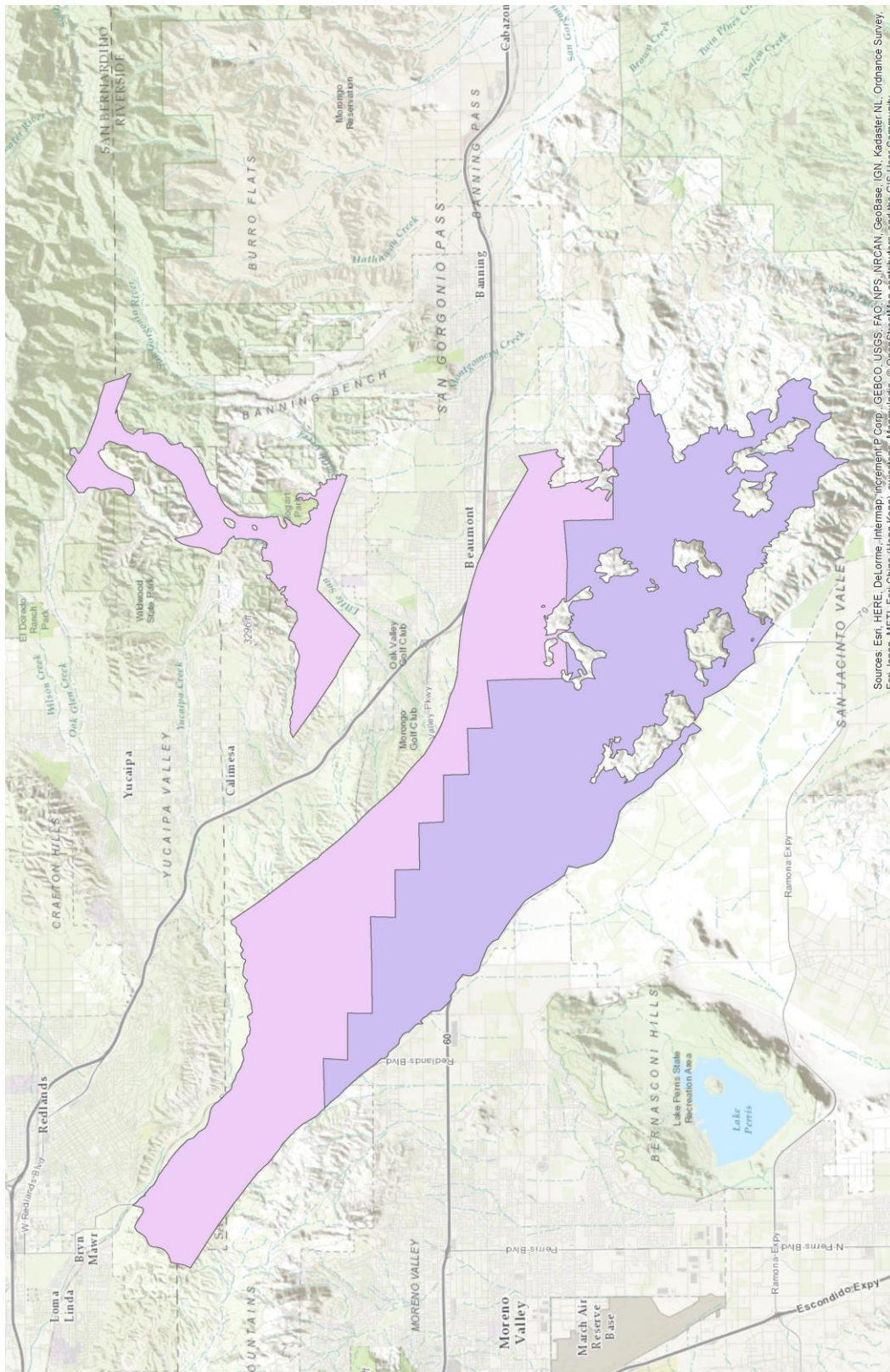


Exhibit B



Sources: Esri, HERE, DeLorme, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), Swisstopo, Mapbox India, © OpenStreetMap contributors, and the GIS User Community



Director Memorandum 17-046

Date: June 6, 2017

Prepared By: Allison M. Edmisten, Chief Financial Officer

Subject: Consideration of Resolution No. 2017-14 Establishing the Appropriation Limit for Fiscal Year 2017-18

Recommendation: That the Board adopts Resolution No. 2017-14.

In 1979, Proposition 4 (the Gann Initiative) was approved adding Article XIII B to the State Constitution. The provisions of this article place limits on the amount of revenue that can be appropriated by all entities of government. This initiative was designed to constrain government expenditures by placing an annual limit on revenue and appropriation growth.

In June 1990, Proposition 111 amended Article XIII B, making changes in the base year upon which the appropriations limit is based, establishing new cost of living factors and new population factors for use by local governments, and increasing appropriations not subject to the limit (primarily qualified capital outlay projects). The financial constraints of Article XIII B apply to State, all cities, counties, special districts and all other political subdivisions.

The Yucaipa Valley Water District has completed the computation associated with the appropriation limitation for fiscal year 2017-18 ("FY 2018"). Based on the attached calculation, the proposed adjustment to the District's appropriation limit includes an increase of 1.98% for the increase in non-residential assessed valuation of new construction and a weighted average increase of 1.43% for population change. These percentages have been used to calculate an increase in the appropriation limit from \$70,350,762 in FY 2017 to \$73,987,896 in FY 2018. This represents an overall increase of 5.17% to the appropriation limit. The District's annual appropriations are well below this limit.

RESOLUTION NO. 2017-14

**RESOLUTION OF THE YUCAIPA VALLEY WATER DISTRICT
ESTABLISHING THE APPROPRIATION LIMIT FOR FISCAL YEAR 2017-18**

WHEREAS, Article XIII B of the California Constitution provides that the State and each local government shall be subject to an appropriations limit, to govern the maximum amount of each entity's appropriations subject to limitation, in any fiscal year, as the same are defined in Article XIII B; and

WHEREAS, California Government Code Section 7910 provides for the annual establishment by local jurisdictions of their appropriations limit for each fiscal year, and further provides that upon establishment of such appropriations limit any judicial action or proceeding to attack, review, set aside, void, or annul such action by the District must be commenced within forty-five (45) days of the effective date of the resolution establishing the appropriations limit; and

WHEREAS, documentation used in determining the appropriations limit has been made available to the public for a period of not less than fifteen (15) days prior to Board consideration of this resolution.

NOW THEREFORE, the Board of Directors of the Yucaipa Valley Water District does hereby resolve, determine and order as follows:

Section 1. That in accordance with Article XIII B of the California Constitution and Section 7910 of the Government Code of the State of California, the appropriation limit for the Fiscal Year 2017-18 for the Yucaipa Valley Water District is established as \$73,987,896.

Section 2. The adjustment factors for computation of the FY 2017-18 appropriation limitation have been identified in the calculation of the appropriation limit.

Section 3. That documentation used in the determination of such appropriation limit has been available to the public at least fifteen days prior to this meeting of the Board of Directors.

This Resolution is effective immediately upon adoption.

PASSED AND ADOPTED this 6th day of June 2017.

YUCAIPA VALLEY WATER DISTRICT

ATTEST:

Jay Bogh, President Board of Directors

Joseph B. Zoba, General Manager



12770 Second Street, Yucaipa, California 92399

Appropriation Limit for the Yucaipa Valley Water District

Fiscal Year 2017-18

Prepared by: Allison M. Edmisten, Chief Financial Officer

Overview of Appropriation Limit

Introduction

In the 1970s soaring property values in California led to dramatic increases in property taxes, prompting a tax revolt that resulted in the passage of Proposition 13 in the June 1978 California primary. Proposition 13 reduced local property taxes by 57% and thereby slashed the revenue base for local governments and schools. Over the years the revenue loss has been made up by a varying mix of state funds and new revenue from specialized local fees and taxes, as well as by outright local budget cuts.

The California tax revolt did not end with Proposition 13. Seventeen months later, in November 1979, voters passed the Proposition 4, known as the Gann Amendment. Proposition 4 imposed a limit on most state and local government expenditures from tax sources. The limit is calculated annually according to a formula based on population and the cost of living. Under Proposition 4, excess revenues must be returned to the taxpayers.

Both Propositions 13 and 4 have been modified in the years since their passage. While weakened by the changes, Propositions 13 and 4 remain constraints on California state and local budgeting, and continue to be focal points in the public policy debate about California taxing and spending.

Summary of Proposition 4 and Related Voter Initiatives

Modern spending limits in California began in 1979 with the passage of Proposition 4 (Article XIII B of the California Constitution). Also called the Gann Initiative after its chief sponsor, Paul Gann, Proposition 4 places an appropriations limit on most spending from tax proceeds. The limit for each year is equal to the prior year's spending with upward adjustments allowed for changes in population and the cost of living. Most state and local government appropriations are subject to the limit. However, the law exempts certain appropriations from the limit including capital outlay, debt service and local government subventions. When the limit is exceeded, Proposition 4 requires the surplus to be returned to the taxpayers within two years. Appropriations in the two year period can be averaged before becoming subject to the excess revenue provisions of the Gann limit.

Voters approved the Gann limit in a November 1979 special election by a 74% margin. The late 1970s were a time of surplus state revenues in California, and voter exasperation at the inability of the legislature and the governor to agree on a plan to return the surplus to the taxpayers in the form of refunds or property tax relief helped fuel the tax revolt that led first to Proposition 13 and then to Proposition 4. With the Gann limit, voters took the matter of spending limits into their own hands, and ignored objections that spending limit formulas are an artificial constraint on policy making and hamper the government's ability to address citizen needs.

During the early 1980s, increases in population and the consumer price index outpaced the growth in state revenue, and the Gann limit was not reached. However, a surge in state revenues in 1987 caused the limit to be breached, and led to the first refund to taxpayers.

Voters have modified the Gann limit in a series of initiative measures. Proposition 99 (1988) and Proposition 10 (1998) exempted new tobacco taxes from the Gann limit. Proposition 98 (1988)

required public schools to receive a share of revenues exceeding the Gann limit. That share was changed to a flat 50% by Proposition 111 (1990). Proposition 111 also added three exemptions to the Gann limit: capital outlay spending, appropriations supported by increased gas taxes, and appropriations resulting from national disasters. Most significantly, Proposition 111 changed the formula used for calculating annual adjustments to the Gann limit. Under Proposition 111, the population factor is based on a weighted average of population and K-14 school enrollment growth (instead of population only), and the cost of living factor is based solely on California per-capita personal income growth (and no longer takes into account the Consumer Price Index).

The changes to the Gann limit formula under Proposition 111 substantially raised the Gann limit, making it less likely that the limit will be reached in the future. Many observers believe that in its current weakened state the Gann limit has ceased to be a meaningful constraint on state spending.

How the Appropriations Limit Works

Which Revenues Are Subject to Limit?

Article XIII B places a limit on appropriations from most, but not all, government revenue sources. The limit applies to appropriations from proceeds of taxes from both the general fund and special funds of government entities. Proceeds of taxes include tax revenues, interest earnings on invested tax revenues, and any revenues collected by a regulatory license fee or user charge in excess of the amount needed to cover the cost of providing the regulation, product, or service.

Which Appropriations Are Subject to Limit?

Appropriations for almost all government functions are subject to limitation under Article XIII B. However, there are some important exceptions. The original Proposition 4 provided that the following appropriations are not limited, even if made from proceeds of taxes:

- Subventions from the state to local governments and schools, the use of which is unrestricted (these subventions are not subject to the state's limit, but instead are counted as subject to the local entity's limit);
- Appropriations to pay for costs of complying with federal laws and court mandates;
- Payments for interest and redemption charges on pre-existing (i.e., pre-Proposition 4) or voter-approved bonded indebtedness;
- Withdrawals from previously appropriated reserve funds; and
- Refunds of taxes.

Proposition 111 excluded capital outlay from the appropriations limit. This change reflects the fact that while capital outlay appropriations are made during a single budget year, they reflect long-term investments that are utilized over a number of years. Appropriations directly related to an emergency, such as a fire, earthquake, or other natural disaster, were also excluded from the limit by Proposition 111. No reduction in future limits is required for appropriations made for these emergency purposes.

The "Base Year" Limit.

The first year that limits were in effect was FY 1980-81. The base year for determining the appropriations limit in FY 1980-81 was FY 1978-79. Actual appropriations in the FY 1978-79

fiscal year that had been financed by the proceeds of taxes were the starting point. Appropriations not subject to limitation were subtracted from that figure and this became the "base year" level of appropriations for computing all subsequent years' limits. Proposition 111 updated the base year for calculating the limit for each government entity to FY 1986-87. For fiscal years beginning with FY 1990-91, the limit for each entity is the FY 1986-87 limit adjusted annually as specified by Article XIII B as amended by Proposition 111.

Annual Adjustments to the Limit.

The appropriations limit for each year since FY 1980-81 is calculated by adjusting the base year limit for changes in the cost-of-living and population. Proposition 111, passed by the voters in June 1990, and revised each of the adjustment factors. Specifically, annual adjustments to limits, either upward or downward, are made as follows:

- Cost-of-Living.
 - State and schools are adjusted by the change in California per capita personal income.
 - Local agencies are adjusted by the change in California per capita personal income or the change in the local property tax roll due to the addition of new nonresidential construction.
- Population.
 - The State uses a population factor calculated by adding: (a) the change in the state's total population weighted by the percent of the budget spent on non-educational programs, and (b) the change in average daily attendance (ADA) for K-14 education weighted by the percentage of the budget spent on K-14 education.
 - Local agencies use a population factor that is the percentage change in the jurisdiction or in the county in which the jurisdiction is located. Special districts located in two or more counties may use the change in the county in which the district has the highest assessed valuation.
 - Counties. The population change for counties can be calculated by using one of three methods: (a) the percentage change in population within the county; (b) the percentage change in population for both the county itself and contiguous counties; or (c) the percentage change in population within the incorporated portion of the county.
 - K-14 Schools use the change in population is the percentage change in average daily attendance.
- Program Transfers. Limits of governmental entities are modified to reflect transfers of financial responsibility from one level of government to another. The limit of the new service provider is increased by the amount the former service provider's limit is reduced.
- Funding Transfers. Adjustments either upward or downward are made to account for transfers of program funding sources, for example from tax revenues (subject to limit) to fees (not subject to limit).

The level of appropriations actually made by a government entity in any year does not have any bearing on the calculation of the appropriations limit for the subsequent years. Each year's limit is computed based on the prior year's limit, not the prior year's appropriations.

If the governing body actually appropriates less money than what would be permitted by the limit, it has "room" under its limit, and the limit will be further adjusted the following year for cost-of-living and population changes. A government entity does not "lose" room under its limit for the future by appropriating less than the maximum permitted in any year.

Appropriations Permitted in Excess of the Limit.

Article XIII B sets forth two circumstances under which governments may make appropriations in excess of their limits:

- Emergency. Appropriations for declared emergencies do not count towards and may be made in excess of the limit. Proposition 111 removed the requirement that the limits for future years must be reduced over a three-year period so that there would be no total increase in allowable appropriations.
- Voter Approval. Article XIII B permits voters of a jurisdiction to authorize an increase in the appropriations limit. However, no voter-approved increase may be in effect for more than four years. At the end of the four-year period, either the voters must approve another increase or the limit must return to the level it would otherwise have been.

When Revenues Exceed the Appropriations Limit.

A government entity may receive revenues during a fiscal year that exceed its appropriations limit. Proposition 111 allows governments to average appropriations over a two year period before becoming subject to the excess revenue provisions of Article XIII B. In other words, a government entity can offset appropriations that exceeds its appropriations limit in one year of a two-year period by appropriating less than the limit in the other year. If, after taking this two year averaging into account, authority to appropriate is not provided by either an emergency declaration or voter approval, Article XIII B as amended by Propositions 98 and 111 sets forth a process for disposing of the excess State revenues:

- Education Programs. After the two-year averaging period, 50% of any excess revenues are transferred to the State School Fund for elementary, secondary and community college education. A portion of this excess revenue (25%) may effectively be built into the base used to calculate future funding required by Proposition 98 if the excess funds are used for a specified purpose. The transfer to education is not required if the state's average expenditure per student and average class size is equal to or exceeds that of the ten states with the best performance in these areas.
- Return of Excess. The 50% of excess revenues remaining after the transfer to education must be returned to taxpayers within the following two years. The return can be made through a reduction in the tax rate or as a fee reduction.

Sources:

- "Government Appropriations Limit: Article XIII B of the Constitution." In: *Revenue and Taxation Reference Book 2003*. Sacramento: Assembly Revenue and Taxation Committee, Chapter 5, January 2004, pp. 150-7.
- "Tax and Expenditure Limitation in California: Proposition 13 & Proposition 4", Institute of Governmental Studies, University of California at Berkeley (<http://www.igs.berkeley.edu/library/htTaxSpendLimits2003.html>)

Calculation of Appropriation Limitation

Appropriation Limit Calculation – Part I

Greater of California per capita income or increase in non-residential assessed valuation of new construction		1.0369
Population percentage change factor	x	<u>1.0143</u>
Ratio of change		<u>1.0517</u>

Appropriation Limit Calculation – Part II

Ratio of change		1.0517
Prior year appropriation limit (2016-17)	x	<u>\$70,350,762</u>
Current year appropriation (2017-18)		<u>\$73,987,896</u>

Computation of Appropriation Limitation

Adjustment Factors

Cost of Living Price Factor: The computation of the appropriation limitation involves the greater of the two cost of living factors:

Percentage change in per capita income ¹	<u>or</u>	Percentage change in local assessment roll due to addition of non-residential new construction ²
<u>3.69%</u>		1.98%

Population: The computation of the appropriation limitation involves the greater of the following factors for each county:

Growth within San Bernardino County ³	<u>or</u>	Growth within the City of Yucaipa
<u>1.16%</u>		1.02%
Growth within Riverside County ⁴	<u>or</u>	Growth within the City of Calimesa
1.56%		<u>3.09%</u>

The underlined factors above were used in calculating the District's appropriation limit for the fiscal year 2017-18. The resolution adopted by the Board of Directors will specify these factors.

¹ State of California, Department of Finance correspondence dated May 2017 (Attachment A)

² Ms. Linda Santillano, Auditor-Controller Office, Property Tax Section, July 2016 (909) 382-3189

³ State of California, Department of Finance correspondence dated May 2017 (Attachment B-SB)

⁴ State of California, Department of Finance correspondence dated May 2017 (Attachment B-RIV)

Procedure for Administering Revenue and Taxation Code Section 2228(a)

The Revenue and Taxation Code, Section 2228(a) requires the following:

If a special district is located within a single county or within more than one city or any combination of cities and incorporated area within a single county, the annual percentage change in population for the district shall be that established for the county or the weighted average of the percentage change of each city and the unincorporated area.

If a special district is located within more than one county, the annual percentage change in population for the district shall be the weighted average of the percentage change of each county or city or unincorporated area within the district or any combination provided that the areas selected are mutually exclusive.

The State of California, Department of Finance has specified that the weights applied shall be the relative share of the assessed valuation (A.V.) of the district in each local agency.

Population Percentage Change Factor:

<u>Local Agency</u>	<u>Percentage Population Change</u>		<u>Assessed Valuation</u>	=	<u>Percentage Change x A.V.</u>
San Bernardino County	1.16%	x	6,064,541,815	=	70,348,685
Riverside County	3.09%	x	1,005,468,817	=	31,068,986
Total District			7,070,010,632		101,417,671

Weighted Average Percent Change:

$$\frac{\text{Total District (Percentage Change x A.V.)}}{\text{Total District Assessed Valuation}} = \frac{101,417,671}{7,070,010,632} = \underline{\underline{0.014345}}$$

Attachments



EDMUND G. BROWN JR. - GOVERNOR
STATE CAPITOL ■ ROOM 1145 ■ SACRAMENTO CA ■ 95814-4998 ■ WWW.DOF.CA.GOV

May 2017

Dear Fiscal Officer:

Subject: Price Factor and Population Information

Appropriations Limit

The California Revenue and Taxation Code, section 2227, requires the Department of Finance (Finance) to transmit an estimate of the percentage change in population to local governments. Each local jurisdiction must use their percentage change in population factor for January 1, 2017, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2017-18. Attachment A provides the change in California's per capita personal income and an example for utilizing the price factor and population percentage change factor to calculate the 2017-18 appropriations limit. Attachment B provides the city and unincorporated county population percentage change. Attachment C provides the population percentage change for counties and their summed incorporated areas. The population percentage change data excludes federal and state institutionalized populations and military populations.

Population Percent Change for Special Districts

Some special districts must establish an annual appropriations limit. The Revenue and Taxation Code, section 2228 provides additional information regarding the appropriations limit. Article XIII B, section 9(C) of the California Constitution exempts certain special districts from the appropriations limit calculation mandate. The Code and the California Constitution can be accessed at the following website: <http://leginfo.legislature.ca.gov/faces/codes.xhtml>.

Special districts required by law to calculate their appropriations limit must present the calculation as part of their annual audit. Any questions special districts have on this requirement should be directed to their county, district legal counsel, or the law itself. No state agency reviews the local appropriations limits.

Population Certification

The population certification program applies only to cities and counties. Revenue and Taxation Code section 11005.6 mandates Finance to automatically certify any population estimate that exceeds the current certified population with the State Controller's Office. **Finance will certify the higher estimate to the State Controller by June 1, 2017.**

Please Note: Prior year's city population estimates may be revised.

If you have any questions regarding this data, please contact the Demographic Research Unit at (916) 323-4086.

MICHAEL COHEN
Director
By:

AMY M. COSTA
Chief Deputy Director

Attachment

May 2017

Attachment A

- A. **Price Factor:** Article XIII B specifies that local jurisdictions select their cost of living factor to compute their appropriation limit by a vote of their governing body. The cost of living factor provided here is per capita personal income. If the percentage change in per capita personal income is selected, the percentage change to be used in setting the fiscal year 2017-18 appropriation limit is:

Per Capita Personal Income	
Fiscal Year (FY)	Percentage change over prior year
2017-18	3.69

- B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2017-18 appropriation limit.

2017-18:

Per Capita Cost of Living Change = 3.69 percent
 Population Change = 0.85 percent

Per Capita Cost of Living converted to a ratio: $\frac{3.69 + 100}{100} = 1.0369$

Population converted to a ratio: $\frac{0.85 + 100}{100} = 1.0085$

Calculation of factor for FY 2017-18: $1.0369 \times 1.0085 = 1.0457$

Fiscal Year 2017-18

Attachment B
Annual Percent Change in Population Minus Exclusions*
January 1, 2016 to January 1, 2017 and Total Population, January 1, 2017

County City	<u>Percent Change</u>	<u>--- Population Minus Exclusions ---</u>		<u>Total</u>
	2016-2017	1-1-16	1-1-17	1-1-2017
San Bernardino				
Adelanto	2.32	32,820	33,581	34,273
Apple Valley	1.05	73,925	74,701	74,701
Barstow	0.52	23,703	23,826	24,248
Big Bear Lake	0.86	5,004	5,047	5,047
Chino	2.89	80,399	82,720	88,026
Chino Hills	2.38	78,798	80,676	80,676
Colton	0.65	53,530	53,879	53,879
Fontana	1.72	209,179	212,786	212,786
Grand Terrace	0.56	12,366	12,435	12,435
Hesperia	0.96	93,241	94,133	94,133
Highland	0.65	54,024	54,377	54,377
Loma Linda	0.39	24,368	24,463	24,528
Montclair	0.92	38,766	39,122	39,122
Needles	0.52	5,018	5,044	5,044
Ontario	2.39	170,214	174,283	174,283
Rancho Cucamonga	0.94	175,681	177,324	177,324
Redlands	0.92	69,211	69,851	69,851
Rialto	0.50	105,996	106,528	106,528
San Bernardino	0.60	214,116	215,410	216,972
Twentynine Palms	5.01	17,243	18,107	26,919
Upland	1.02	76,016	76,790	76,790
Victorville	0.43	119,067	119,579	123,565
Yucaipa	1.02	53,773	54,324	54,324
Yucca Valley	0.69	21,371	21,519	21,519
Unincorporated	0.62	298,825	300,681	308,906
County Total	1.16	2,106,654	2,131,186	2,160,256

*Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.

Fiscal Year 2017-18

Attachment B
Annual Percent Change in Population Minus Exclusions*
January 1, 2016 to January 1, 2017 and Total Population, January 1, 2017

County City	Percent Change	-- Population Minus Exclusions --		Total Population
	2016-2017	1-1-16	1-1-17	1-1-2017
Riverside				
Banning	0.75	30,836	31,068	31,068
Beaumont	3.03	44,821	46,179	46,179
Blythe	-0.46	14,114	14,049	19,660
Calimesa	3.09	8,378	8,637	8,637
Canyon Lake	0.85	10,799	10,891	10,891
Cathedral City	0.96	53,994	54,511	54,557
Coachella	0.92	45,135	45,551	45,551
Corona	2.34	163,931	167,759	167,759
Desert Hot Springs	0.78	28,885	29,111	29,111
Eastvale	2.21	63,214	64,613	64,613
Hemet	0.94	81,109	81,868	81,868
Indian Wells	1.40	5,375	5,450	5,450
Indio	1.53	87,382	88,718	88,718
Jurupa Valley	2.42	98,920	101,315	101,315
Lake Elsinore	2.00	60,731	61,947	62,092
La Quinta	1.25	40,176	40,677	40,677
Menifee	2.41	88,524	90,660	90,660
Moreno Valley	1.00	204,712	206,750	206,750
Murrieta	2.39	112,232	114,914	114,914
Norco	0.44	24,063	24,169	26,882
Palm Desert	1.17	50,154	50,740	50,740
Palm Springs	1.09	46,866	47,379	47,379
Perris	2.34	74,005	75,739	75,739
Rancho Mirage	1.12	18,093	18,295	18,295
Riverside	0.97	323,607	326,733	326,792
San Jacinto	1.22	47,348	47,925	47,925
Temecula	1.27	109,635	111,024	111,024
Wildomar	2.14	35,034	35,782	35,782
Unincorporated	1.69	367,208	373,397	373,755
County Total	1.56	2,339,281	2,375,851	2,384,783

*Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.

PIP1112

COUNTY OF SAN BERNARDINO
PROPERTY INFORMATION SYSTEM
AGENCY PERCENTAGE CHANGE REPORT

DATE 07/29/2016
PAGE 7

AGENCY	NEW CONST INCREASE	TOTAL INCREASE	PERCENTAGE CHANGE
VICTORVILLE OLD/MIDTOWN RDA	259,706.00	2,378,052.00	10.9209
VICTORVILLE RDA BEAR VALLEY ROAD	3,624,231.00	4,953,518.00	73.1647
VICTORVILLE STREET LIGHT DISTRICT	7,636,971.00	187,809,294.00	4.0663
VICTORVILLE WATER DISTRICT	18,232,477.00	364,136,821.00	5.0070
WEST VALLEY MVCD	161,741,773.00	1,337,024,327.00	12.0971
WEST VALLEY WATER DISTRICT	43,169,931.00	471,947,126.00	9.1471
YERMO COMMUNITY SERVICES DISTRICT	236,408.00	1,120,742.00	21.0938
YUCAIPA RDA	184,411.00	11,412,632.00	1.6158
YUCAIPA VALLEY WATER DISTRICT	4,257,644.00	215,455,631.00	1.9761
YUCAIPA-CALIMESA JOINT UNIFIED	4,335,325.00	217,644,925.00	1.9919
YUCCA VALLEY RDA	281,526.00	6,992,430.00	4.0261
29 PALMS CEMETERY DISTRICT	371,204.00	9,319,736.00	3.9829

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SAN BERNARDINO COUNTY AUDITOR-CONTROLLER
PROPERTY TAX DIVISION

10/26/16
PAGE 295

AGENCY NET VALUATIONS

ROLL YEAR: 2016

AGENCY: WW29 YUCAIPA VALLEY WATER DISTRICT

ADDRESS: P.O. BOX 730
YUCAIPA, CA 923990730

ACCT CODE	ACCT NAME	NET VALUE BEFORE RDA	RDA INCREMENT	NET VALUE AFTER RDA	HOME OWNERS EXEMPTION	TAX ROLL VALUE

DA01 DEBT SERVICE IMP 2						
LOCAL SECURED		828,033,246	64,198,731	763,834,515	10,052,000	753,782,515
SECURED UTILITY		0	0	0	0	0
UNSECURED		23,863,723	15,946,335	7,917,388	0	7,917,388

TOTAL		851,896,969	80,145,066	771,751,903	10,052,000	761,699,903

GA01 GENERAL TAX LEVY						
LOCAL SECURED		4,044,119,959	166,365,073	3,877,754,886	60,016,171	3,817,738,715
SECURED UTILITY		0	0	0	0	0
UNSECURED		65,247,010	22,849,609	42,397,401	0	42,397,401

TOTAL		4,109,366,969	189,214,682	3,920,152,287	60,016,171	3,860,136,116

GA02 GENERAL TAX LEVY JMP DIST A						
LOCAL SECURED		2,372,110,098	87,108,222	2,285,001,876	38,198,776	2,246,803,100
SECURED UTILITY		0	0	0	0	0
UNSECURED		26,730,946	3,765,934	22,965,012	0	22,965,012

TOTAL		2,398,841,044	90,874,156	2,307,966,888	38,198,776	2,269,768,112

JUN 28, 2016		DISTRICT VALUATIONS - AUDITOR FY16-17				PRPCA050	PAGE	32
DIST. NO.	DISTRICT NAME	SBE	LOCAL SECURED	TOTAL SECURED	UNSECURED	TOTAL VALUE		
0	04-4869 MISSION SPRINGS WTR IMP S	1,301,093,117	1,301,093,117	1,301,093,117	23,462,274	1,324,555,391	1	324,555,391
0	04-4871 IDYLLWILD CO WATER	367,087,006	367,087,006	367,087,006	2,838,064	369,925,070		
0	04-4872 IDYLLWILD CO WATER IMP 1	141,060,267	141,060,267	141,060,267	2,750,685	143,810,952		
0	04-4873 IDYLLWILD CO WTR IMP 1 ANX							
0	04-4875 HOME GARDENS CO WATER	122,880,034	122,880,034	122,880,034	1,240,049	124,120,083		
0	04-4877 MURRIETA COUNTY WATER							
0	04-4882 CHIRIACO SUMMIT CO WATER	3,349,561	3,349,561	3,349,561	151,752	3,501,313		
0	04-4888 COACHELLA VAL IMP DST 16 ANX 3							
0	04-4889 CVWD WATER ASMT 65	77,820,522	77,820,522	77,820,522	9,797,157	87,617,679		
0	04-4891 PINE COVE CO WATER	211,086,577	211,086,577	211,086,577	140,785	211,227,362		
0	04-4892 PINYON PINES CO WATER	10,288,363	10,288,363	10,288,363		10,288,363		
0	04-4893 WEST VALLEY WATER	127,948,733	127,948,733	127,948,733	24,478,459	152,427,192		
0	04-4895 YUCAIPA VALLEY CO WATER ANX							
0	04-4896 YUCAIPA VALLEY CO WTR	722,792,801	722,792,801	722,792,801	11,218,063	734,010,864		
0	04-4897 YUCAIPA VALLEY CO WTR IIP 1	282,676,016	282,676,016	282,676,016	7,073,170	289,749,186		
0	04-4898 YUCAIPA VALLEY CO WTR IMP 2	130,255,390	130,255,390	130,255,390	230,195	130,485,585		
0	04-4899 YUCAIPA VAL CO WTR IMP#1 ANX							
0	04-4903 EDGEMONT COMM SERV DEBT SERVICE							
0	04-4904 JURUPA COMMUNITY SRV IMP 2 DS							
0	04-4907 LA SIERRA COMMUNITY SRV DS	1,312,560,048	1,312,560,048	1,312,560,048	44,582,938	1,357,142,986		
0	04-4913 NORCO COMMUNITY SRV DS	1,247,247,797	1,247,247,797	1,247,247,797	50,360,939	1,297,608,736		
0	04-4917 RUBIDOUX COMMUNITY SRV DS	3,044,411,507	3,044,411,507	3,044,411,507	66,096,916	3,110,508,423		
0	04-4923 MURRIETA FIRE PROT DEBT SERVICE	1,372,300,069	1,372,300,069	1,372,300,069	78,090,460	1,450,390,529		
0	04-4933 DESERT HOSPITAL DEBT SERVICE							
0	04-4935 HEMET VAL HOSPITAL DEBT SERVICE							
0	04-4936 HEMET VAL HOSPITAL DEBT SERV 2							
0	04-4963 COACHELLA SANITARY DEBT SERVICE							



Date: June 6, 2017

Prepared By: Allison M. Edmisten, Chief Financial Officer
Erin Anton, Administrative Clerk IV

Subject: Identification and Declaration of Bad Debt for Calendar Year 2015

Recommendation: That the Board authorizes the District staff to declare bad debt for Calendar Year 2015 in the amount of \$27,288.24.

The District actively pursues delinquent accounts, and in most cases is able to collect delinquent fees through a combination of shutting off the services provided, sending accounts to a collection agency, placing a lien on the property involved, and/or pursuing the claims through legal actions such as small claims court. In some cases, the District is unable to collect the money owed the District.

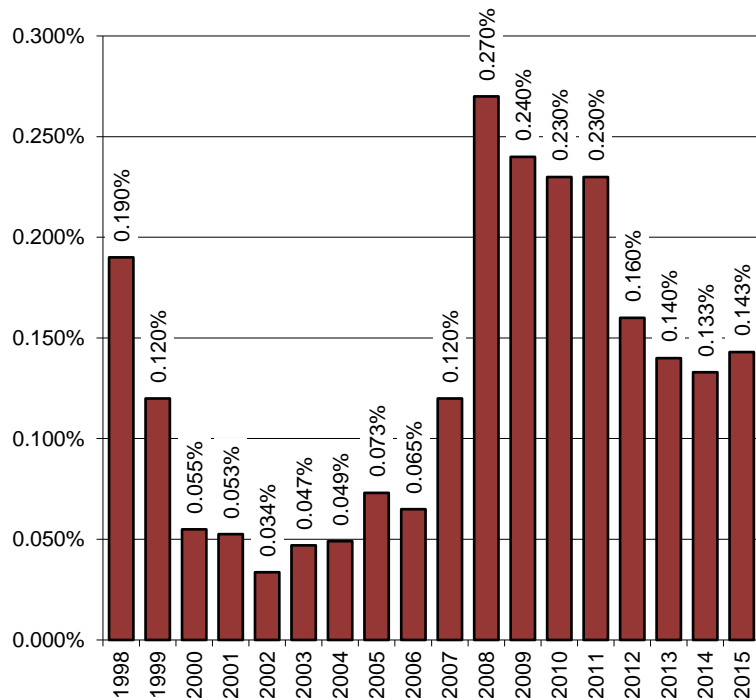
During the calendar year 2015, the amount of bad debt totals \$27,288.24, which includes \$11,791.89 for sewer only customers and \$15,496.35 for water/sewer customers. Of this bad debt total \$3,948.71 is due to home foreclosures, leaving account balances of \$23,339.53 that was not collected in the normal collection process.

As a proper accounting procedure, this bad debt must be accounted for on our financial statements; otherwise the debt remains as a liability on the District's annual audit.

District staff has compiled the list of uncollectible accounts for calendar year 2015, which amounts to \$27,288.24. Of this total, only 14.5% of the bad debts are due to home foreclosures.

Overall, the total amount of bad debt represents a loss of 0.143% for calendar year 2015 based on total water and sewer revenues.

Bad Debt as a Percentage of Annual Water and Sewer Revenues





Date: June 6, 2017

Prepared By: Kathryn Hallberg, Management Analyst

Subject: Discussion Regarding the Renewal of Insurance Coverage for Fiscal Year 2018

Recommendation: That the Board authorizes the District staff to execute the necessary contracts and documents with Allied Community Insurance Services and Inland Counties Insurance Services for a sum not to exceed \$208,731.

Yucaipa Valley Water District currently has a property/liability insurance policy with Inland Counties Insurance Services Brokerage with insurance coverage provided by Water Plus Insurance Program and Allied World Assurance Coverage.

The District staff has investigated pooled insurance options this year, but the cost is significantly greater with less coverage than our existing policy. Therefore, while the District staff explored different insurance options, the attached policy renewal provides the most comprehensive and cost-effective coverage for the District.



INSURANCE PROPOSAL
Yucaipa Valley Water District

EFFECTIVE DATE
7/1/2017

PRESENTED BY:
Inland Counties Insurance Services, Inc. DBA Roberge & Fries Insurance Agency



PROGRAM MANAGER
www.alliedpublicrisk.com
Allied Community Insurance Services, LLC
Agency License No. 733176
CA License No. 0L01269



PREMIUM SUMMARY

NOTE: This proposal is prepared from information supplied to us on the application submitted by your insurance broker. It may or may not contain all terms requested on the application. Proposed coverages are provided by the Allied Public Risk WaterPlus policy forms and are subject to the terms, exclusions, conditions and limitations of those policy forms. Actual policies should be reviewed for specific details. Specimen policies are available from your insurance broker.

PAGE	COVERAGE SECTION	PREMIUM
3-7	SECTION 1. PROPERTY (Property, Equipment Breakdown & Mobile Equipment)	\$ 70,768.00
8	SECTION 2. COMMERCIAL CRIME	\$ 1,800.00
9-10	SECTION 3. COMMERCIAL GENERAL LIABILITY	\$ 46,419.00
11	SECTION 4. PUBLIC OFFICIALS & MANAGEMENT LIABILITY (Wrongful Acts, Employment Practices & Employee Benefit Plans)	\$ 12,908.00
12	SECTION 5. BUSINESS AUTO	\$ 46,935.00
13	SECTION 6. COMMERCIAL EXCESS LIABILITY	\$ 28,629.00

	TOTAL ANNUAL PREMIUM (excludes state-imposed taxes, surcharges, and fees)	\$ 207,459.00
	TERRORISM PREMIUM	\$ 1,172.00
	FULLY EARNED POLICY FEE	\$ 100.00
	STATE-IMPOSED TAXES, SURCHARGES, AND FEES	\$ N/A
	TOTAL AMOUNT DUE*	\$ 208,731.00

*Payment is due in accordance with the producer agreement.

NOTES:

Renewal terms are per expiring and subject to a completed, signed and dated renewal application. Please note any exposure change(s) may result in premium change.

INSURED: Yucaipa Valley Water District
EFFECTIVE DATE: 7/1/2017

DISCLAIMER: Actual coverage is subject to the language of the policies as issued. Your issued policy may contain limits, exclusions, and limitations that are not detailed in this proposal.



SECTION 1. PROPERTY *

***IS THIS SECTION INCLUDED IN THE PROPOSAL? Yes**

CARRIER:

- Allied World Assurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Special Causes of Loss
- Proprietary
- Integrated

LIMITS:

Blanket Property: (Real Property & Business Personal Property)	\$99,397,979
Blanket Coverage Extension: A separate blanket limit that applies to the following coverages: Business Income, Extended Business Income, Commandeered Property, Civil Authority, Extra Expense, Tenant Leasehold Interest, Electronic Data, Preservation of Property.	\$2,000,000
Equipment Breakdown / Boiler & Machinery:	Included
Mobile Equipment (Scheduled):	\$1,362,304
Mobile Equipment (unscheduled, maximum \$10,000 any one item):	\$15,000
Mobile Equipment (borrowed, rented & leased):	N/A
Earthquake (earth movement excluded):	N/A
Flood Zone AE:	N/A
Flood Zone X (shaded/unshaded)	N/A

DEDUCTIBLES:

\$2,500	Property
\$1,000	Mobile Equipment
\$10,000	Equipment Breakdown (aboveground & less than 50 feet belowground)
\$10,000	Equipment Breakdown (greater than 50 feet belowground)
N/A	Earthquake (earth movement excluded)
N/A	Flood Zone X (per occurrence)
N/A	Flood Zone AE* (per occurrence)
N/A	Flood Zone AE* (per damaged structure / per occurrence)
N/A	*the greater of the deductibles will be applied
N/A	Named Storm Wind/Hail* (per occurrence)
N/A	Named Storm Wind/Hail* (per damaged structure / per occurrence)
	*the greater of the deductibles will be applied

POLICY HIGHLIGHTS:

- Blanket Policy Limits
- Blanket Coverage Extension Limits
- No Coinsurance Penalty
- Equipment Breakdown
- Broad Definition of Covered Property
- Proprietary Coverage Extensions

VALUATION:

- Replacement Cost: Real Property & Business Personal Property
- Actual Cash Value: Mobile Equipment
- Actual Loss Sustained: Loss of Income & Expenses
- Market Price: Fine Arts

INSURED: Yucaipa Valley Water District

EFFECTIVE DATE: 7/1/2017

DISCLAIMER: Actual coverage is subject to the language of the policies as issued. Your issued policy may contain limits, exclusions, and limitations that are not detailed in this proposal.

**SPECIAL COVERAGES:**

- **New Locations Or Newly Constructed Property:**
Pays up to \$1,000,000 for your new real property while being built on or off described premises as well as real property you acquire, lease or operate at locations other than the described premises; and business personal property located at new premises.
- **Utility Services – Direct Damage, Business Income & Expense:**
Pays up to \$250,000 for covered property damaged by an interruption in utility service to the described premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss and does not apply to loss or damage to electronic data, including destruction or corruption of electronic data. Separate limits apply to Direct Damage and Business Income/Expense Expense.
- **Pollution Remediation Expenses:**
Pays up to \$100,000 or \$250,000 for remediation expenses resulting from a Covered Causes of Loss or Specified Cause of Loss occurring during the policy period and reported within 180 days. Covered Causes of Loss means risks of direct physical loss unless the loss is excluded or limited by the Property Coverage Form. Specified Cause of Loss means the following: fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow; ice or sleet; water damage; and equipment breakdown.
- **SCADA Upgrades:**
Pays up to \$100,000 to upgrade your scheduled SCADA system after direct physical loss from a Covered Cause of Loss. The upgrade is in addition to its replacement cost. SCADA means the Supervisory Control and Data Acquisition system used in water and wastewater treatment and distribution to monitor leaks, waterflow, water analysis, and other measurable items necessary to maintain operations.
- **Contract Penalties:**
Pays up to \$100,000 for contract penalties you are required to pay due to your failure to deliver your product according to contract terms solely as a result of direct physical loss or damage by a Covered Cause of Loss to Covered Property.
- **Contamination:**
Pays up to \$100,000 for loss or damage to covered property because of contamination as a result of a Covered Cause of Loss. Contamination means direct damage to real property and business personal property caused by contact or mixture with ammonia, chlorine, or any chemical used in the water and / or wastewater treatment process.
- **Property In Transit:**
Pays up to \$100,000 for direct physical loss or damage to covered property while in transit more than 1000 feet from the described premises. Shipments by mail must be registered for covered to apply. Electronic data processing property and fine arts are excluded.
- **Unintentional Errors:**
Pays up to \$100,000 for any unintentional error or omission you make in determining or reporting values or in describing the covered property or covered locations.

INSURED: Yucaipa Valley Water District
EFFECTIVE DATE: 7/1/2017

DISCLAIMER: Actual coverage is subject to the language of the policies as issued. Your issued policy may contain limits, exclusions, and limitations that are not detailed in this proposal.



KEY DEFINITIONS

■ **Real Property:**

The buildings, items or structures described in the Declarations that you own or that you have leased or rented from others in which you have an insurable interest. This includes:

- Aboveground piping;
- Aboveground and belowground penstock;
- Additions under construction;
- Alterations and repairs to the buildings or structures;
- Buildings;
- Business personal property owned by you that is used to maintain or service the real property or structure or its premises, including fire-extinguishing equipment; outdoor furniture, floor coverings and appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;
- Completed additions;
- Exterior signs, meaning neon, automatic, mechanical, electric or other signs either attached to the outside of a building or structure, or standing free in the open;
- Fixtures, including outdoor fixtures;
- Glass which is part of a building or structure;
- Light standards;
- Materials, equipment, supplies and temporary structures you own or for which you are responsible, on the premises or in the open (including property inside vehicles) within 1000 feet of the premises, used for making additions, alterations or repairs to buildings or structures at the premises;
- Paved surfaces such as sidewalks, patios or parking lots;
- Permanently installed machinery and equipment;
- Permanent storage tanks;
- Solar panels;
- Submersible pumps, pump motors and engines;
- Underground piping located on or within 1000 feet of premises described in the Declarations;
- Underground vaults and machinery.

■ **Business Personal Property:**

The property you own that is used in your business including:

- Furniture and fixtures;
- Machinery and equipment;
- Computer equipment;
- Communication equipment;
- Labor materials or services furnished or arranged by you on personal property of others;
- Stock;
- Your use interest as tenant in improvements and betterments.
- Leased personal property for which you have a contractual responsibility to insure.

■ **Pollution Conditions:**

The discharge, dispersal, release, seepage, migration, or escape of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, minerals, chemical elements and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

INSURED: Yucaipa Valley Water District

EFFECTIVE DATE: 7/1/2017

DISCLAIMER: Actual coverage is subject to the language of the policies as issued. Your issued policy may contain limits, exclusions, and limitations that are not detailed in this proposal.



KEY DEFINITIONS *(continued)*

■ **Remediation Expenses:**

Expenses incurred for or in connection with the investigation, monitoring, removal, disposal, treatment, or neutralization of pollution conditions to the extent required by: (1) Federal, state or local laws, regulations or statutes, or any subsequent amendments thereof enacted to address pollution conditions; and (2) a legally executed state voluntary program governing the cleanup of "pollution conditions."

■ **Outdoor Property:**

Fixed or permanent structures that are outside covered real property including but not limited to:

- Historical markers or flagpoles;
- Sirens, antennas, towers, satellite dishes, or similar structures and their associated equipment;
- Exterior signs not located at a premises;
- Fences or retaining walls;
- Storage sheds, garages, pavilions or other similar buildings or structures not located at a premises;
- Dumpsters, concrete trash containers, or permanent recycling bins;
- Hydrants; or
- Electric utility power transmission and distribution lines and related equipment owned by the insured.

■ **Equipment Breakdown:**

Direct damage to mechanical, electrical or pressure systems as follows:

- Mechanical breakdown including rupture or bursting caused by centrifugal force;
- Artificially generated electrical current, including electrical arcing, that disturbs electrical devices, appliances or wires;
- Explosion of steam boilers, steam piping, steam engines or steam turbines owned or leased by you, or operated under your control;
- Loss or damage to steam boilers, steam pipes, steam engines or steam turbines; or
- Loss or damage to hot water boilers or other water heating equipment;
- If covered electrical equipment requires drying out as a result of a flood, we will pay for the direct expenses for such drying out.
- None of the following are covered objects as respects to equipment breakdown:
 - a. Insulating or refractory material;
 - b. Buried vessel or piping;
 - c. Sewer piping, piping forming a part of a fire protection system or water piping other than:
 - (1) Feed water piping between any boiler and its feed pump or injector;
 - (2) Boiler condensate return piping; or
 - (3) Water piping forming a part of refrigerating and air conditioning vessels and piping used for cooling, humidifying or space heating purposes;
 - d. Structure, foundation, cabinet or compartment containing the object;
 - e. Power shovel, dragline, excavator, vehicle, aircraft, floating vessel or structure, penstock, draft tube or well-casing;
 - f. Conveyor, crane, elevator, escalator or hoist, but not excluding any electrical machine or electrical apparatus mounted on or used with this equipment; and
 - g. Felt, wire, screen, die, extrusion, late, swing hammer, grinding disc, cutting blade, cable chain, belt, rope, clutch late, brake pad, non-metallic part or any part or tool subject to frequent, periodic replacement.

INSURED: Yucaipa Valley Water District

EFFECTIVE DATE: 7/1/2017

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PROPERTY SUBLIMITS:

Coverage	Limit
Accounts Receivable	\$500,000
Valuable Papers and Records	\$500,000
Contamination	\$100,000
Tools and Equipment Owned by Your Employees	\$5,000
Personal Effects and Property of Others	\$5,000
Outdoor Property (unscheduled)	\$25,000
New Locations or Newly Constructed Property	\$1,000,000
Business Personal Property at New Locations	\$1,000,000
Utility Services - Direct Damage	\$250,000
Utility Services – Business Income and Extra Expense	\$250,000
Dependent Business Premises	\$250,000
Property at Other Locations	\$250,000
Pollution Remediation Expense (specified cause of loss)	\$250,000
Pollution Remediation Expense (covered cause of loss)	\$100,000
Contract Penalties	\$100,000
SCADA Upgrades	\$100,000
Property in Transit	\$100,000
Backup/Overflow of Water from Sewer, Drain, Sump	\$100,000
Fine Arts	\$25,000
Limited Coverage for "Fungus", Wet Rot or Dry Rot	\$25,000
Trees, Shrubs & Plants (maximum \$1,000 any one item)	\$25,000
Indoor and Outdoor Signs (unscheduled)	\$25,000
Arson Reward	\$10,000
Fire Department Service Charge	\$5,000
Non-Owned Detached Trailers	\$5,000
Cost of Inventory or Adjustment	\$5,000
Patterns, Dies, Molds, Forms	\$2,500
Fire Protection Devices	\$2,500
Debris Removal	25% of scheduled limit
Ordinance or Law Provision	25% of scheduled limit

NOTES:

Premium is calculated from attached property schedule; review property schedule for coverage and limit adequacy.

Earthquake and Flood coverages are excluded.

INSURED: Yucaipa Valley Water District

EFFECTIVE DATE: 7/1/2017

DISCLAIMER: Actual coverage is subject to the language of the policies as issued. Your issued policy may contain limits, exclusions, and limitations that are not detailed in this proposal.

SECTION 2. COMMERCIAL CRIME*

***IS THIS SECTION INCLUDED IN THE PROPOSAL? Yes**

CARRIER:

- Allied World Assurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Proprietary
- Integrated

RATING BASIS:

- On file with underwriter
- Non auditable

LIMITS:

EMPLOYEE THEFT	FORGERY OR ALTERATION	INSIDE THE PREMISES Theft of Money and Securities	INSIDE THE PREMISES Robbery or Safe Burglary or Other Property	OUTSIDE THE PREMISES	COMPUTER FRAUD	FUNDS TRANSFER FRAUD	MONEY ORDERS & COUNTERFEIT PAPER CURRENCY
\$250,000	\$250,000	\$250,000	\$5,000	\$250,000	\$100,000	\$25,000	\$100,000

DEDUCTIBLE:

\$1,000 each claim

DESIGNATED EMPLOYEE BENEFIT PLAN(S):

POLICY HIGHLIGHTS:

- Separate Limits Apply to Each Coverage
- Coverage Extended to Directors and Authorized Volunteers
- Faithful Performance

NOTES:

INSURED: Yucaipa Valley Water District

EFFECTIVE DATE: 7/1/2017

DISCLAIMER: Actual coverage is subject to the language of the policies as issued. Your issued policy may contain limits, exclusions, and limitations that are not detailed in this proposal.

SECTION 3. COMMERCIAL GENERAL LIABILITY*

***IS SECTION INCLUDED IN THE PROPOSAL? Yes**

CARRIER:

- Allied World Assurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Occurrence
- Proprietary

RATING BASIS:

- On file with underwriter
- Non auditable

LIMITS:

Per Occurrence	\$1,000,000
General Aggregate	\$3,000,000
Products & Completed Operations Aggregate	\$3,000,000
Personal & Advertising Injury Aggregate	\$1,000,000
Damage to Premises Rented to You	\$1,000,000
Medical Payments	\$10,000

DEDUCTIBLE:

N/A

POLICY HIGHLIGHTS:

- Duty to Defend
- Broad Definition of Insured
- Fellow Employee
- Per Location Aggregate
- Blanket Additional Insured Endorsement

OPTIONAL COVERAGES INCLUDED IN QUOTE:

INSURED: Yucaipa Valley Water District

EFFECTIVE DATE: 7/1/2017

DISCLAIMER: Actual coverage is subject to the language of the policies as issued. Your issued policy may contain limits, exclusions, and limitations that are not detailed in this proposal.

**SPECIAL COVERAGES:**

- **Water & Wastewater Testing Errors & Omissions:**
Coverage is provided for damages arising out of an act, error or omission which arises from your water or wastewater testing.
- **Failure To Supply:**
Coverage is provided for bodily injury or property damage arising out of the failure of any insured to adequately supply water.
- **Waterborne Asbestos:**
Coverage is provided for bodily injury or property damage from waterborne asbestos arising out of potable water which is provided by you to others.
- **Contractual Liability - Railroads:**
Coverage is provided for any contract or agreement that indemnifies a railroad for bodily injury or property damage arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing.
- **Pollution:**
Coverage is provided for bodily injury or property damage which occurs or takes place as a result of your operations and arises out of the following:
 - Potable water which you supply to others;
 - Chemicals you use in your water or wastewater treatment process;
 - Natural gas or propane gas you use in your water or wastewater treatment process;
 - Urgent response for the protection of property, human life, health or safety conducted away from premises owned by or rented to or regularly occupied by you;
 - Your application of pesticide or herbicide chemicals if such application meets all standards of any statute, ordinance, regulation or license requirement of any federal, state or local government;
 - Smoke drift from controlled or prescribed burning that has been authorized and permitted by an appropriate regulatory agency.
 - Fuels, lubricants or other operating fluids needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of mobile equipment or its parts
 - Escape or back-up of sewage or waste water from any sewage treatment facility or fixed conduit or piping that you own, operate, lease, control or for which you have the right of way, but only if property damage occurs away from land you own or lease.
 - Sudden and accidental events that are neither expected nor intended by an Insured. However, no coverage is provided under this exception for petroleum underground storage tanks.

NOTES:

INSURED: Yucaipa Valley Water District
EFFECTIVE DATE: 7/1/2017

DISCLAIMER: Actual coverage is subject to the language of the policies as issued. Your issued policy may contain limits, exclusions, and limitations that are not detailed in this proposal.

SECTION 4. PUBLIC OFFICIALS & MANAGEMENT LIABILITY*

***IS THIS SECTION INCLUDED IN THE PROPOSAL? Yes**

CARRIER:

- Allied World Assurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Occurrence

DEFENSE COSTS:

- Outside the Limits of Liability

LIMITS:

Wrongful Acts	\$1,000,000	per act
Employment Practices (including third party discrimination)	\$1,000,000	per offense
Employee Benefit Plans	\$1,000,000	per offense
Injunctive Relief	\$5,000	per act
	\$3,000,000	aggregate limit

SPECIAL COVERAGES:

- Inverse Condemnation : Yes

RATING BASIS

- On file with underwriter
- Non auditable

DEDUCTIBLE

\$2,500 each claim including expenses

RETROACTIVE DATE:

POLICY HIGHLIGHTS:

- Duty To Defend
- Broad Definition of Named Insured including Past and Future Employees
- Outside Directorship
- Punitive Damages are Covered Where Insurable by Law
- No Intentional Acts, Assault & Battery or Bodily Injury Exclusions

NOTES:

INSURED: Yucaipa Valley Water District

EFFECTIVE DATE: 7/1/2017

DISCLAIMER: Actual coverage is subject to the language of the policies as issued. Your issued policy may contain limits, exclusions, and limitations that are not detailed in this proposal.



SECTION 5. BUSINESS AUTO*

***IS THIS SECTION IS INCLUDED IN THE PROPOSAL? Yes**

CARRIER:

- Allied World Assurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- ISO Business Auto

PORTFOLIO:

	Symbol	Limit
Combined Single Limit for Bodily Injury & Property Damage (each accident)	1	\$1,000,000
Hired Auto Liability	8	\$1,000,000
Non-Owned Auto Liability	9	\$1,000,000
"No-Fault" or Statutory Personal Injury Protection (each person)	No Coverage	N/A
Medical Payments	2	\$5,000
Uninsured / Underinsured Motorists	2	\$1,000,000
Hired Physical Damage	8	\$50,000
Owned Physical Damage – Comprehensive	2	ACV
Owned Physical Damage – Collision	2	ACV

DEDUCTIBLE:

Liability: None
 Comprehensive: \$500
 Collision: \$500

NOTES:

Please refer to Auto terms provided for per unit coverage.

INSURED: Yucaipa Valley Water District
EFFECTIVE DATE: 7/1/2017

DISCLAIMER: Actual coverage is subject to the language of the policies as issued. Your issued policy may contain limits, exclusions, and limitations that are not detailed in this proposal.

SECTION 6. COMMERCIAL EXCESS LIABILITY *

***IS THIS SECTION IS INCLUDED IN THE PROPOSAL? Yes**

CARRIER:

- Allied World Assurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Proprietary
- Following Form

LIMITS:

\$5,000,000 / \$5,000,000

RATING BASIS:

- On file with underwriter
- Non auditable

SCHEDULED UNDERLYING POLICIES:

Commercial General Liability - Yes
 Hired and Non-Owned Auto Liability - Yes
 Public Officials & Management Liability - Yes
 Wrongful Acts - Yes
 Employment Practices - Yes
 Employee Benefit Plans - Yes
 Owned Auto Liability - Yes
 Employer's Liability (minimum underlying limit requirement of \$500,000 / \$500,000 / \$500,000) - No
 Other:

NOTABLE EXCLUSION:

- Workers' Compensation

NOTES:

Employers' Liability subject to Allied World security requirements.
Please provide current WC declaration page for EL consideration in Excess.

INSURED: Yucaipa Valley Water District

EFFECTIVE DATE: 7/1/2017

DISCLAIMER: Actual coverage is subject to the language of the policies as issued. Your issued policy may contain limits, exclusions, and limitations that are not detailed in this proposal.



OPTIONAL COVERAGE. PRIVACY 101*

YES NO *THIS SECTION IS INCLUDED IF MARKED WITH A "YES".

CARRIER:

- Allied World National Assurance Company or affiliate
- A XV (Excellent) A.M. Best Rating
- Issued on Surplus Lines / Nonadmitted Paper

FORM:

- Proprietary claims made policy. Defense inside the limits. A policy aggregate applies to all coverages. Coverage A and B have separate aggregate limits applicable to their respective coverage parts. Coverage C and D share an aggregate limit for their respective coverage parts.

LIMITS:

<p>Privacy & Network Security Coverage: Protects against any actual or alleged act, error, misstatement, misleading statement, omission, neglect or breach of duty committed by an Insured or Third Party Contractor, which results in a breach of the Insured's Network Security, the consequences of which are: 1. unauthorized access to, use of or tampering with a third party's Network; 2. the inability of an authorized third party to gain access to the Insured's services; 3. denial or disruption of Internet service to an authorized third party; 4. Identity Theft or credit/debit card fraud; 5. the transmission of Malicious Code; or 6. the unauthorized release of a third party's confidential and proprietary business.</p>	<p>\$250,000</p>
<p>Notification & Credit Monitoring Costs Coverage: Provides reimbursement to the Named Insured for the costs incurred by the Named Insured for notification to, and for credit monitoring of, any persons residing in the United States, including Employees, arising from a Privacy Wrongful Act, which takes place during the Policy Period.</p>	<p>\$250,000</p>
<p>Data Forensic Coverage: Covers the reasonable and necessary costs incurred by the Named Insured to retain a qualified forensics firm to investigate, examine and analyze the Named Insured's Network, to find the cause, source and extent of a Data Breach.</p>	<p><input checked="" type="checkbox"/> 2.50%</p>
<p>Crisis Management Coverage: Means the following amounts when incurred during, or within ninety (90) days prior to, a Material Event: 1. amounts for which the Named Insured becomes legally liable for those services performed by a public relations firm, crisis management firm or law firm selected by the Named Insured and approved in advance in writing by the Insurer, to minimize potential harm to the Named Insured arising from a Material Event, including, without limitation, maintaining and restoring public confidence in the Named Insured, and providing advice to the Named Insured or any of its directors, officers, partners or Employees; and 2. amounts for which the Named Insured becomes legally liable for the reasonable and necessary printing, advertising, mailing of materials, or travel by directors, officers, partners, Employees or the firm rendering services as referenced above. Crisis Management Expenses shall not include compensation, fees, benefits, overhead, or the charges or expenses of any Insured or any Third Party Contractor.</p>	<p><input checked="" type="checkbox"/> 2.50%</p>

RETENTION:

\$2,500 each claim including loss adjustment expenses

TOTAL AMOUNT DUE:

\$1,145.00 Annual Premium
\$36.64 Surplus lines taxes and stamping fee
\$1,181.64 100% premium, taxes, and stamping fees due upon binding

NOTES:

Proposal is subject to signed D-1 from insured and completion of SLA-2 from broker.

Combined Tax/Stamping fee: 3.20%

Retroactive Date: 7/1/2012

INSURED: Yucaipa Valley Water District

EFFECTIVE DATE: 7/1/2017

DISCLAIMER: Actual coverage is subject to the language of the policies as issued. Your issued policy may contain limits, exclusions, and limitations that are not detailed in this proposal.

CALIFORNIA UNINSURED MOTORISTS COVERAGE SELECTION/REJECTION

Applicant/Named Insured: Yucaipa Valley Water District
Company: Allied World Assurance Company (U.S.) Inc.

California law permits you to make certain decisions regarding Uninsured Motorists Coverage. This document describes this coverage and the options available.

You should read this document carefully and contact us or your agent if you have any questions regarding Uninsured Motorists Coverage and your options with respect to this coverage.

This document includes general descriptions of coverage. However, no coverage is provided by this document. You should read your policy and review your Declarations Page(s) and/or Schedule(s) for complete information on the coverages you are provided.

A. Mandatory Offer Of Bodily Injury Uninsured Motorists Coverage

Please indicate your choices by initialing next to the appropriate item(s) below.

1. Selection Of Bodily Injury Uninsured Motorists Coverage

(Initials) _____	I select Bodily Injury Uninsured Motorists Coverage at limits equal to the limits of my Bodily Injury Liability Coverage (split limits) or Combined Single Limit for Liability Coverage.
-------------------------	---

2. Rejection Of Bodily Injury Uninsured Motorists Coverage

The California Insurance Code requires that we provide you with the following information:

"The California Insurance Code requires an insurer to provide uninsured motorists coverage in each bodily injury liability insurance policy it issues covering liability arising out of the ownership, maintenance, or use of a motor vehicle. Those provisions also permit the insurer and the applicant to delete the coverage completely or to delete the coverage when a motor vehicle is operated by a natural person or persons designated by name. Uninsured motorists coverage insures the insured, his or her heirs, or legal representatives for all sums within the limits established by law, which the person or persons are legally entitled to recover as damages for bodily injury, including any resulting sickness, disease, or death, to the insured from the owner or operator of an uninsured motor vehicle not owned or operated by the insured or a resident of the same household. An uninsured motor vehicle includes an underinsured motor vehicle as defined in subdivision (p) of Section 11580.2 of the Insurance Code".

(Initials)	I reject Bodily Injury Uninsured Motorists Coverage entirely.
_____	I delete Bodily Injury Uninsured Motorists Coverage only with respect to the following individuals:
_____	(Name of Excluded Driver(s))

3. Lower Limit(s) For Bodily Injury Uninsured Motorists Coverage

The California Insurance Code requires that we provide you with the following information:

"The California Insurance Code requires an insurer to provide uninsured motorists coverage in each bodily injury liability insurance policy it issues covering liability arising out of the ownership, maintenance, or use of a motor vehicle. Those provisions also permit the insurer and the applicant to agree to provide the coverage in an amount less than that required by subdivision (m) of Section 11580.2 of the Insurance Code but not less than the financial responsibility requirements. Uninsured motorists coverage insures the insured, his or her heirs, or legal representatives for all sums within the limits established by law, which the person or persons are legally entitled to recover as damages for bodily injury, including any resulting sickness, disease, or death, to the insured from the owner or operator of an uninsured motor vehicle not owned or operated by the insured or a resident of the same household. An uninsured motor vehicle includes an underinsured motor vehicle as defined in subdivision (p) of Section 11580.2 of the Insurance Code".

(Initials) _____

I reject Bodily Injury Uninsured Motorists Coverage at limits equal to my Bodily Injury Liability Coverage (split limits) or Combined Single Limit for Liability Coverage and I select the following lower limits.

(Choose one):

(Initials)	Split Limits	OR	(Initials)	Combined Single Limit
_____	\$ 15,000/30,000		_____	\$ 30,000
_____	20,000/40,000		_____	40,000
_____	25,000/50,000		_____	50,000
_____	30,000/60,000		_____	60,000
_____	50,000/100,000		_____	100,000
_____	100,000/300,000		_____	250,000
_____	250,000/500,000		_____	300,000
_____	500,000/1,000,000		_____	500,000
_____	\$ _____		_____	1,000,000
	(Other)		_____	\$(Other)

B. Mandatory Offer Of Property Damage Uninsured Motorists Coverage

Uninsured Motorists Coverage may also include Property Damage Uninsured Motorists Coverage. Property Damage Uninsured Motorists Coverage provides insurance protection to an insured for compensatory damages for injury to or destruction of a covered auto caused by an automobile accident which an insured is legally entitled to recover from the owner or operator of certain types of uninsured motor vehicles. However, Property Damage Uninsured Motorists Coverage is available only:

1. If you have not rejected Bodily Injury Uninsured Motorists Coverage; and
2. For autos for which you have not purchased Collision Coverage.

Please indicate your choices by initialing next to the appropriate item(s) below.

<p>(Initials)</p> <p>_____</p>	<p>I select Property Damage Uninsured Motorists Coverage at a limit of \$3,500 for each accident for the following vehicle(s):</p> <p>(Specify Year/Make/Model)</p> <p>_____</p> <p>_____</p> <p>_____</p>
<p>(Initials)</p> <p>_____</p> <p>_____</p>	<p>I reject Property Damage Uninsured Motorists Coverage entirely.</p> <p>I delete Property Damage Uninsured Motorists Coverage only with respect to the following individuals:</p> <p>(Name of Excluded Driver(s))</p> <p>_____</p> <p>_____</p>

Applicant's/Named Insured's Signature

Date



Director Memorandum 17-049

Date: June 6, 2017

Prepared By: Jennifer Ares, Water Resource Manager

Subject: Consideration of a Proposal for the 2016-2017 Habitat Monitoring Program Activities, Groundwater/Surface Water Data Assistance, Annual Report, and Watershed Budget Analysis

Recommendation: That the Board authorizes the District staff to execute a contract with Dudek for a sum not to exceed \$59,620.

The Yucaipa Valley Water District began discharging to San Timoteo Creek in 1986 and currently discharges tertiary treated recycled water to the stream system. The riparian vegetation along San Timoteo Creek has been partially supported by the discharge of highly treated recycled water.

In order to maximize the reuse of recycled water, the District was granted a “change of point of discharge” agreement from the State Water Resources Control Board permitting the reduction of the discharge from San Timoteo Creek with definitive mitigation measures. Gradual reductions of the discharge along with an adaptive management plan are required to ensure the vegetation is not negatively impacted due to the reduction of recycled water flow. The table below represents the minimum 7-day average discharge reductions over five years allowable under the WW-26 permit.

12-Month Period Following the Month Order was Approved	Minimum 7-Day Average Discharge for the 12-Month Period
First	1.9 mgd (2.9 cfs)
Second	1.0 mgd (1.6 cfs)
Third	0.5 mgd (0.8 cfs)
Fourth	0.2 mgd (0.3 cfs)
Fifth	0.1 mgd (0.2 cfs)

In accordance with the results of a water use report prepared by SWCA Environmental Consultants in 2005, the District could reduce the discharge to maintain the existing habitat in San Timoteo Creek. In order to validate the reduction in flow, an annual habitat monitoring program has been in place and reports are prepared each year to determine the results of the reduction in creek discharges. The District is currently in its fourth year of reporting the habitat monitoring program activities.

The Habitat Monitoring Program for San Timoteo Creek defines the adaptive management plan for San Timoteo Creek. Components of the monitoring plan consist of vegetation analysis, aerial photo and groundwater monitoring. Costs associated with the Habitat Monitoring program are listed below.

Task No.	Task Description	Cost Estimate
1	Spring Qualitative Monitoring	\$2,090
2	Fall Vegetation Monitoring	\$10,010
3	Estimating Annual Riparian Density	\$5,240
4	Monitoring Monthly Riparian Productivity	\$8,670
5	Groundwater and Surface Water Data Compilation and Analysis	\$4,500
6	HMP Annual Report	\$19,300
	Total	\$49,810

Optional Task - Preliminary Watershed Budget Analysis \$9,810

DUDEK

MAIN OFFICE
605 THIRD STREET
ENCINITAS, CALIFORNIA 92024
T 760.942.5147 T 800.450.1818 F 760.632.0164

April 12, 2017

3163-20

Jennifer Ares
Yucaipa Valley Water District
12770 Second Street
Yucaipa, California 92399

***Subject: Proposal for 2016-2017 Habitat Monitoring Program Activities,
Groundwater and Surface Water Data Assistance, and Annual Report***

Dear Ms. Ares:

Dudek is pleased to submit this proposal to provide environmental consulting services to support the Yucaipa Valley Water District's Habitat Monitoring Program (HMP) in San Timoteo Creek for the 2016-2017 water year from October 1, 2016 to September 30, 2017 (2017 WY). This scope of work includes conducting a qualitative monitoring event in Spring 2017, a quantitative vegetation monitoring event in Fall 2017, annual color-infrared imagery collection for the study area and associated analysis, and an analysis of groundwater, surface water and precipitation data collected in the 2017 WY. All data and information collected will be compiled, evaluated and presented in an annual HMP report prepared at the end of the 2017 WY. Dudek will prepare a draft annual HMP report and submit to YVWD by December 15, 2017 for review.

SCOPE OF WORK**Task 1 Spring Qualitative Monitoring**

Qualitative monitoring will be conducted in May 2017 and include taking photographs at permanent photo-monitoring stations, recording an inventory of plant species within each monitoring station, and conducting a general, qualitative assessment of habitat conditions in the HMP study area. Dudek biologist, Jake Marcon, will conduct this event.

Task 2 Fall Vegetation Monitoring

Quantitative vegetation monitoring will be completed in September 2017 for the annual fall vegetation monitoring. The fall vegetation monitoring includes the collection of 200 point-intercept data points at each of the three monitoring stations (MS1, MS2 and MS3) over 3 days by Dudek biologists Erin Bergman and Jake Marcon. In addition to collecting point-intercept data for estimating vegetation cover, the fall vegetation monitoring includes collecting

Ms. Jennifer Ares

Subject: Proposal for WY 2016-2017 Habitat Monitoring Program Activities, Groundwater and Surface Water Data Assistance and Annual Report

photographs at permanent photo-monitoring stations within each monitoring site to document changes in qualitative conditions from year to year.

Task 3 Estimating Annual Riparian Density

This task covers acquiring and analyzing color-infrared (CIR) imagery to estimate the annual extent of riparian vegetation in the study area as required under the HMP. This task includes the collection of high resolution (0.5-foot pixel resolution) color-infrared aerial imagery of the HMP study area by Central Coast Aerial Mapping, Inc. The flight and imagery specifications will be identical to the 2016 collection. The flight is scheduled to occur in September concurrent with the qualitative monitoring conducted at that time. Collection of high-resolution imagery and processing to provide precise ortho-rectification will ensure consistent application of semi-automated year-to-year imagery analysis.

Quantifying the acreage of riparian vegetation (i.e., riparian density) will be conducted by creating Normalized Difference Vegetation Index (NDVI) layers using available tools in ArcGIS. NDVI is a widely used spectral index based on the differential reflectance that plants exhibit for different parts of the solar radiation spectrum (Fu and Burgher 2015).

Dudek biologists will review the NDVI values and established thresholds for classifying and quantifying the extent of riparian vegetation. Using NDVI values and determining corresponding classifications is a more objective approach to analyzing aerial imagery limiting subjectivity associated with aerial interpretation by individual observers. Dudek uses the NDVI approach to reduce potential inter-annual and inter-observer variability inherent with on-screen interpretation of aerial imagery. This will be the fourth year of NDVI analysis as part of the HMP.

Task 4 Monitoring Monthly Riparian Productivity

This task involves collecting discrete CIR imagery on a monthly basis for each of the three monitoring stations. Monthly CIR imagery will be used to monitor changes in NDVI over the course of the growing season from approximately April through September as a means of tracking the productivity of riparian vegetation and the associated riparian water use. To date, monitoring riparian vegetation has been limited to annual estimates of riparian vegetation cover based on transect data collection conducted in the fall each year. While annual estimates of riparian cover generally represent the ultimate output of riparian productivity at the end of the growing season, annual estimates do not provide a way to analyze the potential effects of fluctuating groundwater conditions on riparian productivity throughout the year. It is anticipated that by analyzing monthly NDVI values as a means of monitoring riparian productivity, and by

Ms. Jennifer Ares

Subject: Proposal for WY 2016-2017 Habitat Monitoring Program Activities, Groundwater and Surface Water Data Assistance and Annual Report

extension riparian water use, we will be able to more directly evaluate the relationship between groundwater levels and riparian vegetation.

Task 5 Groundwater and Surface Water Data Compilation and Analysis

This task includes compiling and analyzing groundwater level data recorded in dedicated pressure transducers at wells OW-1T, OW-1P, OW-2P, OW-3P in 2016. Hydrographs depicting historical water levels at each well will be updated with the 2017 WY data along with daily precipitation data from nearby climatic data stations. This task also includes compiling and analyzing surface water data from YVWD and daily effluent discharges to San Timoteo Creek collected in 2017 WY.

All data will be compiled and organized to evaluate the potential effect of effluent discharge to shallow groundwater levels in the San Timoteo Creek corridor by comparing to baseline data collected since 2012.

Task 6 HMP Annual Report WY 2016-2017

This task includes preparing the 2017 annual monitoring report for the 2016-2017 water year from October 1, 2016 through September 30, 2017. The report will include an assessment of riparian habitat conditions based on photo-monitoring data collected in Spring 2017, quantitative vegetation monitoring data from Fall 2017, and quantifying riparian acreage using CIR imagery collected in Fall 2017. The report will describe the results of the monitoring relative to the adaptive management thresholds identified in the HMP. Observed changes in habitat conditions will be assessed and potential causes of the change will be described.

In addition, the report will document groundwater related information including water levels measured at the observation wells, precipitation data, and effluent discharge data. This section will include a synopsis of the water level data collected during the monitoring period and an analysis of water level fluctuations (both diurnal and seasonal) and possible influences by precipitation and stream flow resulting from storm water runoff or treated wastewater effluent discharges to San Timoteo Creek. The water levels at each location will be compared to the adaptive management thresholds established in the HMP.

Dudek will deliver a draft 2017 WY HMP report to YVWD to review and provide comments by December 15, 2017.

Ms. Jennifer Ares

Subject: Proposal for WY 2016-2017 Habitat Monitoring Program Activities, Groundwater and Surface Water Data Assistance and Annual Report

COST SUMMARY

All costs will be billed on a time and materials basis in accordance with our 2017 Standard Schedule of Charges, a copy of which is attached. The cost estimate for this contract amendment is provided in Table 1 below.

Table 1 Cost Estimate

Task No.	Task Description	Cost Estimate
1	Spring Qualitative Monitoring	\$2,090.00
2	Fall Vegetation Monitoring	\$10,010.00
3	Estimating Annual Riparian Density	\$5,240.00
4	Monitoring Monthly Riparian Productivity	\$8,670.00
5	Groundwater and Surface Water Data Compilation and Analysis	\$4,500.00
6	HMP Annual Report (WY 2016-17)	\$19,300.00
	Total	\$49,810.00

Optional Task – Preliminary Watershed Budget Analysis. One of the questions to answer when evaluating the potential influence that the discharge of recycled water to San Timoteo Creek has on the local, underlying water table is how much does rainfall, as the other major input of water to the system, contribute runoff to San Timoteo Creek and recharge to the groundwater basin. Consequently, how does that regional effect of runoff and recharge sustain flows in San Timoteo Creek, in addition to the perennial discharge of recycled water from YVWD and the City of Beaumont. Dudek proposes conducting a preliminary analysis in estimating the amount of runoff to San Timoteo Creek originating from rainfall events within the San Timoteo Creek watershed, and subsequently how much recharges the groundwater basin after factoring losses due to evapotranspiration and soil moisture retention. This analysis will provide a rough estimation of the water budget by using estimated rates of infiltration and evapotranspiration based on other documented studies that defined these parameters at other locations similar to San Timoteo Canyon, and an estimate for soil moisture retention based on assumed soil properties. This analysis should provide some indication of the volume of water entering the creek from rainfall events compared to the volume of recycled water discharged to the creek, and potentially provide some indication of how long the basin will drain a particular rainfall event until reaching static conditions observed before the rainfall event. The fee for this task is \$9,810.

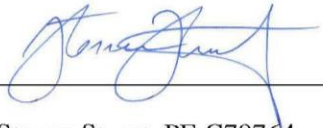
Ms. Jennifer Ares

Subject: Proposal for WY 2016-2017 Habitat Monitoring Program Activities, Groundwater and Surface Water Data Assistance and Annual Report

Dudek appreciates the opportunity to continue working with the District. The total fee for providing services for the HMP program, including monthly riparian productivity analyses from April to September, is \$49,810. An optional task to conduct a preliminary watershed budget analysis is \$9,810.

Should you have any questions, please do not hesitate to contact me. I can be reached at 760.479.4128.

Sincerely,



Steven Stuart, PE C79764
Project Manager/Hydrogeologist

att: 2017 Standard Schedule of Charges

Board Reports



Yucaipa Valley Water District

Director Comments



Yucaipa Valley Water District



FACTS ABOUT THE YUCAIPA VALLEY WATER DISTRICT

Service Area Size: 40 square miles (sphere of influence is 68 square miles)

Elevation Change: 3,140 foot elevation change (from 2,044 to 5,184 feet)

Number of Employees: 5 elected board members
62 full time employees

Operating Budget: Water Division - \$13,397,500
Sewer Division - \$11,820,000
Recycled Water Division - \$537,250
Total Annual Budget - \$25,754,750

Number of Services: 12,434 water connections serving 17,179 units
13,559 sewer connections serving 20,519 units
64 recycled water connections

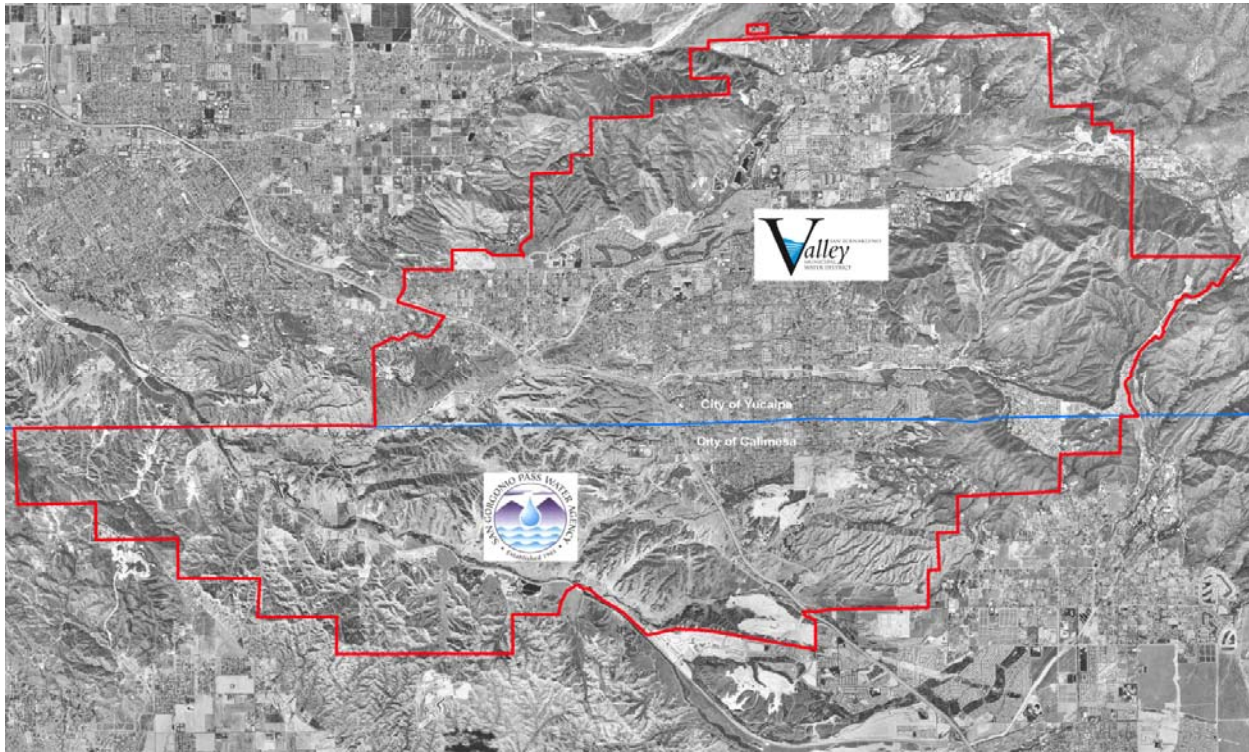
Water System: 215 miles of drinking water pipelines
27 reservoirs - 34 million gallons of storage capacity
18 pressure zones
12,000 ac-ft annual water demand (3.9 billion gallons)
Two water filtration facilities:
- 1 mgd at Oak Glen Surface Water Filtration Facility
- 12 mgd at Yucaipa Valley Regional Water Filtration Facility

Sewer System: 8.0 million gallon treatment capacity - current flow at 4.0 mgd
205 miles of sewer mainlines
5 sewer lift stations
4,500 ac-ft annual recycled water prod. (1.46 billion gallons)

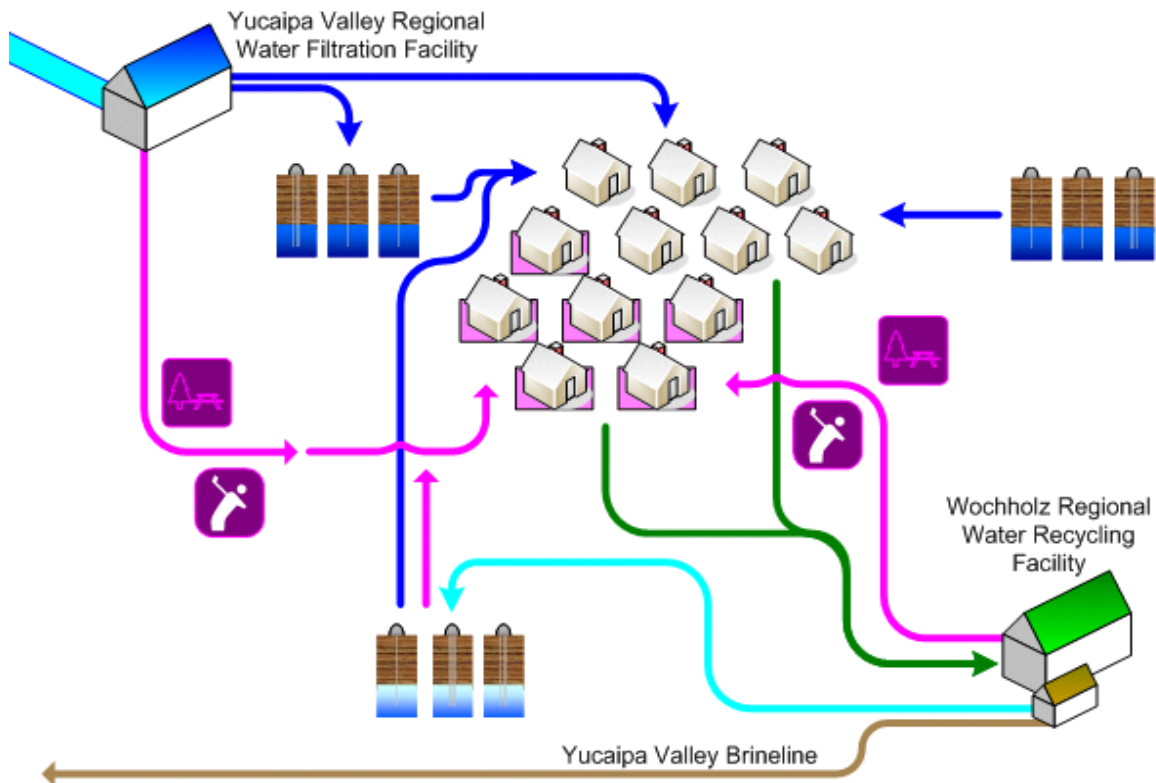
Recycled Water: 22 miles of recycled water pipelines
5 reservoirs - 12 million gallons of storage
1,200 ac-ft annual recycled demand (0.4 billion gallons)

Brine Disposal: 2.2 million gallon desalination facility at sewer treatment plant
1.108 million gallons of Inland Empire Brine Line capacity
0.295 million gallons of treatment capacity in Orange County

State Water Contractors: San Bernardino Valley Municipal Water District
San Geronimo Pass Water Agency



Sustainability Plan: A Strategic Plan for a Sustainable Future: The Integration and Preservation of Resources, adopted on August 20, 2008.





THE MEASUREMENT OF WATER PURITY

One part per hundred is generally represented by the percent (%).
This is equivalent to about fifteen minutes out of one day.

One part per thousand denotes one part per 1000 parts.
This is equivalent to about one and a half minutes out of one day.

One part per million (ppm) denotes one part per 1,000,000 parts.
This is equivalent to about 32 seconds out of a year.

One part per billion (ppb) denotes one part per 1,000,000,000 parts.
This is equivalent to about three seconds out of a century.

One part per trillion (ppt) denotes one part per 1,000,000,000,000 parts.
This is equivalent to about three seconds out of every hundred thousand years.

One part per quadrillion (ppq) denotes one part per 1,000,000,000,000,000 parts.
This is equivalent to about two and a half minutes out of the age of the Earth (4.5 billion years).





GLOSSARY OF COMMONLY USED TERMS

Every profession has specialized terms which generally evolve to facilitate communication between individuals. The routine use of these terms tends to exclude those who are unfamiliar with the particular specialized language of the group. Sometimes jargon can create communication cause difficulties where professionals in related fields use different terms for the same phenomena.

Below are commonly used water terms and abbreviations with commonly used definitions. If there is any discrepancy in definitions, the District's Regulations Governing Water Service is the final and binding definition.

Acre Foot of Water - The volume of water (325,850 gallons, or 43,560 cubic feet) that would cover an area of one acre to a depth of 1 foot.

Activated Sludge Process – A secondary biological sewer treatment process where bacteria reproduce at a high rate with the introduction of excess air or oxygen, and consume dissolved nutrients in the wastewater.

Annual Water Quality Report - The document is prepared annually and provides information on water quality, constituents in the water, compliance with drinking water standards and educational material on tap water. It is also referred to as a Consumer Confidence Report (CCR).

Aquifer - The natural underground area with layers of porous, water-bearing materials (sand, gravel) capable of yielding a supply of water; see Groundwater basin.

Backflow - The reversal of water's normal direction of flow. When water passes through a water meter into a home or business it should not reverse flow back into the water mainline.

Best Management Practices (BMPs) - Methods or techniques found to be the most effective and practical means in achieving an objective. Often used in the context of water conservation.

Biochemical Oxygen Demand (BOD) – The amount of oxygen used when organic matter undergoes decomposition by microorganisms. Testing for BOD is done to assess the amount of organic matter in water.

Biosolids – Biosolids are nutrient rich organic and highly treated solid materials produced by the sewer treatment process. This high-quality product can be used as a soil amendment on farm land or further processed as an earth-like product for commercial and home gardens to improve and maintain fertile soil and stimulate plant growth.

Catch Basin – A chamber usually built at the curb line of a street, which conveys surface water for discharge into a storm sewer.

Capital Improvement Program (CIP) – Projects for repair, rehabilitation, and replacement of assets. Also includes treatment improvements, additional capacity, and projects for the support facilities.

Collector Sewer – The first element of a wastewater collection system used to collect and carry wastewater from one or more building sewer laterals to a main sewer.

Coliform Bacteria – A group of bacteria found in the intestines of humans and other animals, but also occasionally found elsewhere and is generally used as an indicator of sewage pollution.

Combined Sewer Overflow – The portion of flow from a combined sewer system, which discharges into a water body from an outfall located upstream of a wastewater treatment plant, usually during wet weather conditions.

Combined Sewer System– Generally older sewer systems designed to convey both sewage and storm water into one pipe to a wastewater treatment plant.

Conjunctive Use - The coordinated management of surface water and groundwater supplies to maximize the yield of the overall water resource. Active conjunctive use uses artificial recharge, where surface water is intentionally percolated or injected into aquifers for later use. Passive conjunctive use is to simply rely on surface water in wet years and use groundwater in dry years.

Consumer Confidence Report (CCR) - see Annual Water Quality Report.

Cross-Connection - The actual or potential connection between a potable water supply and a non-potable source, where it is possible for a contaminant to enter the drinking water supply.

Disinfection By-Products (DBPs) - The category of compounds formed when disinfectants in water systems react with natural organic matter present in the source water supplies. Different disinfectants produce different types or amounts of disinfection byproducts. Disinfection byproducts for which regulations have been established have been identified in drinking water, including trihalomethanes, haloacetic acids, bromate, and chlorite

Drought - a period of below average rainfall causing water supply shortages.

Dry Weather Flow – Flow in a sanitary sewer during periods of dry weather in which the sanitary sewer is under minimum influence of inflow and infiltration.

Fire Flow - The ability to have a sufficient quantity of water available to the distribution system to be delivered through fire hydrants or private fire sprinkler systems.

Gallons per Capita per Day (GPCD) - A measurement of the average number of gallons of water use by the number of people served each day in a water system. The calculation is made by dividing the total gallons of water used each day by the total number of people using the water system.

Groundwater Basin - An underground body of water or aquifer defined by physical boundaries.

Groundwater Recharge - The process of placing water in an aquifer. Can be a naturally occurring process or artificially enhanced.

Hard Water - Water having a high concentration of minerals, typically calcium and magnesium ions.

Hydrologic Cycle - The process of evaporation of water into the air and its return to earth in the form of precipitation (rain or snow). This process also includes transpiration from plants, percolation into the ground, groundwater movement, and runoff into rivers, streams and the ocean; see Water cycle.

Infiltration – Water other than sewage that enters a sewer system and/or building laterals from the ground through defective pipes, pipe joints, connections, or manholes. Infiltration does not include inflow. See *Inflow*.

Inflow - Water other than sewage that enters a sewer system and building sewer from sources such as roof vents, yard drains, area drains, foundation drains, drains from springs and swampy areas, manhole covers, cross connections between storm drains and sanitary sewers, catch basins, cooling towers, storm waters, surface runoff, street wash waters, or drainage. Inflow does not include infiltration. See *Infiltration*.

Inflow / Infiltration (I/I) – The total quantity of water from both inflow and infiltration.

Mains, Distribution - A network of pipelines that delivers water (drinking water or recycled water) from transmission mains to residential and commercial properties, usually pipe diameters of 4" to 16".

Mains, Transmission - A system of pipelines that deliver water (drinking water or recycled water) from a source of supply the distribution mains, usually pipe diameters of greater than 16".

Meter - A device capable of measuring, in either gallons or cubic feet, a quantity of water delivered by the District to a service connection.

Overdraft - The pumping of water from a groundwater basin or aquifer in excess of the supply flowing into the basin. This pumping results in a depletion of the groundwater in the basin which has a net effect of lowering the levels of water in the aquifer.

Peak Flow – The maximum flow that occurs over a specific length of time (e.g., daily, hourly, instantaneously).

Pipeline - Connected piping that carries water, oil or other liquids. See Mains, Distribution and Mains, Transmission.

Point of Responsibility, Metered Service - The connection point at the outlet side of a water meter where a landowner's responsibility for all conditions, maintenance, repairs, use and replacement of water service facilities begins, and the District's responsibility ends.

Potable Water - Water that is used for human consumption and regulated by the California Department of Public Health.

Pressure Reducing Valve - A device used to reduce the pressure in a domestic water system when the water pressure exceeds desirable levels.

Pump Station - A drinking water or recycled water facility where pumps are used to push water up to a higher elevation or different location.

Reservoir - A water storage facility where water is stored to be used at a later time for peak demands or emergencies such as fire suppression. Drinking water and recycled water systems will typically use concrete or steel reservoirs. The State Water Project system considers lakes, such as Shasta Lake and Folsom Lake to be water storage reservoirs.

Runoff - Water that travels downward over the earth's surface due to the force of gravity. It includes water running in streams as well as over land.

Sanitary Sewer System - Sewer collection system designed to carry sewage, consisting of domestic, commercial, and industrial wastewater. This type of system is not designed nor intended to carry water from rainfall, snowmelt, or groundwater sources. See *Combined Sewer System*.

Sanitary Sewer Overflow – Overflow from a sanitary sewer system caused when total wastewater flow exceeds the capacity of the system. See *Combined Sewer Overflow*.

Santa Ana River Interceptor (SARI) Line – A regional brine line designed to convey 30 million gallons per day of non-reclaimable wastewater from the upper Santa Ana River basin to the sewer treatment plant operated by Orange County Sanitation District.

Secondary Treatment – Biological sewer treatment, particularly the activated-sludge process, where bacteria and other microorganisms consume dissolved nutrients in wastewater.

Supervisory Control and Data Acquisition (SCADA) - A computerized system which provides the ability to remotely monitor and control water system facilities such as reservoirs, pumps and other elements of water delivery.

Service Connection - The water piping system connecting a customer's system with a District water main beginning at the outlet side of the point of responsibility, including all plumbing and equipment located on a parcel required for the District's provision of water service to that parcel.

Sludge – Untreated solid material created by the treatment of sewage.

Smart Irrigation Controller - A device that automatically adjusts the time and frequency which water is applied to landscaping based on real-time weather such as rainfall, wind, temperature and humidity.

Special District - A political subdivision of a state established to provide a public services, such as water supply or sanitation, within a specific geographic area.

Surface Water - Water found in lakes, streams, rivers, oceans or reservoirs behind dams.

Total Suspended Solids (TSS) – The amount of solids floating and in suspension in water or sewage.

Transpiration - The process by which water vapor is released into the atmosphere by living plants.

Trickling Filter – A biological secondary treatment process in which bacteria and other microorganisms, growing as slime on the surface of rocks or plastic media, consume nutrients in primary treated sewage as it trickles over them.

Underground Service Alert (USA) - A free service that notifies utilities such as water, telephone, cable and sewer companies of pending excavations within the area (dial 8-1-1 at least 2 working days before you dig).

Urban Runoff - Water from city streets and domestic properties that typically carries pollutants into the storm drains, rivers, lakes, and oceans.

Valve - A device that regulates, directs or controls the flow of water by opening, closing or partially obstructing various passageways.

Wastewater – Any water that enters the sanitary sewer.

Water Banking - The practice of actively storing or exchanging in-lieu surface water supplies in available groundwater basin storage space for later extraction and use by the storing party or for sale or exchange to a third party. Water may be banked as an independent operation or as part of a conjunctive use program.

Water cycle - The continuous movement water from the earth's surface to the atmosphere and back again; see Hydrologic cycle.

Water Pressure - Pressure created by the weight and elevation of water and/or generated by pumps that deliver water to the tap.

Water Service Line - The pipeline that delivers potable water to a residence or business from the District's water system. Typically the water service line is a 1" to 1½" diameter pipe for residential properties.

Watershed - A region or land area that contributes to the drainage or catchment area above a specific point on a stream or river.

Water Table - The upper surface of the zone of saturation of groundwater in an unconfined aquifer.

Water Transfer - A transaction, in which a holder of a water right or entitlement voluntarily sells/exchanges to a willing buyer the right to use all or a portion of the water under that water right or entitlement.

Water Well - A hole drilled into the ground to tap an underground water aquifer.

Wetlands - Lands which are fully saturated or under water at least part of the year, like seasonal vernal pools or swamps.

Wet Weather Flow – Dry weather flow combined with stormwater introduced into a combined sewer system, and dry weather flow combined with infiltration/inflow into a separate sewer system.





COMMONLY USED ABBREVIATIONS

AQMD	Air Quality Management District
BOD	Biochemical Oxygen Demand
CARB	California Air Resources Board
CCTV	Closed Circuit Television
CWA	Clean Water Act
EIR	Environmental Impact Report
EPA	U.S. Environmental Protection Agency
FOG	Fats, Oils, and Grease
GPD	Gallons per day
MGD	Million gallons per day
O & M	Operations and Maintenance
OSHA	Occupational Safety and Health Administration
POTW	Publicly Owned Treatment Works
PPM	Parts per million
RWQCB	Regional Water Quality Control Board
SARI	Santa Ana River Inceptor
SAWPA	Santa Ana Watershed Project Authority
SBVMWD	San Bernardino Valley Municipal Water District
SCADA	Supervisory Control and Data Acquisition system
SSMP	Sanitary Sewer Management Plan
SSO	Sanitary Sewer Overflow
SWRCB	State Water Resources Control Board
TDS	Total Dissolved Solids
TMDL	Total Maximum Daily Load
TSS	Total Suspended Solids
WDR	Waste Discharge Requirements
YVWD	Yucaipa Valley Water District