



Yucaipa Valley Water District

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

Notice and Agenda of a Meeting of the Board of Directors

Tuesday, June 2, 2020 at 4:00 p.m.

Due to the spread of COVID-19 and in accordance with the Governor's Executive Order N-29-20 (a copy of which is attached to this agenda), the Yucaipa Valley Water District will be conducting this meeting by teleconference only. Public comments on matters listed on the agenda or on any matter within the District's jurisdiction will be received during Public Comments, Agenda Item No. III.

**This meeting is available by calling
(888) 475-4499 using passcode 676-950-731#**

**View live presentation material at
<https://zoom.us/j/676950731> ([Click here](#))**

There will be no public physical location for attending this meeting in person. The District's Board meeting room will be closed to the public until further notice.

If you are unable to participate by telephone, you may submit comments and/or questions in writing for the Board's consideration by sending them to inquiry@yvwd.us. Submit your written inquiry prior to the start of the meeting. All public comments received prior to the start of the meeting will be provided to the Board and may be read into the record or compiled as part of the record.

- I. CALL TO ORDER**
- II. ROLL CALL**
- III. PUBLIC COMMENTS** - At this time, members of the public may briefly address the Board of Directors on matters within its jurisdiction or on any matter listed on this agenda.

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

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. Board Meeting - May 26, 2020

V. STAFF REPORT

- A. Consideration of Resolution 2020-29 and Re-Approval of the Brineline Easement - Canal Parcel License Agreement with the City of Riverside [[Director Memorandum No. 20-089 - Page 19 of 81](#)]

RECOMMENDED ACTION: That the Board approve Resolution 2020-29 and authorize the General Manager to execute the Canal Parcel License Agreement with the City of Riverside.

- B. Consideration of Resolution No. 2020-30 Updating the Calculation for Facility Capacity Charges Related to the Purchase of Permanent Supplemental Water Resources for New Development within Riverside County [[Director Memorandum No. 20-090 - Page 36 of 81](#)]

RECOMMENDED ACTION: That the Board approve Resolution No. 2020-30.

- C. Consideration of Approving an Agreement with Oak Valley Development Company for the Transfer of Overlying Water Rights [[Director Memorandum No. 20-091 - Page 45 of 81](#)]

RECOMMENDED ACTION: That the Board authorize the Board President to execute the Agreement Regarding Consideration for Overlying Water Rights Transfer.

- D. Adoption of the Operating Budget and Capital Improvement Plan for Fiscal Year 2021 [[Director Memorandum No. 20-092 - Page 59 of 81](#)]

RECOMMENDED ACTION: That the Board adopt the budget as presented.

VI. BOARD REPORTS & DIRECTOR COMMENTS

VII. ANNOUNCEMENTS

- A. June 9, 2020 at 4:00 p.m. - Board Meeting - **Teleconference Only**
- B. June 16, 2020 at 4:00 p.m. - Board Meeting - **Teleconference Only**
- C. June 23, 2020 at 4:00 p.m. - Board Meeting - **Teleconference Only**
- D. June 30, 2020 at 4:00 p.m. - Board Meeting - **Teleconference Only**
- E. July 7, 2020 at 4:00 p.m. - Board Meeting - **Teleconference Only**
- F. July 14, 2020 at 4:00 p.m. - Board Meeting - **Teleconference Only**
- G. July 21, 2020 at 4:00 p.m. - Board Meeting - **Teleconference Only**
- H. July 28, 2020 at 4:00 p.m. - Board Meeting - **Teleconference Only**
- I. August 4, 2020 at 4:00 p.m. - Board Meeting - **Teleconference Only**
- J. August 11, 2020 at 4:00 p.m. - Board Meeting - **Teleconference Only**
- K. August 18, 2020 at 4:00 p.m. - Board Meeting - **Teleconference Only**
- L. August 25, 2020 at 4:00 p.m. - Board Meeting - **Teleconference Only**
- M. September 1, 2020 at 4:00 p.m. - Board Meeting - **Teleconference Only**

VIII. CLOSED SESSION

- A. Conference with Real Property Negotiator(s) - Government Code 54956.8
Property: Assessor's Parcel Number: 0319-121-38
Agency Negotiator: Joseph Zoba, General Manager
Negotiating Parties: Harry Holdorff
Under Negotiation: Terms of Payment and Price
- B. Conference with Legal Counsel - Anticipated Litigation (Government Code 54956.9(d)(2) & (4)) - One Case - Board action denying the South Mesa Water Company's claim for damages dated April 20, 2020.

IX. ADJOURNMENT

**EXECUTIVE DEPARTMENT
STATE OF CALIFORNIA**

EXECUTIVE ORDER N-29-20

WHEREAS on March 4, 2020, I proclaimed a State of Emergency to exist in California as a result of the threat of COVID-19; and

WHEREAS despite sustained efforts, the virus continues to spread and is impacting nearly all sectors of California; and

WHEREAS the threat of COVID-19 has resulted in serious and ongoing economic harms, in particular to some of the most vulnerable Californians; and

WHEREAS time bound eligibility redeterminations are required for Medi-Cal, CalFresh, CalWORKs, Cash Assistance Program for Immigrants, California Food Assistance Program, and In Home Supportive Services beneficiaries to continue their benefits, in accordance with processes established by the Department of Social Services, the Department of Health Care Services, and the Federal Government; and

WHEREAS social distancing recommendations or Orders as well as a statewide imperative for critical employees to focus on health needs may prevent Medi-Cal, CalFresh, CalWORKs, Cash Assistance Program for Immigrants, California Food Assistance Program, and In Home Supportive Services beneficiaries from obtaining in-person eligibility redeterminations; and

WHEREAS under the provisions of Government Code section 8571, I find that strict compliance with various statutes and regulations specified in this order would prevent, hinder, or delay appropriate actions to prevent and mitigate the effects of the COVID-19 pandemic.

NOW, THEREFORE, I, GAVIN NEWSOM, Governor of the State of California, in accordance with the authority vested in me by the State Constitution and statutes of the State of California, and in particular, Government Code sections 8567 and 8571, do hereby issue the following order to become effective immediately:

IT IS HEREBY ORDERED THAT:

1. As to individuals currently eligible for benefits under Medi-Cal, CalFresh, CalWORKs, the Cash Assistance Program for Immigrants, the California Food Assistance Program, or In Home Supportive Services benefits, and to the extent necessary to allow such individuals to maintain eligibility for such benefits, any state law, including but not limited to California Code of Regulations, Title 22, section 50189(a) and Welfare and Institutions Code sections 18940 and 11265, that would require redetermination of such benefits is suspended for a period of 90 days from the date of this Order. This Order shall be construed to be consistent with applicable federal laws, including but not limited to Code of Federal Regulations, Title 42, section 435.912, subdivision (e), as interpreted by the Centers for Medicare and Medicaid Services (in guidance issued on January 30, 2018) to permit the extension of

otherwise-applicable Medicaid time limits in emergency situations.

2. Through June 17, 2020, any month or partial month in which California Work Opportunity and Responsibility to Kids (CalWORKs) aid or services are received pursuant to Welfare and Institutions Code Section 11200 et seq. shall not be counted for purposes of the 48-month time limit set forth in Welfare and Institutions Code Section 11454. Any waiver of this time limit shall not be applied if it will exceed the federal time limits set forth in Code of Federal Regulations, Title 45, section 264.1.
3. Paragraph 11 of Executive Order N-25-20 (March 12, 2020) is withdrawn and superseded by the following text:

Notwithstanding any other provision of state or local law (including, but not limited to, the Bagley-Keene Act or the Brown Act), and subject to the notice and accessibility requirements set forth below, a local legislative body or state body is authorized to hold public meetings via teleconferencing and to make public meetings accessible telephonically or otherwise electronically to all members of the public seeking to observe and to address the local legislative body or state body. All requirements in both the Bagley-Keene Act and the Brown Act expressly or impliedly requiring the physical presence of members, the clerk or other personnel of the body, or of the public as a condition of participation in or quorum for a public meeting are hereby waived.

In particular, any otherwise-applicable requirements that

- (i) state and local bodies notice each teleconference location from which a member will be participating in a public meeting;
- (ii) each teleconference location be accessible to the public;
- (iii) members of the public may address the body at each teleconference conference location;
- (iv) state and local bodies post agendas at all teleconference locations;
- (v) at least one member of the state body be physically present at the location specified in the notice of the meeting; and
- (vi) during teleconference meetings, at least a quorum of the members of the local body participate from locations within the boundaries of the territory over which the local body exercises jurisdiction

are hereby suspended.

A local legislative body or state body that holds a meeting via teleconferencing and allows members of the public to observe and address the meeting telephonically or otherwise electronically, consistent with the notice and accessibility requirements set forth below, shall have satisfied any requirement that the body allow

members of the public to attend the meeting and offer public comment. Such a body need not make available any physical location from which members of the public may observe the meeting and offer public comment.

Accessibility Requirements: If a local legislative body or state body holds a meeting via teleconferencing and allows members of the public to observe and address the meeting telephonically or otherwise electronically, the body shall also:

- (i) Implement a procedure for receiving and swiftly resolving requests for reasonable modification or accommodation from individuals with disabilities, consistent with the Americans with Disabilities Act and resolving any doubt whatsoever in favor of accessibility; and
- (ii) Advertise that procedure each time notice is given of the means by which members of the public may observe the meeting and offer public comment, pursuant to subparagraph (ii) of the Notice Requirements below.

Notice Requirements: Except to the extent this Order expressly provides otherwise, each local legislative body and state body shall:

- (i) Give advance notice of the time of, and post the agenda for, each public meeting according to the timeframes otherwise prescribed by the Bagley-Keene Act or the Brown Act, and using the means otherwise prescribed by the Bagley-Keene Act or the Brown Act, as applicable; and
- (ii) In each instance in which notice of the time of the meeting is otherwise given or the agenda for the meeting is otherwise posted, also give notice of the means by which members of the public may observe the meeting and offer public comment. As to any instance in which there is a change in such means of public observation and comment, or any instance prior to the issuance of this Order in which the time of the meeting has been noticed or the agenda for the meeting has been posted without also including notice of such means, a body may satisfy this requirement by advertising such means using "the most rapid means of communication available at the time" within the meaning of Government Code, section 54954, subdivision (e); this shall include, but need not be limited to, posting such means on the body's Internet website.

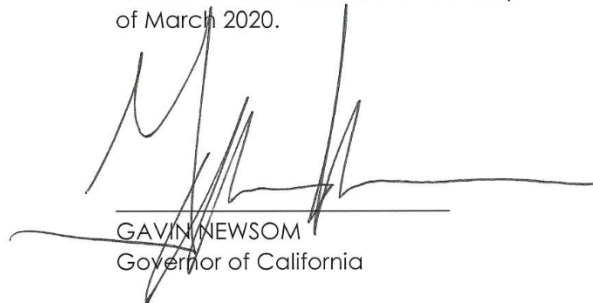
All of the foregoing provisions concerning the conduct of public meetings shall apply only during the period in which state or local public health officials have imposed or recommended social distancing measures.

All state and local bodies are urged to use sound discretion and to make reasonable efforts to adhere as closely as reasonably possible to the provisions of the Bagley-Keene Act and the Brown Act, and other applicable local laws regulating the conduct of public meetings, in order to maximize transparency and provide the public access to their meetings.

IT IS FURTHER ORDERED that as soon as hereafter possible, this Order be filed in the Office of the Secretary of State and that widespread publicity and notice be given of this Order.

This Order is not intended to, and does not, create any rights or benefits, substantive or procedural, enforceable at law or in equity, against the State of California, its agencies, departments, entities, officers, employees, or any other person.

IN WITNESS WHEREOF I have
hereunto set my hand and caused
the Great Seal of the State of
California to be affixed this 17th day
of March 2020.



GAVIN NEWSOM
Governor of California

Consent Calendar



Yucaipa Valley Water District

MINUTES OF A BOARD MEETING - TELECONFERENCE

May 26, 2020 at 4:00 P.M.

Directors Present:

Chris Mann, President
Jay Bogh, Director
Lonni Granlund, Director
Joyce McIntire, Director
Dennis Miller, Director

Staff Present:

Madeline Blua, Water Resource Specialist
Allison Edmisten, Chief Financial Officer
Kathryn Hallberg, Implementation Manager
Dustin Hochreiter, Senior Engineering Technician
Mike Kostecky, Operations Manager
Tim Mackamul, Operations Manager
Matthew Porras, Implementation Manager
Mike Rivera, Public Works Supervisor
Charles Thomas, Operations Manager
John Wrobel, Public Works Manager
Joseph Zoba, General Manager

Directors Absent:

None

Consulting Staff Present:

David Wysocki, Legal Counsel

Registered Guests and Others Present:

John Covington, Beaumont Cherry Valley Water District
Rachael Gustuson, News Mirror
Gil Navarro, San Bernardino Valley Municipal Water District
Bassam Alzammar
Bruce Granlund

Due to the spread of COVID-19 and in accordance with the Governor's Executive Order N-29-20 (a copy of which was attached to the meeting agenda), the Yucaipa Valley Water District conducted this meeting by teleconference.

The meeting was available to the public by calling (888) 475-4499 using passcode 676-950-731 and live presentation material was available at <https://zoom.us/j/676950731>.

CALL TO ORDER

The regular meeting of the Board of Directors of the Yucaipa Valley Water District was called to order by Chris Mann at 4:00 p.m.

ROLL CALL

The roll was called and Director Jay Bogh, Director Lonni Granlund, Director Chris Mann, Director Joyce McIntire and Director Dennis Miller were present.

PUBLIC COMMENTS

Gil Navarro provided comments about the importance of water conservation.

CONSENT CALENDAR

Director Jay Bogh moved to approve the consent calendar and Director Lonni Granlund seconded the motion.

A. Minutes of Meetings

1. Board Meeting - May 19, 2020

The motion was approved by the following vote:

Director Jay Bogh - Yes
Director Lonni Granlund - Yes
Director Chris Mann - Yes
Director Joyce McIntire - Yes
Director Dennis Miller - Yes

STAFF REPORT

General Manager Joseph Zoba provided information on the following item(s):

- The Department of Water Resources recently increased the allocation of water from the State Water Project to 20%.

Chief Financial Officer Allison Edmisten provided information on the following item(s):

- The District staff anticipates presenting the operation budget for consideration on June 2, 2020.
- The District experienced an outage of our phone system earlier in the day. The District was able to shift the incoming calls to the new answering service until the repairs to the phone system were completed.

DISCUSSION ITEMS:

DM 20-077

STATUS REPORT
REGARDING THE
PROCLAMATION OF A
LOCAL EMERGENCY
RELATED TO THE
CORONAVIRUS AND
COVID-19 IN THE
YUCAIPA VALLEY
WATER DISTRICT
SERVICE AREA WITHIN
THE COUNTIES OF
RIVERSIDE AND SAN
BERNARDINO

General Manager Joseph Zoba provided an overview of the current coronavirus and COVID-19 situation.

Most of the District staff are working 10-hour days, Monday through Thursday with very few telecommuting as needed. The District office is closed on Fridays.

Water Treatment and Sewer Treatment staff members are working their usual schedules to provide daily coverage at the treatment facilities.

Online board meetings will continue to be conducted each week to make sure the District can quickly respond and adapt to changes in the current situation. Weekly board meetings also provide an opportunity for the public to participate and learn more about the water and sewer systems providing service to the community.

DM 20-078

OVERVIEW OF A
REVISED POLICY FOR
MEMBERS OF THE
BOARD OF DIRECTORS
REGARDING EXPENSE
REIMBURSEMENT,
MEETING
ATTENDANCE,
COMPENSATION, AND
BENEFITS

General Manager Joseph Zoba provided an overview of the Policy for Members of the Board of Directors.

Director Lonni Granlund moved that the Board adopt Resolution No. 2020-26.

Director Joyce McIntire seconded the motion.

The motion was approved by the following vote:

Director Jay Bogh - Yes
Director Lonni Granlund - Yes
Director Chris Mann - Yes
Director Joyce McIntire - Yes
Director Dennis Miller - Yes

DM 20-079

CONSIDERATION OF
RESOLUTION NO. 2020-
27 UPDATING THE
AUTHORIZED
SIGNATORIES FOR
BANK OF AMERICA
ACCOUNTS

Chief Financial Officer Allison Edmisten provided an overview of the bank signature requirements.

Director Joyce McIntire moved that the Board adopt Resolution No. 2020-27.

Director Lonni Granlund seconded the motion.

The motion was approved by the following vote:

Director Jay Bogh - Yes
Director Lonni Granlund - Yes
Director Chris Mann - Yes
Director Joyce McIntire - Yes
Director Dennis Miller - Yes

DM 20-080

DISCUSSION
REGARDING THE
REVIEW OF
STATEMENT OF FACTS
REQUIRED BY
GOVERNMENT CODE
SECTION 53051

Chief Financial Officer Allison Edmisten provided an overview of the requirement to update the Statement of Facts pursuant to Government Code Section 53051.

Director Joyce McIntire moved that the Board authorize the General Manager to file the Updated Statement of Facts.

Director Lonni Granlund seconded the motion.

The motion was approved by the following vote:

Director Jay Bogh - Yes
Director Lonni Granlund - Yes
Director Chris Mann - Yes
Director Joyce McIntire - Yes
Director Dennis Miller - Yes

DM 20-081

IDENTIFICATION AND
DECLARATION OF BAD
DEBT FOR CALENDAR
YEAR 2018

Chief Financial Officer Allison Edmisten provided an overview of the bad debt summary for 2018.

Director Jay Bogh moved that the Board authorize the District staff to declare bad debt for Calendar Year 2018 in the amount of \$12,121.87.

Director Dennis Miller seconded the motion.

The motion was approved by the following vote:

Director Jay Bogh - Yes
Director Lonni Granlund - Yes
Director Chris Mann - Yes
Director Joyce McIntire - Yes
Director Dennis Miller - Yes

DM 20-082

AUTHORIZATION TO
DESTROY VARIOUS
DOCUMENTS AND
FILES PURSUANT TO
THE DISTRICT'S
RECORD RETENTION
POLICY

Chief Financial Officer Allison Edmisten provided an overview of the District's Record Retention Policy.

Director Dennis Miller moved that the Board authorize the District staff to proceed with the destruction of various documents and records pursuant to District policy.

Director Jay Bogh seconded the motion.

The motion was approved by the following vote:

Director Jay Bogh - Yes
Director Lonni Granlund - Yes
Director Chris Mann - Yes
Director Joyce McIntire - Yes
Director Dennis Miller - Yes

DM 20-083

OVERVIEW OF THE
ENERGY RESILIENCY
PROJECT AND THE
SELF-GENERATION
INCENTIVE PROGRAM

Implementation Manager Kathryn Hallberg provided an overview of the potential grant associated with the Southern California Edison Self-General Incentive Program.

Director Joyce McIntire moved that the Board authorize the General Manager to execute an agreement with Southern California Edison's Self-Generation Incentive Program for a sum not to exceed \$290,000.

Director Lonni Granlund seconded the motion.

The motion was approved by the following vote:

Director Jay Bogh - Yes
Director Lonni Granlund - Yes
Director Chris Mann - Yes
Director Joyce McIntire - Yes
Director Dennis Miller - Yes

DM 20-084

STATUS REPORT OF
THE REPLACEMENT OF
THE DRINKING WATER
RESERVOIR R-16.6 -
CALIMESA

Implementation Manager Matthew Porras provided a detailed overview of the Reservoir R-16.6 reconstruction project.

The reservoir shell is being installed and the roof structure was completed this week.

DM 20-085

AUTHORIZATION TO
PROCEED WITH THE
FINAL DESIGN OF THE
R-16.2 DRINKING
WATER STORAGE AND
DISTRIBUTION FACILITY

Implementation Manager Matthew Porras provided an overview of the need to replace the existing Reservoir R-16.2 with a new replacement reservoir and booster station.

Director Dennis Miller moved that the Board authorize Krieger and Stewart to initiate the design of infrastructure for a sum not to exceed \$185,700.

Director Joyce McIntire seconded the motion.

The motion was approved by the following vote:

Director Jay Bogh - Yes
Director Lonni Granlund - Yes
Director Chris Mann - Yes
Director Joyce McIntire - Yes
Director Dennis Miller - Yes

DM 20-086

APPOINTMENT OF A
PRIMARY AND
ALTERNATE
REPRESENTATIVE TO
THE SAN BERNARDINO
VALLEY MUNICIPAL
WATER DISTRICT'S
ADVISORY
COMMISSION ON
WATER POLICY

President Chris Mann and Director Lonni Granlund discussed the importance of the San Bernardino Valley Municipal Water District's Advisory Commission on Water Policy.

Director Joyce McIntire moved that the Board appoint Director Lonni Granlund as the primary representative on the San Bernardino Valley Municipal Water District's Advisory Commission on Water Policy.

Director Jay Bogh seconded the motion.

The motion was approved by the following vote:

Director Jay Bogh - Yes
Director Lonni Granlund - Yes
Director Chris Mann - Yes
Director Joyce McIntire - Yes
Director Dennis Miller - Yes

Director Chris Mann moved that the Board appoint Director Dennis Miller as the alternative representative on the San Bernardino Valley Municipal Water District's Advisory Commission on Water Policy.

Director Lonni Granlund seconded the motion.

The motion was approved by the following vote:

Director Jay Bogh - Yes
Director Lonni Granlund - Yes
Director Chris Mann - Yes
Director Joyce McIntire - Yes
Director Dennis Miller - Yes

DM 20-087

APPOINTMENT OF A
PRIMARY AND
ALTERNATE
REPRESENTATIVE TO
THE CITY OF YUCAIPA
ECONOMIC
DEVELOPMENT
ADVISORY COMMITTEE

President Chris Mann discussed the importance of being represented on the City of Yucaipa Economic Development Advisory Committee.

Director Chris Mann moved that the Board appoint Director Lonni Granlund as the primary representative and Director Dennis Miller as the alternative representative on the City of Yucaipa Economic Development Advisory Committee.

Director Lonni Granlund seconded the motion.

The motion was approved by the following vote:

Director Jay Bogh - Yes

Director Lonni Granlund - Yes

Director Chris Mann - Yes

Director Joyce McIntire - Yes

Director Dennis Miller - Yes

DM 20-088

REORGANIZATION OF
THE OFFICERS OF THE
BOARD OF DIRECTORS
- VICE PRESIDENT

President Chris Mann discussed the Vice President vacancy as a result of Bruce Granlund retiring from the Board of Directors.

Director Chris Mann moved that Lonni Granlund fill the role of Vice President of the Board of Directors.

Director Dennis Miller seconded the motion.

The motion was approved by the following vote:

Director Jay Bogh - Yes

Director Lonni Granlund - Yes

Director Chris Mann - Yes

Director Joyce McIntire - Yes

Director Dennis Miller - Yes

BOARD REPORTS AND
DIRECTOR COMMENTS

Director Joyce McIntire reported on the Beaumont Cherry Valley Water District board meeting held on May 11, 2020.

ANNOUNCEMENTS

Director Chris Mann called attention to the announcements listed on the agenda.

CLOSED SESSION

Director Jay Bogh, Director Lonni Granlund, Director Chris Mann, Director Joyce McIntire, and Director Dennis Miller were present in closed session with Legal Counsel David Wysocki, Chief Financial Officer Allison Edmisten, and General Manager Joseph Zoba to discuss the following items.

C. Conference with Real Property Negotiator(s) -
Government Code 54956.8

Property: Overlying Water Rights in the Beaumont Basin

Agency Negotiator: Joseph Zoba, General Manager

Negotiating Parties: Oak Valley Development Company

Under Negotiation: Terms of Payment and Price

After reconvening out of closed session, Legal Counsel David Wysocki reported that direction was provided and that there were no other reportable actions taken.

ADJOURNMENT

The meeting was adjourned at 5:35 p.m.

Respectfully submitted,

Joseph B. Zoba, Secretary

(Seal)

Staff Report



Yucaipa Valley Water District

Discussion Items



Yucaipa Valley Water District



Date: June 2, 2020

Prepared By: Kathryn Hallberg, Implementation Manager

Subject: Consideration of Resolution 2020-29 and Re-Approval of the Brineline Easement - Canal Parcel License Agreement with the City of Riverside

Recommendation: That the Board approve Resolution 2020-29 and authorize the General Manager to execute the Canal Parcel License Agreement with the City of Riverside.

On August 6, 2019, the Board of Directors approved the Canal Parcel License Agreement with the City of Riverside, [Director Memorandum 19-071]. Following the approval of the License Agreement, the City of Riverside then amended the annual lease agreement amount from \$720.00 to \$730.06. The calculation for the rent is based on the CPI Index All Urban Wage Earners and Clerical Workers (CPI-W), per the Nonexclusive License Agreement dated August 15, 2011, in Section 4(c)(a)(1). The annual rent will increase yearly by an amount equal to two (2%) on each anniversary.

The City of Riverside has rejected the last agreement and has modified it to incorporate language including the 90-day termination clause and inclusion of a resolution giving the General Manager authorization to sign the agreement.

Attached is Resolution 2020-29 approving the Gage Canal parcel license agreement with the City of Riverside and authorizing the District's General Manager to execute that agreement and revised Renewal License Agreement between the City of Riverside and Yucaipa Valley Water District for the use of Assessor's Parcel Number 0283-041-31 and 0283-041-32.

Financial Analysis

This expense is included in the 2019-20 budget. Funds for this project will be paid from the Sewer Division, Brineline Operating Expenses [G/L Account #03-502-57034].

RESOLUTION NO. 2020-29**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
YUCAIPA VALLEY WATER DISTRICT APPROVING THE
GAGE CANAL PARCEL LICENSE AGREEMENT WITH THE CITY OF RIVERSIDE
AND AUTHORIZING THE DISTRICT'S GENERAL MANAGER
TO EXECUTE THAT AGREEMENT**

WHEREAS, the Yucaipa Valley Water District (District) desires to use a portion of the City of Riverside's Gage Canal property for the purpose of ingress and egress and the construction, reconstruction, repair, replacement, removal and maintenance of the District's Yucaipa Valley Regional Brine Line and its appurtenances and connections, located in the City's Gage Canal property; and

WHEREAS, the City requires that the District to enter into a Canal Parcel License Agreement in order for the District to utilize the City's property for the District's Brine Line.

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

1. That the attached Canal Parcel License Agreement with the City of Riverside for the District's Yucaipa Valley Regional Brine Line is hereby approved, and the District's General Manager is hereby authorized to execute that Agreement on behalf of the District.

PASSED, APPROVED and ADOPTED this 2nd day of June 2020.

YUCAIPA VALLEY WATER DISTRICT

Chris Mann, President Board of Directors

ATTEST:

Joseph B. Zoba, General Manager

CANAL PARCEL LICENSE AGREEMENT

Gage Canal

East of Waterman Avenue and South of Redlands Boulevard

THIS LICENSE AGREEMENT (“License”) is made and entered into this _____ day of _____, 2020 (“Effective Date”), by and between the CITY OF RIVERSIDE, a California charter city and municipal corporation (“City”), and YUCAIPA VALLEY WATER DISTRICT, (“Licensee”).

RECITALS

A. City owns that certain property located east of Waterman Avenue and south of Redlands Boulevard, known as Assessor’s Parcel Numbers 0283-041-31 and 0283-041-32 (“Property”). The City utilizes this property for its Gage Canal, in this place an underground pipeline, and its associated right-of-way.

B. Licensee desires to use a portion of the Property consisting of approximately One Thousand, Two Hundred (1,200) square feet for the purpose identified in Section 3 of this License Agreement.

C. City is agreeable to said use subject to the terms and conditions set forth below.

NOW, THEREFORE, the parties hereto mutually agree as follows:

1. GRANT OF LICENSE: City hereby grants to Licensee use of a portion of the Property described in the legal description marked Exhibit “A” and generally depicted on the plat map marked Exhibit “B”, all as attached hereto and made a part hereof by this reference (the “Premises”).

2. TERM: The term of this License shall be for a period of five (5) years, and shall become effective upon execution of this License by both parties (“Effective Date”), and

shall terminate five (5) years from the Effective Date unless this License is earlier terminated pursuant to the termination provisions contained herein. This License may be extended in five-year increments by Licensee giving written notice at least six (6) months prior to expiration of the then-current term.

3. USE OF PREMISES: The Premises shall be used solely for the purpose of ingress/egress, the construction, reconstruction, repair, replacement, removal, and maintenance of the Yucaipa Valley Regional Brine Line commonly known as the “Brine Line,” its appurtenances and connections (“Facilities”), and for no other purpose. Such use shall not interfere with the primary function of the City’s use of the Property. Licensee shall be subject to the following terms and conditions:

(a) Any construction or reconstruction within the Premises shall be in accordance with plans approved by the City, however, notwithstanding any such approval, the Licensee assumes full responsibility for the design, construction or reconstruction, including complete liability for defects in such design and construction or reconstruction, all at Licensee’s sole cost.

(b) The property shall be kept in a safe operating condition at all times, and the Licensee hereby assumes all liability arising from any injury or damage to any person or entity caused by the exercise of the rights herein granted.

(c) If City determines that the Facilities unreasonably interfere with City’s present or future use of the Property and/or the Gage Canal, then the Facilities shall be removed or relocated at Licensee’s expense. City may enter the Premises and alter, remove, or damage Licensee’s Facilities. In such event, Licensee shall be responsible for any restoration or repair of the Facilities; provided, however, that if necessary, City shall provide to Licensee a substitute license reasonably suited to Licensee’s needs at no cost to Licensee.

(d) Licensee shall keep the Premises clear and free of structures, invasive landscaping, and surface obstructions inconsistent with Licensee's intended use, unless otherwise approved by the City.

(e) No construction or reconstruction shall be commenced until this License has been executed by the parties, and plans have been prepared by Licensee and approved by the City. The City is to be notified prior to the start of any construction activities on the Premises, including any grading work.

(f) City makes no representation, covenant, warranty or promise that the Premises is fit for any particular use, including the use for which this License is granted, and Licensee is not relying on any such representation, covenant, warranty or promise and accepts the Premises in its "as is" condition.

(g) Access to and use of the Premises shall be limited to Licensee, its employees, agents and contractors. Licensee is strictly prohibited from allowing any access to or use of the Premises by the general public.

(h) If the Premises are secured by a fence or enclosure, Licensee shall keep the Premises locked at all times.

(i) Licensee's activities under this License shall maintain the Facilities and the Property in a neat, clean and safe condition at all times, including any landscaping.

4. CONSIDERATION:

(a) As consideration for use of the licensed Premises, Licensee shall pay to City a license fee in the amount of Seven Hundred Thirty Dollars and Six Cents (\$730.06) per year. Said license fees shall be payable on the first day of the anniversary of each year of the Effective Date.

(b) Notwithstanding Section 4(a) above, the annual rent shall be increased on each yearly anniversary of the Effective Date by an amount equal to two percent (2%) of such annual rent. For

any extended term of the License, as provided under Section 2 herein, the license fee shall be set at the City's then-current license fees for such property.

(c) The annual license fee shall be paid by check made payable to the "City of Riverside" and sent to the City of Riverside, Central Cashiering, City Hall, 3900 Main Street, Riverside, California 92522.

(d) If Licensee fails to pay the annual license fee by the tenth (10th) day of the month in which it is due, Licensee agrees that the actual damage to the City would be impracticable or extremely difficult to determine. Therefore, Licensee agrees to pay a late fee equal to ten percent (10%) of the annual license fee, which amount shall be added to the license fee due and considered part of the license fee due City hereunder. The amounts due under this subparagraph are in addition to and not in lieu of any other remedies of City.

5. NON-DISCRIMINATION: Except as provided in Section 12940 of the California Government Code, during Licensee's performance of this License, Licensee shall not discriminate on the grounds of race, religious creed, color, national origin, ancestry, age, physical handicap, medical condition, including the medical condition of Acquired Immune Deficiency Syndrome (AIDS) or any condition related thereto, marital status, sex or sexual orientation in use of the Premises during the term of this License. Further, Licensee agrees to conform to the requirements of the Americans with Disabilities Act in the performance of this License.

6. SUPERVISION: Licensee shall be responsible for supervision and monitoring of all activities on the Premises, including control of access to the Premises at all times, and monitoring and abatement of any nuisance that is caused, or may be caused, by Licensee or Licensee's use.

7. MAINTENANCE: Licensee shall maintain its Facilities and the Premises, to the extent the Premises are modified or impacted by the Facilities, in clean and orderly condition, all in compliance with all applicable provisions of the governing Municipal Code of the city for which the

Property resides. A neat and clean appearance, and safe and sanitary conditions are required and are considered of utmost importance by City.

8. FLAMMABLES, WASTE AND NUISANCES: Licensee agrees that it will not place or store, or allow any placement or storage of any hazardous waste, hazardous material, or flammable materials within the boundaries of the Premises, and that it will not commit any waste upon or damage to the Premises, nor suffer any to be done. Licensee also specifically agrees that it will not allow others to take such actions within the boundaries of the Premises. Licensee further agrees that it will keep the Premises clean, free from rubbish and debris, and in a condition satisfactory to City in accordance with Section 7.

9. HAZARDOUS SUBSTANCES INDEMNITY: Licensee expressly agrees to and shall indemnify, defend, release and hold the City, their officers, officials, directors, agents, servants, and employees harmless from and against any liability, loss, fine, penalty, fee, charge, lien, judgment, damage, entry, claim, cause of action, suit, proceeding (whether legal or administrative), remediation, response, removal, or clean-up, and all costs and expenses associated therewith, and all other costs and expenses (including, but not limited to, attorney's fees, expert fees, and court costs) in any way related to the disposal, treatment, transportation, manufacture, or use of any Hazardous Substances on, in, under, or about the Premises by Licensee, its officers, directors, agents, servants, or employees. This indemnity, defense and hold harmless obligation shall survive the expiration or termination of this License.

10. HAZARDOUS SUBSTANCES DEFINED: Hazardous Substances shall mean any (a) substance, product, waste or other material of any nature whatsoever which is or becomes listed, regulated, or addressed pursuant to CERCLA, 42 U.S.C. § 9601, *et seq.*; The Hazardous Materials Transportation Act, 49 U.S.C. § 1801, *et seq.*; the Resource Conservation and Recovery Act, 42 U.S.C. § 6901, *et seq.* ("RCRA"); The Toxic Substances Control Act, 15 U.S.C. § 2601 *et seq.*; The Clean Water Act, 33 U.S.C. § 1251, *et seq.*; The Hazardous Waste Control Act, California Health

and Safety Code (“H. & S.C.”) § 25100, *et seq.*; the Hazardous Substance Account Act, H. & S.C. § 25330, *et seq.*; the California Safe Drinking Water and Toxic Enforcement Act, H. & S.C. § 25249.5, *et seq.*; Underground Storage of Hazardous Substances H.& S.C. § 25280, *et seq.*; the Carpenter-Presley-Tanner Hazardous Substance Account Act (H & S.C. § 25300 *et seq.*); The Hazardous Waste Management Act, H. & S.C. § 25170.1, *et seq.*; Hazardous Materials Response Plans and Inventory H.& S.C. § 25001 *et seq.*; or the Porter-Cologne Water Quality Control Act, Water Code § 13000, *et seq.*, all as amended, or any other federal, state or local statute, law, ordinance, resolution, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect, (b) substance, product, waste or other material of any nature whatsoever which may give rise to liability under any of the above statutes, (c) petroleum, crude oil or any substance which contains gasoline, diesel fuel or other petroleum hydrocarbons other than petroleum and petroleum products contained within regularly operated motor vehicles, and (d) polychlorinated biphenyls (PCB), radon gas, urea-formaldehyde, asbestos and lead.

11. UTILITIES: There currently is no utility service to the Premises. The City shall be under no obligation to provide any utility service of any kind to the Premises during the term of this License. If Licensee determines utilities are required for Licensee’s use of the Premises, Licensee shall arrange and pay directly for all new utilities and services supplied to the Premises, including but not limited to water, electricity, telephone, and natural gas, together with any taxes thereon.

12. TAXES: Without admitting any such liability, Licensee recognizes and understands that this License may create a possessory interest subject to property taxation pursuant to California Revenue and Taxation Code Section 107 and that Licensee may be subject to the payment of property taxes levied on such interest if such a determination is made by either the San Bernardino or Riverside County Tax Assessor or other government entity with the authority to make such determinations. All taxes and assessments which become due and payable with respect to the

Premises, and any improvements thereon, shall be the sole responsibility of Licensee, and any such payments shall not reduce any payment due City hereunder.

If Licensee shall, in good faith, desire to contest the validity, the imposition, or the amount of any tax or assessment or any other governmental charge herein agreed to be paid by Licensee, Licensee shall be permitted to do so; provided, however, the Licensee shall not permit or allow any lien to be placed or assessed upon the Premises or any improvements thereon.

13. CITY'S RIGHT TO INSPECT: City shall have the right to inspect the premises and any improvements made thereto at any time to ensure compliance with the terms of this License. Any repairs found necessary as a result of inspections and which are the responsibility of Licensee shall be made promptly by Licensee, but in no event shall such repairs be initiated by Licensee later than ten (10) calendar days after receipt of written notification of the need for such repairs, and such repairs shall be completed within a reasonable time after receipt of such notification.

14. FREE FROM LIENS OR CLAIMS: Licensee shall keep the Premises free from any mechanics' or materialmen's liens or other liens of any kind or nature for any work done, labor performed, or material furnished thereon at the insistence of or on account of Licensee, and Licensee further agrees to indemnify and save harmless City from and against any and all claims, liens, demands, costs and expenses of whatsoever nature for any such work done, labor performed, or materials furnished. The City at any time may post and keep posted on the Premises appropriate notices to protect the City against the claims of any such persons, firms or corporations.

15. INSURANCE: Prior to City's execution of this License, Licensee shall obtain, and shall thereafter maintain during the term of this License at Licensee's sole expense, such commercial general and automobile liability insurance as required to insure Licensee against damages for personal injury, including accidental death, as well as from claims for property damage which may arise from or which may concern operations by anyone directly or indirectly employed by, connected with, or acting for or on behalf of Licensee.

(a) All liability insurance shall be issued by insurance companies authorized to transact liability insurance business in the State of California, with a liability rating of A or higher, and a financial rating of at least VII.

(b) Licensee's commercial general liability policy shall cover both bodily injury (including death) and property damage (including but not limited to premises-operations liability, products-completed operations liability, independent contractors liability, personal injury liability, and contractual liability), in an amount not less than \$1,000,000 per occurrence, \$2,000,000 aggregate.

(c) Licensee's automobile liability policy shall cover both bodily injury and property damage in an amount not less than \$1,000,000 per occurrence, unless otherwise approved by the City's Risk Manager and the City Attorney, or their designees.

(d) These minimum amounts of coverage shall not constitute any limitation or cap on Licensee's indemnification obligations under Section 17 hereof.

(e) Insurance policies or original certificates and additional insured endorsements evidencing the coverage required by this License, for both commercial general and auto liability, shall be filed with City and shall include City, their officers, agents and employees as additional insureds. Said policies shall be in the usual form of commercial general liability insurance, but shall include the following:

"It is agreed that the City of Riverside, and its officers, employees and agents, are added as additional insureds under this policy, solely for work done by and on behalf of the named insured for the City of Riverside."

(f) The policies shall not be canceled unless thirty (30) days prior written notification of intended cancellation has been given to City by certified or registered mail.

(g) City, its agents and employees make no representation that the limits of the insurance specified to be carried by Licensee pursuant to this License are adequate to protect

Licensee. If Licensee believes that any required insurance coverage is inadequate, Licensee will obtain such additional insurance coverage as Licensee deems adequate, at Licensee's sole expense.

16. NONINTERFERENCE WITH USE: Licensee's use of the Premises and the exercise of the rights herein granted shall not in any manner whatsoever interfere with the City's operations. City shall at all times have access to the Premises. The rights herein granted are not exclusive rights and in no way limit the City's use of the Premises for purposes not inconsistent with the uses granted herein.

17. INDEMNIFICATION: Except as to the sole negligence or willful misconduct of City, Licensee shall protect, defend, indemnify, and hold City and its officers, agents, employees and volunteers completely harmless from and against any and all liabilities, losses, suits, claims, judgments, fines or demands arising by reason of injury to or death of any person or damage to any property, including all reasonable costs for investigation and defense thereof (including but not limited to attorneys' fees, court costs, and expert fees), of any nature whatsoever arising out of or incident to this License and/or the use or occupancy of the Premises or the acts or omissions of Licensee's officers, agents, employees, contractors, subcontractors, licensees, invitees or guests, regardless of where the injury, death, or damage may occur, unless such injury, death or damage is caused by the negligence or willful misconduct of City and/or its officers, employees or agents. This indemnification provision shall apply to any acts or omissions, willful misconduct or negligent conduct, whether active or passive, on the part of Licensee or any of Licensee's officers, agents, employees, contractors, subcontractors, licensees, invitees or guests. City shall give Licensee reasonable notice of any such claims or actions. Licensee shall use counsel reasonably acceptable to City in carrying out its obligations hereunder.

The parties expressly agree that any payment, attorney fee, cost or expense City may incur or makes to or on behalf of an injured employee under City's self-administered workers' compensation

program is included as a loss, expense or cost for the purpose of this section, and that this section shall survive termination of this License.

18. ASSIGNMENTS: This License is personal to Licensee, and Licensee shall not assign or transfer this License or any privilege thereunder, in whole or in part, and any attempt so to do shall be void and shall confer no right on any third party.

19. NON-POSSESSORY INTEREST: No permanent or possessory interest shall accrue to Licensee in the licensed Premises by reason of this License or by exercise of the permission given and Licensee agrees to claim no such interest.

20. GOVERNING LAW AND JURISDICTION: Licensee agrees that in the exercise of its rights under this License, Licensee shall comply with all applicable federal, state, county and local laws, and regulations in connection with its use of the licensed Premises. The existence, validity, construction, operation and effect of this License and all of its terms and provisions shall be determined in accordance with the laws of the State of California. Any action at law or in equity brought by either of the parties hereto for the purpose of enforcing a right or rights provided for by this License shall be tried in a court of competent jurisdiction in the County of Riverside, State of California, and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other county.

21. TERMINATION: In addition to the other methods of terminating this License, as provided herein, this License may be terminated at any time upon ninety (90) days notice in writing to Licensee. City will give Licensee thirty (30) days written notice to terminate in the event Licensee has failed to perform or has breached any of the terms, covenants or conditions of this License. Licensees shall have ten (10) days in which to cure the default. Should Licensee fail to cure within that ten (10) day period, this License shall automatically be terminated.

Upon termination of this License in any manner provided in this License, the

Permits shall remain in its improved condition, including but not limited to all improvements, landscaping (personal property not applicable) existing on the Premises at the time of termination, unless the City submits a written request to Licensee that some or all of the improvements be removed, in which case Licensee is given thirty (30) days to complete said removal of the improvements as identified by City. Should the City accept the Premises with all improvements thereon, and then such improvements shall become the property of the City.

If the Premises are abandoned by the Licensee for a period of two (2) months, all rights of the Licensee shall automatically terminate hereunder. Further, if the Licensee fails to conform to the terms and conditions of this License, all of the Licensee's rights hereunder shall terminate.

No termination hereunder shall release the Licensee from any liability or obligation, which may have attached or accrued prior to or which may accrue as of the time of termination of this License.

22. DEFAULT: Upon the failure of Licensee to perform any condition or term required herein, the City shall give written notice of such failure to perform as constituting a default of this License. If within ten (10) calendar days Licensee does not correct the failure to the satisfaction of the City, or does not provide a written explanation of Licensee's failure to perform, which explanation must be acceptable to City, this License shall then terminate immediately without further notice. Also, the City shall have the right to require that all operations immediately cease if City determines that the activities are being conducted in an unsafe or illegal manner. Upon termination of this License and if City requests, the Licensee shall immediately remove all personal property, facilities and improvements from the Premises.

23. HOLDING OVER: If Licensee fails to vacate the Premises upon termination of this License, Licensee agrees to pay City a fee of One Hundred Dollars (\$100.00) per day for each day that Licensee occupies the Premises beyond termination of this License.

24. ENTIRE AGREEMENT: It is expressly agreed that this License embodies the entire agreement between the parties hereto in relation to the subject matter hereof and that neither agreement or understanding verbal or otherwise, relative to this subject matter exists between the parties hereto at the time of execution. This License may be modified or amended by the mutual consent of the parties in writing.

25. NOTICES: Service of any notices, bills, invoices or other documents required or permitted under this License shall be sufficient if sent by one party to the other by United States mail, postage prepaid and addressed as follows:

City

City of Riverside
Community & Economic
Development Department
Attn: Real Property Services Manager
3900 Main Street, 3rd Floor
Riverside, California 92522
Phone: (951) 826-5649
Fax: (951) 826-5744

Licensee

Yucaipa Valley Water District
Kathryn Hallberg, MSES, MBA
Implementation Manager
12770 Second Street
Yucaipa, California
Phone: (909) 790-3303
Fax: (909) 797-6381

26. SEVERABILITY: Each provision, term, condition, covenant, and/or restriction, in whole and in part, in this License shall be considered severable. In the event any provision, term, condition, covenant, and/or restriction, in whole and/or in part, in this License is declared invalid, unconstitutional, or void for any reason, such provision or part thereof shall be severed from this License and shall not affect any other provision, term, condition, covenant, and/or restriction, of this License and the remainder of the License shall continue in full force and effect.

27. PARAGRAPH TITLES: The paragraph titles of this License are (i) inserted only for the convenience of the parties, (ii) are not intended to describe, define, limit, or otherwise affect the provisions in the portions of the License to which they pertain, and (iii) in no way describe, define, limit, or otherwise affect the scope or intent of this License or in any way affect the agreement of the parties set out in this License.

28. RESERVATIONS: This License is subject to all reservations, restrictions, rights and rights-of-way of record.

29. AUTHORITY: The individuals executing this License and the instruments referenced herein each represent and warrant that they have the legal power, right and actual authority to bind their respective parties to the terms and conditions hereof and thereof.

IN WITNESS WHEREOF the parties hereto have caused this License to be duly executed on the date and year first written above.

CITY OF RIVERSIDE, a California
charter city and municipal corporation
a California corporation

By: _____
City Manager
City Manager Its:

YUCAIPA VALLEY WATER DISTRICT

By: _____
Joseph B. ZOBA
Yucaipa Valley Water District
General Manager

Attest: _____
Colleen Nicol
City Clerk Its:

Approved as to Form:

By: _____
Deputy City Attorney

By: _____
David L. Wysock
Yucaipa Valley Water District
General Counsel

EXHIBIT "A"
LEGAL DESCRIPTION

BRINE LINE EASEMENT

ALL THAT PORTION OF A STRIP OF LAND 100 FEET IN WIDTH LYING WITHIN LOT 10 IN BLOCK 75, RANCHO SAN BERNARDINO, AS PER MAP RECORDED IN BOOK 7, OF MAPS, PAGE 2, RECORDS OF SAN BERNARDINO COUNTY, STATE OF CALIFORNIA, WHICH PORTION WAS CONVEYED TO THE GAGE CANAL COMPANY, A CORPORATION BY DEED RECORDED JULY 1, 1910 IN BOOK 463, PAGE 315, OF DEEDS, AND IS KNOWN AS THE GAGE CANAL RIGHT-OF-WAY.

EXCEPTING THEREFROM THAT PORTION LYING NORTHERLY OF THE SOUTHERLY LINE OF COLTON AVENUE AS THE SAME IS SHOWN ON A RECORD OF SURVEY RECORDED IN BOOK 16, PAGES 50 THROUGH 56, INCLUSIVE, OF RECORDS OF SURVEY.

ALSO EXCEPTING THEREFROM THAT PORTION LYING SOUTHERLY OF THE NORTHERLY LINE OF THE SOUTHERN PACIFIC RAILROAD RIGHT OF WAY, AS THE SAME IS SHOWN ON A RECORD OF SURVEY RECORDED IN BOOK 16, PAGES 50 THROUGH 56, INCLUSIVE, OF RECORDS OF SURVEY.

BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE EASTERLY PROLONGATION OF THE SOUTHERLY 20.00 FEET OF LOT 78, TRACT NO. 2170, RECORDED IN BOOK 31 OF MAPS, PAGE 49, RECORDS OF SAID COUNTY, ALL WITHIN SAID GAGE CANAL RIGHT-OF-WAY.



LAND OWNER: CITY OF RIVERSIDE

Prepared by HILLWIG-GOODROW, INC.:
31407 Outer Hwy. 10, Redlands, CA 92373 (888) 626-5137

Alan C. Hillwig
ALAN C. HILLWIG, PLS 5137
LICENSE EXPIRES: 6-30-11

1/6/2011
DATE

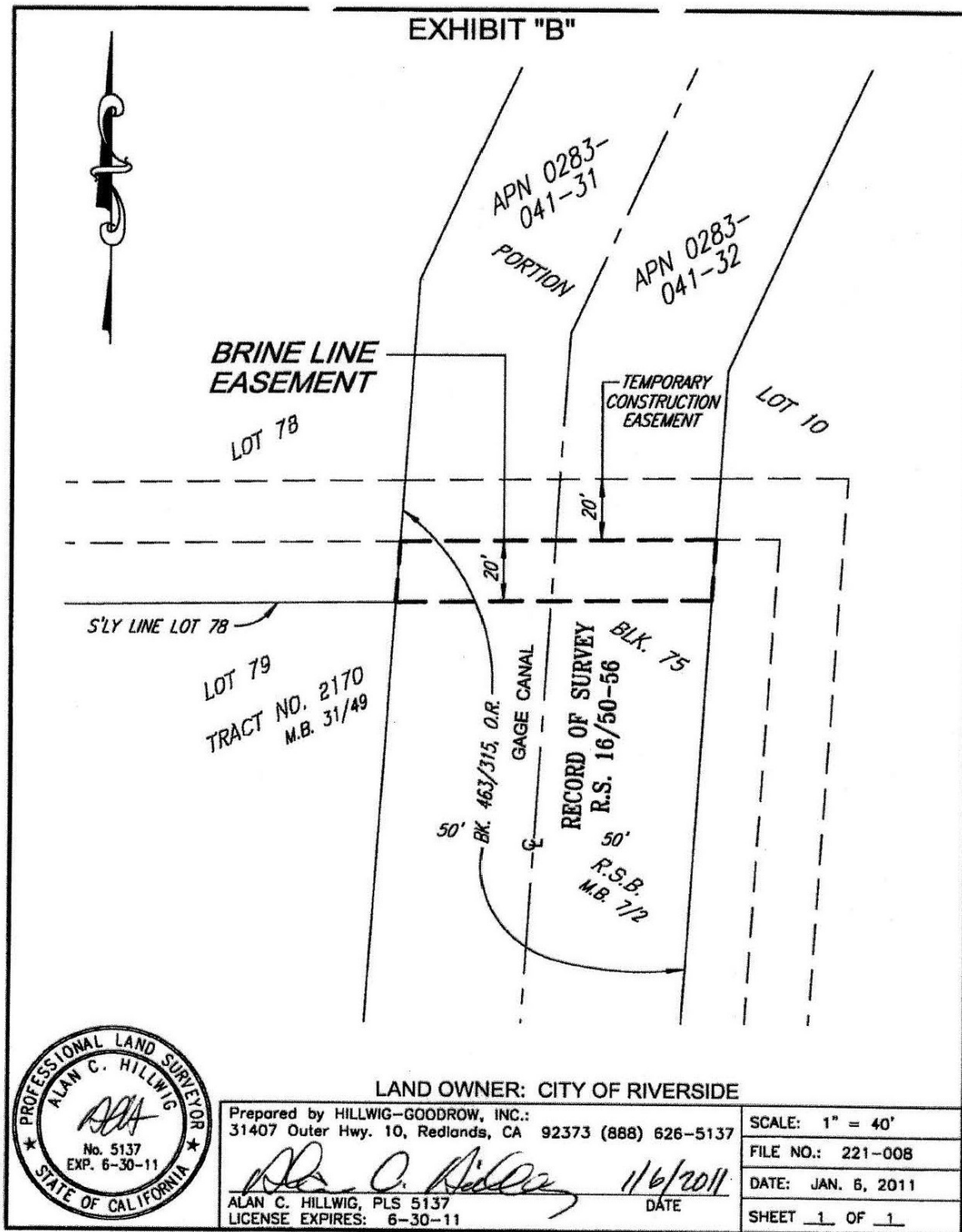
SCALE: N/A

FILE NO.: 221-008

DATE: JAN. 6, 2011

SHEET 1 OF 1

EXHIBIT "B"
PLAT MAP





Date: June 2, 2020

Prepared By: Joseph Zoba, General Manager

Subject: Consideration of Resolution No. 2020-30 Updating the Calculation for Facility Capacity Charges Related to the Purchase of Permanent Supplemental Water Resources for New Development within Riverside County

Recommendation: That the Board approve Resolution No. 2020-30.

The Yucaipa Valley Water District currently charges \$13,478 per dwelling unit for facilitate capacity charges for each new residential unit constructed in our service area. This fee recovers costs expended by the District for the construction of the following facilities:

Description of Drinking Water Component	Existing Facility Capacity Charges
Yucaipa Valley Regional Water Filtration Facility	\$3,811
Recycled Water System	\$823
Booster Pumping Plants	\$885
Pipeline Facilities	\$4,407
Water Storage Reservoirs	\$3,552
Total	\$13,478

While the District's development related fees are typically more expensive than neighboring agencies, the Yucaipa Valley Water District has consistently pursued extensive improvements and fully integrated solutions to secure long-term, reliable, and resilient water and sewer service for our customers.

On July 27, 2015, the Board of Directors of the San Geronio Pass Water Agency ("SGPWA") adopted Resolution No. 2015-05 adopting facility capacity fees for new infrastructure and additional water resources. The adoption of this resolution was deemed necessary by the SGPWA to "...meet future increasing demands for SGPWA supplemental water to the SGPWA service area which will require additional water facilities to be constructed to distribute water and to acquire additional water rights to meet future increasing demands."¹

¹ This fee only is applicable to developments in the Calimesa portion of the Yucaipa Valley Water District service area. The portion of the Yucaipa Valley Water District in the City of Yucaipa receives imported water service from the San Bernardino Valley Municipal Water District.

On September 19, 2017, the Board of Directors adopted Resolution No. 2017-23 Establishing the Methodology to Calculate and the Collection of Facility Capacity Charges Related to the Purchase of Water Resources for New Development within the Boundary of the San Geronio Pass Water Agency and the City of Calimesa.

This resolution was designed to be updated annually to reflect the reliability of imported water supplies from the State Water Project and to develop a pricing methodology that will secure permanent supplemental water supplies from alternative sources.

Based on this methodology, the additional cost per residential dwelling unit in the City of Calimesa was calculated to be \$4,370 for a home that is dual plumbed to receive recycled water for front and rear yard irrigation use. This charge is not applicable to new development in the City of Yucaipa.

Methodology Used to Calculate the Supplemental Water Facility Capacity Charge for Supplemental Water Resources

- One Equivalent Dwelling Unit (1.0 EDU) that is dual-plumbed with drinking water and recycled water shall require supplemental water capacity equal to 6.5 kgal/month or 78 kgal/year (214 gpd/EDU).
 - *Estimated Annual Drinking Water Demand = 78 kgal per year*
 - *Estimated Daily Drinking Water Demand of 214 gpd/EDU*
- 0% Interest
- 52.5% State Water Project Reliability Factor - Ten-Year Rolling Average
 - *2019 State Water Project Allocation on September 30 - 75% (DWR Notice 19-10)**
 - *2018 State Water Project Allocation on September 30 - 35% (DWR Notice 18-05)**
 - *2017 State Water Project Allocation on September 30 - 85% (DWR Notice 17-05)*
 - *2016 State Water Project Allocation on September 30 - 60% (DWR Notice 16-06)*
 - *2015 State Water Project Allocation on September 30 - 20% (DWR Notice 15-03)*
 - *2014 State Water Project Allocation on September 30 - 20% (DWR Notice 14-08)*
 - *2013 State Water Project Allocation on September 30 - 35% (DWR Notice 13-09)*
 - *2012 State Water Project Allocation on September 30 - 65% (DWR Notice 12-09)*
 - *2011 State Water Project Allocation on September 30 - 80% (DWR Notice 11-06)*
 - *2010 State Water Project Allocation on September 30 - 50% (DWR Notice 10-11)*
 - ~~*2009 State Water Project Allocation on September 30 - 40% (DWR Notice 09-07)*~~
- \$6,231/Acre Foot Permanent Water Right Estimate
 - *Most Recent San Geronio Pass Permanent Water Right Purchase Estimate*

Calculation:

$$78 \text{ kgal} \times \frac{1,000 \text{ gal}}{1 \text{ kgal}} \times \frac{3.069 \times 10^{-6} \text{ AF}}{\text{gallon}} \times \frac{\$6,231}{\text{acre foot}} \times \frac{1}{0.525 \text{ SWP reliability}} =$$

Supplemental Water Facility Capacity Charge = \$2,841/EDU

- * On June 19, 2019, the Department of Water Resources issued a Notice to State Water Project Contractors (Number 19-10) setting the 2019 State Water Project Allocation at 75%. Said Notice is anticipated to remain in effect on September 30, 2019. However, if there is a change to the State Water Project Allocation before September 30, 2018, an updated resolution and sample methodology will be presented to the Yucaipa Valley Water District Board of Directors for consideration.

RESOLUTION NO. 2020-30

A RESOLUTION OF THE YUCAIPA VALLEY WATER DISTRICT SETTING FORTH AND UPDATING THE CALCULATION FOR FACILITY CAPACITY CHARGES RELATED TO THE PURCHASE OF PERMANENT SUPPLEMENTAL WATER RESOURCES FOR NEW DEVELOPMENT WITHIN RIVERSIDE COUNTY

WHEREAS, the Yucaipa Valley Water District (the “District”) is a public agency of the State of California organized and existing pursuant to the provisions of the County Water District Law of this State (Section 30000, et seq. of the Water Code); and

WHEREAS, the District has adopted Facility Capacity Charges for drinking water, sewer, and recycled water services; and

WHEREAS, on July 27, 2015, the San Gorgonio Pass Water Agency adopted Resolution No. 2015-05 a *Resolution of the Board of Directors of the San Gorgonio Pass Water Agency to Adopt Facility Capacity Fees for Facilities and Water* setting the supplemental water capacity fee at \$6,231 per acre-foot; and

WHEREAS, the District’s Board of Directors reviewed Resolution No. 2015-05 adopted by the San Gorgonio Pass Water Agency and its Capacity Fee Study and related documentation (“Study”) supporting the need for supplemental water to provide service to new development within the boundary of the San Gorgonio Pass Water Agency; and

WHEREAS, the above-referenced Study was discussed in detail by the District’s Board of Directors at several board workshops, board meetings, and a public hearing held on September 19, 2017 for the adoption of Resolution No. 2017-23; and

WHEREAS, the District’s Board of Directors is expected to secure supplemental water from the Pass Water Agency or from alternative sources as a permanent source of supply to provide sustainable water service to new development within the service area of the San Gorgonio Pass Water Agency and/or the City of Calimesa; and

WHEREAS, the purpose of the supplemental water capacity charge is to purchase and/or finance, in whole or in part, permanent water resources dedicated to the District or to fund the implementation of a similar program that provides permanent supplemental water resources for new development within the boundary of the District as applicable to the common territory of the San Gorgonio Pass Water Agency, the City of Calimesa, or the County of Riverside; and

WHEREAS, the fee structure and methodology set forth below and based upon available data, studies and information by the San Gorgonio Pass Water Agency represents the best available information to secure supplemental water resources at this time; and

WHEREAS, the complete body of facts and evidence reviewed by the District's Board of Directors during board workshops and board meetings, including the Pass Water Agency's Study, demonstrate that the facility capacity charge related to supplemental water to be levied by the District will not exceed the estimated reasonable cost for providing the services for which the capacity charges are imposed and, therefore, complies with Government Code Section 66013; and

WHEREAS, on November 19, 2019, the Board of Directors authorized the General Manager to file a Notice to Adjust Rights of an Overlying Party Due to Proposed Provision of Water Service by an Appropriator with the Beaumont Basin Watermaster. The Notice to Adjust Rights provided the District with all of the original 1,806 acre feet / revised 1,398.90 acre feet of Overlying Water Rights from Oak Valley Partners / Oak Valley Development Company; and

WHEREAS, on November 20, 2019, the Beaumont Basin Watermaster was provided with an executed Notice to Adjust Rights of an Overlying Party Due to Proposed Provision of Water Service by an Appropriator which provides all Overlying Water Rights from Oak Valley Partners / Oak Valley Development Company to the Yucaipa Valley Water District; and

WHEREAS, the supplemental water facility capacity charge established herein is exempt from the California Environmental Quality Act, Public Resources Code, Section 21080(b)(8) because the charges are imposed to obtain funds necessary to maintain services within the District; and

WHEREAS, this resolution shall be implemented to supplement the existing facility capacity charges currently in effect by the Yucaipa Valley Water District; and

WHEREAS, the charges set forth herein are being adopted following a public hearing and notices provided in accordance with the requirements of Government Code, Section 66000, et seq.,

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Yucaipa Valley Water District, as follows:

1. Purpose. The purpose of this Resolution is to set forth the calculation and implementation for a Supplemental Water Facility Capacity Charge for new development receiving drinking water service from the Yucaipa Valley Water District in Riverside County.
2. Supplemental Water Facility Capacity Charge Fee. The following calculation is used to determine the Supplemental Water Facility Capacity Charge:
 - A. For the purposes of this Resolution the following factors shall be used for the calculation of the base Supplemental Water Facility Capacity Charge:
 - i. One Equivalent Dwelling Unit (1.0 EDU) that is dual-plumbed with drinking water and recycled water shall require supplemental water capacity equal to 6.5 kgal/month or 78 kgal/year (214 gpd/EDU).
 - ii. Interest related costs for the procurement, construction, or financing of supplemental water sources of supply shall be 0% interest unless modified by future versions of this resolution.

- iii. The average State Water Project Reliability shall be set at 52.5% which represents the most recent ten-year rolling average of State Water Project Allocations set by the California Department of Water Resources.
- 2019 State Water Project Allocation on September 30 - 75%
(Department of Water Resources Notice 19-10)
 - 2018 State Water Project Allocation on September 30 - 35%
(Department of Water Resources Notice 18-05)
 - 2017 State Water Project Allocation on September 30 - 85%
(Department of Water Resources Notice 17-05)
 - 2016 State Water Project Allocation on September 30 - 60%
(Department of Water Resources Notice 16-06)
 - 2015 State Water Project Allocation on September 30 - 20%
(Department of Water Resources Notice 15-03)
 - 2014 State Water Project Allocation on September 30 - 20%
(Department of Water Resources Notice 14-08)
 - 2013 State Water Project Allocation on September 30 - 35%
(Department of Water Resources Notice 13-09)
 - 2012 State Water Project Allocation on September 30 - 65%
(Department of Water Resources Notice 12-09)
 - 2011 State Water Project Allocation on September 30 - 80%
(Department of Water Resources Notice 11-06)
 - 2010 State Water Project Allocation on September 30 - 50%
(Department of Water Resources Notice 10-11)
- iv. The Board of Directors has reviewed data, information, and studies that justify the cost for a permanent water right at \$6,231/acre foot. This value will be evaluated and subject to change in the future as additional information and studies are made reviewed for applicability to this Resolution.

- B. Based on the factors above, the Supplemental Water Facility Capacity Charge is hereby established at \$3,278/EDU.

$$78 \text{ kgal} \times \frac{1,000 \text{ gal}}{1 \text{ kgal}} \times \frac{3.069 \times 10^{-6} \text{ AF}}{\text{gallon}} \times \frac{\$6,231}{\text{acre foot}} \times \frac{1}{0.525 \text{ SWP reliability}} =$$

Supplemental Water Facility Capacity Charge = \$2,841/EDU

3. Collection of the Supplemental Water Facility Capacity Charges. For new developments in Riverside County, the following Supplemental Water Facility Capacity Charges shall be charged and collected prior to the issuance of building permits:
- A. Summerwind Ranch at Oak Valley - On January 9, 2018, Oak Valley Partners and San Geronio Land entered into an agreement for the payment of Overlying Water Rights. Pursuant to the agreement between Oak Valley Partners and San Geronio Land, the applicable charge for Supplemental Water Facility Capacity Charges is 34% of the Supplemental Water Capacity Charge as agreed to in writing by Oak Valley Partners LP and San Geronio Land LLC or their respective assignees.
- B. Oak Valley Development Company - The development of parcels within the Oak Valley Development Company portion of the Oak Valley Project shall be charged the Supplemental Water Facility Capacity Charge based on drinking water demands

associated with the anticipated residential, commercial, industrial, or institutional use as calculated by the District.

- C. Other Applicable Developments - Other residential, commercial, industrial, or institutional developments shall be charged a Supplemental Water Facility Capacity Charge equal to the calculation in Section 2.B. of this Resolution.
3. Implementation of the Supplemental Water Facility Capacity Charge. The Board of Directors of the Yucaipa Valley Water District hereby directs the General Manager to include terms and conditions in development agreements for projects in Riverside County that request drinking water service from the District to ensure sufficient permanent water resource capacity is secured for the new developments.
- A. All new developments served by the Yucaipa Valley Water District shall receive bundled services of drinking water, recycled water, and sewer service within the territory of the Yucaipa Valley Water District in Riverside County unless specifically exempted by resolution of the Board of Directors.
- B. All new developments shall be required to be dual-plumbed with recycled water to meet the irrigation demands and drinking water to meet domestic and fire flow demands unless specifically exempted by resolution of the Board of Directors.
- C. A Drinking Water Service Unit (WSU) shall be based on an equivalent volume of drinking water used to meet domestic water demands for a typical equivalent single-family residential dwelling unit (EDU). The District staff is directed to provide information to evaluate the conversion factor for the WSU based on data acquired in the future.
- D. Drinking water demand shall be determined for each parcel in units of gallons per day per Equivalent Dwelling Unit (gpd/EDU) and expressed as a Water Service Unit (WSU) to 1/10th. The WSU will be used to calculate the Supplemental Water Facility Capacity Charge for each commercial, industrial and institutional development within Riverside County.
- E. Property owners and/or developers that provide permanent secured water rights and/or contribute to the funding of dependable water resources shall receive a credit for the Supplemental Water Facility Capacity Charge required by this resolution if the secured water resources are permanently dedicated and/or permanently available to the Yucaipa Valley Water District.
- F. Based on the calculation methodology in Section 2, the Supplemental Water Facility Capacity Charge will be re-adjusted after considering: (i) information, studies and reports related to the actual cost of securing permanent supplemental water supplies; (ii) information presented by the California Department of Water Resources for the final water year allocation of water from the State Water Project as a demonstration of reliability; (iii) securing overlying water rights in the region; and (iv) development and construction of the Salinity and Groundwater Enhancement (SAGE) Project or other similar projects that produce a provide a source of supplemental water to the Yucaipa Valley Water District.

3. Monthly Water Consumption in Excess of Paid Supplemental Water Facility Capacity Charge. All monthly drinking water consumption in excess of the quantity purchased as the Supplemental Water Capacity Charge by any customer in Riverside County shall be charged an Excess Supplemental Water Commodity Charge:

- A. Excess Supplemental Water Commodity Charge. The Excess Supplemental Water Commodity Charge shall apply to any customer in Riverside County assigned capacity from the Supplemental Water Facility Capacity Charge that exceeds the purchased quantity of supplemental water capacity. This fee applies to residential, multi-family, commercial, industrial, institutional, and construction customers.
- B. Calculation Methodology. The calculation definitions and methodology are applicable to the Imported Water Rates charged by the San Bernardino Valley Municipal Water District and the San Geronio Pass Water Agency as follows:

$$\begin{array}{c} \text{Excess} \\ \text{Supplemental} \\ \text{Water} \\ \text{Commodity} \\ \text{Charge} \end{array} = \left[1 - \left[\frac{\text{Calculation}}{\text{Factor}} \right] \right] \times \left[\frac{\text{SGPWA}}{\text{Imported}} \right] \times \left[\frac{\text{Water Rate}}{\text{Water Rate}} \right] \times [0.00307]$$

Definitions:

- *Excess Supplemental Water Supply Commodity Charge* (expressed in units of \$/kgal) represents the supplemental water supply charge applied to customer utility bills in Riverside County that exceeds the quantity of Supplemental Water Capacity assigned for a specific parcel in any given month.
- *Calculation Factor* - As provided in the table below, the Calculation Factor for the Excess Supplemental Water Supply Commodity Charge is as follows:

Supplemental Water Supply Commodity Charge	Current Factor	Effective 7/1/2021	Effective 7/1/2022
Calculation Factor	0.700	0.722	0.739

Supplemental Water Supply Commodity Charge	Effective 7/1/2023	Effective 7/1/2024	Effective 7/1/2025
Calculation Factor	0.756	0.777	0.791

- i. The Excess Supplemental Water Commodity Charge shall evaluate each billing period to determine if the quantity of drinking water delivered exceeded the quantity of supplemental water secured for the property.

- ii. If the quantity of drinking water delivered is equal to or less than the quantity of supplemental water capacity secured, then no surcharge shall be applied.
 - iii. If the quantity of drinking water delivered is greater than the quantity of supplemental water capacity secured, then the surcharge shall be calculated and added to the customer bill.
4. Equivalent Alternatives to Secured Supplemental Water Sources. The Board of Directors of the Yucaipa Valley Water District hereby directs the District staff to pursue the planning and implementation of indirect potable reuse, direct potable reuse, and aquifer storage and recovery as a feasible alternative to securing supplemental water from areas outside of the Yucaipa Valley Water District. Funds collected pursuant to this Resolution may be used for the planning, design, construction, and operation of any indirect potable reuse project, direct potable reuse project, and/or aquifer storage and recovery project involving the Wochholz Regional Water Recycling Facility, the Yucaipa Valley Regional Water Filtration Facility, or other facility/location. Furthermore, the District staff is directed to pursue Federal and State funding to bridge the anticipated shortfall in funds if this equivalent source of supply becomes a reliable alternative to imported water.
5. Effective Date. This Resolution shall become effective immediately and shall remain in effect until such time as it is rescinded or superseded.
6. This Resolution supersedes Resolution No. 2019-17 adopted on September 3, 2019.

PASSED, APPROVED and ADOPTED this 2nd day of June 2020.

YUCAIPA VALLEY WATER DISTRICT

Chris Mann, President Board of Directors

ATTEST:

Joseph B. Zoba, General Manager



Date: June 2, 2020

Prepared By: Joseph Zoba, General Manger

Subject: Consideration of Approving an Agreement with Oak Valley Development Company for the Transfer of Overlying Water Rights

Recommendation: That the Board authorize the Board President to execute the Agreement Regarding Consideration for Overlying Water Rights Transfer.

On February 4, 2004, *A Judgment Pursuant to Stipulation Adjudicating Groundwater Rights in the Beaumont Basin* was filed with the Superior Court of the State of California for the County of Riverside as Case No. RIC 389197 (Judgment). This Stipulated Judgment created the Beaumont Basin Watermaster and identified Appropriator Parties, Appropriator Water Rights, Overlying Parties, Overlying Water Rights, and the Adjustment of Rights which provides for the transfer of Overlying Water Rights to an Appropriator Party.

The Judgment recognizes that development will occur over time and that it will be necessary for large landowners to be able to transfer their overlying water rights to local water districts to support the planned development of their land that overlies the Beaumont groundwater basin.

The initial Overlying Water Rights identified for the Oak Valley Development Company, successor in interest to Oak Valley Partners, (OVDC/OVP) in the Stipulated Judgment was 1,806 acre feet.

On February 4, 2015, the Watermaster reevaluated the safe yield of the Beaumont Basin pursuant to Section V.5.Y. of the Stipulated Judgment and adjusted the Overlying Water Rights identified for OVDC/OVP to 1,398.9 acre feet. The Overlying Water Rights will continue to be adjusted every ten years consistent with the Stipulated Judgment which may increase or decrease the Overlying Water Rights that are hereby transferred to the Yucaipa Valley Water District.

On November 19, 2019, Oak Valley Development Company / Oak Valley Partners completed the transfer of all Overlying Water Rights to the Yucaipa Valley Water District effective on October 9, 2018. Oak Valley Partners had no reportable groundwater extractions for 2018 according to the Beaumont Basin Watermaster.

The attached agreement completes the transfer of Overlying Water Rights from Oak Valley Partners to the Yucaipa Valley Water District.

Beaumont Watermaster - Form 5

NOTICE TO ADJUST RIGHTS OF AN OVERLYING PARTY DUE TO PROPOSED PROVISION OF WATER SERVICE BY AN APPROPRIATOR

Please take notice that Yucaipa Valley Water District ("Appropriator") proposes to provide retail water service to Oak Valley Partners ("Overlying Owner") and that all original 1,806 / revised 1,398.90 acre feet ("Earmarked Water") of Overlying Water Rights will be transferred to the Appropriator when the Overlying Owner received water service on October 9, 2018.

Notice is hereby given that the Watermaster will reduce the Overlying Owner's Overlying Water Right(s) (as shown in Exhibit B, Column 4 of the Judgment and modified by the redetermination of safe yield) by the amount of Earmarked Water and adjust the Appropriative Water Rights of the Appropriator effective on the day when water service is first provided by the Appropriator.

OVERLYING OWNER

Oak Valley Development Company /
Oak Valley Partners

Overlying Party

John Ohanian

Authorized Agent - Print Name

Director of Development

Title

[Signature]

Signature

11/18/2019

Date

Post Office Box 645

Calimesa, California 92320

Address for Notice

(909) 795-8941

Telephone

johanian@tvglc.com

Email Address

APPROPRIATOR

Yucaipa Valley Water District

Appropriator Party

Joseph B. Zoba

Authorized Agent - Print Name

General Manager

Title

[Signature]

Signature

Nov. 19, 2019

Date

Post Office Box 730

Yucaipa, California 92399

Address for Notice

(909) 797-5119 x2

Telephone

jzoba@yvwd.us

Email Address

For Watermaster Use
Date Form is Received:
Date Earmarked Water is First Used:

AGREEMENT REGARDING CONSIDERATION FOR OVERLYING WATER RIGHTS TRANSFER

This AGREEMENT REGARDING CONSIDERATION FOR OVERLYING WATER RIGHTS TRANSFER ("Agreement") is entered into as of June 2, 2020 ("Effective Date"), by and between OAK VALLEY DEVELOPMENT COMPANY, LLC, A Texas Limited Liability Company successor in interest to Oak Valley Partners, L.P., a Texas limited partnership ("OVDC/OVP"), and YUCAIPA VALLEY WATER DISTRICT, a county water district organized and existing under the County Water District Law (Water Code §30000 *et. seq.*) ("YVWD"). OVDC/OVP and YVWD are sometimes referred to herein individually as "Party" and collectively as "Parties".

RECITALS

- A. On February 4, 2004, *A Judgment Pursuant to Stipulation Adjudicating Groundwater Rights in the Beaumont Basin* was filed with the Superior Court of the State of California for the County of Riverside as Case No. RIC 389197 ("Stipulated Judgment") and established the Beaumont Basin Watermaster ("Watermaster").
- B. The Stipulated Judgment identified and defined Appropriator Parties along with their respective Appropriative Water Rights, Overlying Parties along with their respective Overlying Water Rights, and the provides for the Adjustment of Rights which allows for the transfer of Overlying Water Rights to an Appropriator Party.
- C. The Stipulated Judgment decreed that YVWD is an Appropriator Party and has Appropriative Water Rights.
- D. The Stipulated Judgment decreed that OVDC/OVP is an Overlying Party and has Overlying Water Rights in the quantity of 1,806 acre feet. On February 4, 2015, the Watermaster reevaluated the safe yield of the Beaumont Basin pursuant to Section V.5.Y. of the Stipulated Judgment and adjusted the OVDC/OVP's Overlying Water Rights to 1,398.9 acre feet. The Parties recognize that the transferred Overlying Water Rights will be adjusted every ten years consistent with the Stipulated Judgment which may increase or decrease such Overlying Water Rights.
- E. The Stipulated Judgment sets forth, in Paragraph III.3, a process to effectuate the transfer of Overlying Water Rights to an Appropriator Party. These provisions of the Stipulated Judgment were modified on June 5, 2019, when the Watermaster adopted Resolution No. 2019-02 *Amending Section 7 of the Rules and Regulations of the Beaumont Basin Watermaster*. Under these modified provisions, Overlying Water Rights are transferred to an Appropriator Party by filing a "Form 5," which provides notice of the Adjustment of Rights. The process for transferring Overlying Water Rights under Resolution No. 2019-02 involves notifying the Watermaster by filing Form 5, as outlined below.

7.0 In General. *Overlying Parties shall have the right to exercise their respective Overlying Water Rights except to the extent provided in Section III, Paragraph 3, entitled Adjustment of Rights, of the Judgment. (Judgment, p. 8, lines 12-14).*

- (a) *To the extent any Overlying Party requests and uses its adjudicated water rights to obtain water service from an Appropriator Party, an equivalent volume of potable groundwater shall be earmarked by the Appropriator Party which will serve the Overlying Party, up to the volume of the Overlying Water Rights as reflected in Column 4 of Exhibit "B" of the Judgment, for the purpose of serving the Overlying Party. (Judgment, p. 8, lines 15-22).*
- (b) *When an Overlying Party receives water service as provided for in paragraph 7(a), the Overlying Party shall forebear the use of that volume of the Overlying Water Right earmarked by the Appropriator Party. The Appropriator Party providing such service shall have the right to produce the volume of water foregone by the Overlying Party, in addition to other rights otherwise allocated to the Appropriator Party. (Judgment, p. 8, line 28 – p. 9, line 7).*
- (c) *Should the volume of the Overlying Water Right equal or exceed the volume of potable groundwater earmarked as provided in paragraph 7(a), the Appropriator Party which will serve the Overlying Party shall:*
 - (i) *Impose potable water charges and assessments upon the Overlying Party and its successors in interest at the rates charged to the then-existing regular customers of the Appropriator Party, and*
 - (ii) *Not collect from such Overlying Party any development charge that may be related to the importation of water into the Beaumont Basin.*
- (d) *If an Appropriator Party provides recycled water to serve an overlying use served with groundwater, then the Overlying Water Right shall not be diminished by the receipt of recycled water.*

7.1 Notice of Adjustment of Rights from an Overlying Pumper to an Appropriator. *The Overlying Pumper and Appropriator shall complete a Notice of Adjustment of Rights (Form 5 - Notice to Adjust Rights of an Overlying Party due to Proposed Provision of Water Service by an Appropriator) and file it with the Watermaster.*

- (a) *Accounting for Transfers.* *Watermaster shall maintain an accounting of acquisitions by Appropriators of water otherwise subject to Overlying Water Rights as the result of the provision of water service by an Appropriator. The Watermaster shall maintain an accounting of all transfers, and such accounting shall be included in the Annual Report and other relevant Watermaster reports as appropriate.*

F. YVWD provided drinking water service to the OVDC/OVP parcels on October 9, 2018, as provided for in subparagraph III.3.B of the Stipulated Judgment.

- G. In accordance with the Resolution No. 2019-02 process for transferring Overlying Water Rights, the Parties prepared and executed a Form 5 to transfer "all original 1,806 / revised 1,398.90 acre feet" of OVDC/OVP's Overlying Water Rights to YVWD. The Form 5 was executed by OVDC/OVP on November 18, 2019, and by YVWD on November 19, 2019, and was filed with the Watermaster on November 20, 2019. This completed the transfer of OVDC/OVP's Overlying Water Rights, with an effective date of October 8, 2018.
- H. The Parties enter into this Agreement with the intention of memorializing the manner in which OVDC/OVP will receive consideration for the transfer of its Overlying Water Rights. OVDC/OVP transferred its Overlying Water Rights with the intention of reducing the amount of development fees that would have to be paid to YVWD to develop its parcels while also obtaining valuable monetary consideration, as provided herein. YVWD enters into this Agreement to promote development in its service area, to increase its Appropriative Water Rights by the Adjustment of Rights procedure set forth in the Stipulated Judgment and to increase its entitlement to a local and reliable groundwater source in exchange for reasonable consideration. The consideration YVWD will provide to OVDC/OVP consists of payments over time until the Parties' agreed-upon consideration provision is fully performed or the Agreement terminates. The Parties enter into this Agreement in furtherance of the Stipulated Judgment provisions that anticipate and facilitate the transfer of OVDC/OVP's Overlying Water Rights to Appropriator Parties like YVWD in order to allow development of OVDC/OVP's land overlying the basin.

NOW, THEREFORE, in consideration of the mutual covenants and conditions stated herein and other valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. **Representations and Warranties by OVDC/OVP.** OVDC/OVP represents and warrants to YVWD, as of the date on which this Agreement is executed, that:
 - A. When OVDC/OVP transferred its Overlying Water Rights to YVWD on October 9, 2018, OVDC/OVP had complete, undivided, unencumbered, and valid legal right, title, interest, and authority to make said transfer Overlying Water Rights to YVWD.
 - B. Prior to transferring its Overlying Water Rights to YVWD on October 9, 2018, OVDC/OVP did not grant, demise, assign, lease, option or otherwise encumber the Overlying Water Rights.
 - C. OVDC/OVP transferred all legal right, title, and interest in the Overlying Water Rights to YVWD on October 9, 2018, as confirmed in the Form 5 attached hereto as Exhibit 1.
2. **Earmark of All Overlying Water Rights.** Effective October 9, 2018, a volume of potable groundwater equivalent to the volume of the Overlying Water Rights (1,398.9 acre feet or as may be adjusted from time to time pursuant to the Stipulated Judgment) was earmarked by YVWD pursuant to Section III.3. of the Stipulated Judgment.
3. **Forbearance by OVDC/OVP.** Effective October 9, 2018, OVDC/OVP shall forbear the use of the Overlying Water Rights. OVDC/OVP covenants that neither it nor any of its successors or assigns will "produce" or "pump" "groundwater" (as those terms are defined

in the Stipulated Judgment as of the Effective Date of this Agreement) from, beneath or tributary to any parcel of land listed on Exhibit D of the Stipulated Judgment.

- A. OVDC/OVP covenants that it will not build, construct, or operate any well or other extraction facility to produce or pump groundwater from, beneath or tributary to any parcel of land listed on Exhibit D of the Stipulated Judgment.
- B. OVDC/OVP covenants that, within one year of the Effective Date of this Agreement, it will abandon or destroy any and all wells or other extraction facilities that produce or pump groundwater from, beneath or tributary to any parcel of land listed on Exhibit D of the Stipulated Judgment in compliance with the standards set forth in the most current version of California Department of Water Resources Bulletin 74.
- C. OVDC/OVP consents to the recording of the Memorandum of Agreement for Transfer of Water Rights in Real Property attached hereto as Exhibit 2.

4. Consideration to be Provided Over Time by YVWD.

- A. Initial Annual YVWD Consideration. Within 30 days following the approval of this Agreement by the Yucaipa Valley Water District Board of Directors, YVWD will pay OVDC/OVP \$331,259.52 for the 2,797.80 acre feet [1,398.90 acre feet x 2 years] of transferred water rights in Calendar Year 2018 and Calendar Year 2019.
- B. Adjusted Annual YVWD Consideration. On or before April 1, 2021, and annually thereafter on or before each subsequent April 1 until the termination of this Agreement, YVWD will pay OVDC/OVP the Adjusted Annual YVWD Consideration calculated as follows: ((1,398.90 AF or the adjusted volume of OVDC/OVP's Overlying Water Rights per the Stipulated Judgment as of December 31 of the calendar year preceding the payment) minus (the Cumulative Total Offset Volume, as defined in Section 4.C.i below) multiplied by (\$118.40/AF or the lowest cost category of imported water sold by the San Bernardino Valley Municipal Water District (SBVMWD) during the calendar year preceding the Adjusted Annual YVWD Consideration payment [e.g., SBVMWD adopted Resolution No. 888, which set a Tier II Seasonal Storage rate at \$118.40/AF, which is the lowest cost category of imported water received by YVWD in 2020])).
- C. New Development Consideration. On June 2, 2020, YVWD adopted Resolution No. 2020-30, *A Resolution of the Yucaipa Valley Water District Setting Forth and Updating the Calculation for Facility Capacity Charges Related to the Purchase of Permanent Supplemental Water Resources for New Development Within Riverside County*. This Resolution, and subsequent updates, set forth a Supplemental Water Facility Capacity Charge to the following development areas that will be used to determine the amount of development fees applicable to particular developments on OVDC/OVP parcels. Developer payments of these fees will be used to fund additional payment of New Development Consideration to OVDC/OVP. The amount of New Development Consideration to be paid to OVDC/OVP will be determined by YVWD as follows:
 - Summerwind Ranch at Oak Valley: 34% of the Supplemental Water Facility Capacity Charge.

- Oak Valley Development Company: 100% of the Supplemental Water Facility Capacity Charge.
 - Other Applicable Developments: 50% of the Supplemental Water Facility Capacity Charge.
- i. New Development Consideration payments to OVDC/OVP will be made, in accordance with the percentages listed above, on a quarterly basis from funds received, if any, by YVWD in connection with development of the parcels. Along with each New Development Consideration payment, YVWD will include a statement of the number of acre feet offset by the development and the Cumulative Total Offset Volume. The Cumulative Total Offset Volume is the sum of water offset by new development under this Agreement and will be used to calculate the Adjusted Annual YVWD Consideration thereafter.
- D. Full Satisfaction of YVWD Consideration Obligations. The consideration obligations of YVWD under this Agreement will be fully satisfied upon YVWD's New Development Consideration payment along with a statement of a Cumulative Total Offset Volume equal to or in excess of the adjusted volume of OVDC/OVP's Overlying Water Rights per the Stipulated Judgment as of December 31 of the calendar year preceding the payment.
5. Term of Agreement. The term of this Agreement will begin with the Effective Date and will end either when YVWD fully satisfies its consideration obligations, as provided in Section 4.D, or on the 20th anniversary of the Effective Date, whichever occurs first.
6. Indemnity.
- A. OVDC/OVP, at its sole cost and expense, agrees to defend, protect, indemnify and hold YVWD harmless from and against any and all Indemnified Losses (as defined herein) incurred by YVWD relating to, resulting from or otherwise attributable to, directly or indirectly, to any of the following: the breach of any of the representations and warranties set forth in Section 1; or the transfer of the Overlying Water Rights from OVDC/OVP to YVWD, effective October 9, 2018.
- B. As used in this Section 6, "Indemnified Losses" means incurred losses, liabilities, liens, costs and expenses, cost of replacement water (including, without limitation, fees of consultants, attorneys and other experts) and any other incurred obligations, penalties, fines, impositions, fees, levies, lien removal or bonding costs, claims, litigation, demands, causes of action (including, without limitation, any common law cause of action), damages (including any actual, punitive or consequential damages under any statutory or common law cause of action), defenses, judgments, suits, proceedings, costs, disbursements or expenses of any kind and nature whatsoever, including interest thereon. Indemnified Losses as used in this Section 6 shall not exceed the total combined value of the consideration under Sections 4.A. and 4.B. of this Agreement.
- C. Separate and independent from its indemnity obligation, OVDC/OVP, at its own expense, agrees to defend, with counsel of YVWD's choosing, any claims,

litigation, demands, causes of action (including, without limitation, any common law cause of action) asserted against YVWD that would, in whole or in part, be covered by the indemnity obligations in the Section 6.

7. **Survival of Terms.** The provisions of Sections 1, 3 and 6 shall survive termination of this Agreement.
8. **Dispute Resolution.** All disputes regarding the interpretation, enforcement and implementation of this Agreement or any provisions hereof shall be resolved as set forth in this Section 8.
 - A. **Notice of Dispute.** A Party may invoke the dispute resolution provisions of this Agreement by providing written notice of the nature and basis of the dispute to the other Party. The Party receiving the notice shall provide a written response within 15 calendar days setting forth its position on the dispute.
 - B. **Notice of Mediation.** If the Party invoking these dispute resolution provisions is not satisfied with the other Party's written response to the notice of dispute, the Party invoking these dispute resolution provisions may provide written notice demanding mediation of the dispute. Within ten 15 calendar days of the notice demanding mediation, the Parties shall either agree upon a mediator or each Party shall provide the names of two mediators confirmed to be available to resolve the dispute. If the Parties cannot agree upon a mutually acceptable mediator within an additional five calendar days, a mediator shall be selected at random from the mediators proposed by all Parties.
 - C. **Mediation Process and Payment.** Within 20 days of the selection of the mediator, or such longer period of time as mutually agreed upon by the Parties, the Parties shall participate in at least one full day session with the mediator in an effort to resolve the dispute. At the conclusion of the full day mediation session, the Parties may agree to continue with the mediation process. Alternatively, at any time after the conclusion of the first mediation session, any Party may provide written notice of an impasse. The costs charged by the mediator shall be borne equally by the Parties. The mediation process describe herein shall not be considered a "litigation or other action" with regard to Section 9.C [Attorneys' Fees], and the Parties shall bear their own fees and costs associated with participation in the mediation process.
 - D. **Agreement Not to Sue During Dispute Resolution.** Except as otherwise provided below, the Parties hereby agree and covenant that they will not initiate or maintain any suit with respect to the interpretation, enforcement and implementation of this Agreement unless the dispute resolution provisions set forth above have been exhausted and an impasse declared. However, this Agreement Not to Sue will not apply to prevent any Party from initiating or maintaining any suit necessary to prevent irreparable harm, including but not limited to loss of its claim due to passage of the relevant statute of limitations for that claim, that could otherwise occur during the time necessary to pursue the dispute resolution procedures set forth herein.

9. **General Provisions.**

- A. *Amendment.* This Agreement may be amended or modified only by a written instrument executed by all of the Parties to this Agreement.
- B. *Jurisdiction and Venue.* This Agreement shall be governed by and construed in accordance with the laws of the State of California, excluding any choice of laws provision that would apply the laws of any other jurisdiction. Any suit, action, or proceeding brought in connection with this Agreement shall be brought and maintained exclusively in the Superior Court of San Bernardino County, California and the Parties agree to submit to the jurisdiction of that court.
- C. *Attorneys' Fees and Costs.* The prevailing Party in any litigation or other action to enforce or interpret this Agreement shall be entitled to reasonable attorneys' fees, expert witnesses' fees, costs of suit, and other and necessary disbursements in addition to any other relief deemed appropriate by a court of competent jurisdiction.
- D. *Headings.* The paragraph headings used in this Agreement are intended for convenience only and shall not be used in interpreting this Agreement or in determining any of the rights or obligations of the Parties to this Agreement.
- E. *Construction and Interpretation.* This Agreement has been arrived at through negotiations and each Party has had a full and fair opportunity to revise the terms of this Agreement. As a result, the normal rule of construction that any ambiguities are to be resolved against the drafting Party shall not apply in the construction or interpretation of this Agreement.
- F. *Entire Agreement.* This Agreement constitutes the entire agreement of the Parties with respect to the subject matter of this Agreement and, except as expressly provided in this Agreement, supersedes any prior oral or written agreement, understanding, or representation relating to the subject matter of this Agreement.
- G. *Successors and Assigns.* Neither Party may assign its interests in or obligations under this Agreement without the written consent of the other Party, which consent shall not be unreasonably withheld or delayed. This Agreement shall be binding on and inure to the benefit of the successors and permitted assigns of the respective Parties to this Agreement.
- H. *No Third Party Beneficiaries.* This Agreement shall not create any right or interest in any non-Party or in any member of the public as a third party beneficiary nor may any such non-Party or member of the public enforce any provision of this Agreement.
- I. *Waivers.* Waiver of any breach or default hereunder shall not constitute a continuing waiver or a waiver of any subsequent breach either of the same or of another provision of this Agreement and forbearance to enforce one or more of the rights or remedies provided in this Agreement shall not be deemed to be a waiver of that right or remedy.

- J. *Necessary Actions.* Each Party agrees to execute and deliver additional documents and instruments and to take any additional actions as may be reasonably required to carry out the purposes of this Agreement.
- K. *Notices.* All notices, requests, demands or other communications required or permitted under this Agreement shall be in writing unless provided otherwise in this Agreement and shall be deemed to have been duly given and received on: (i) the date of service if served personally on the Party to whom notice is to be given at the address(es) provided below, (ii) on the first day after mailing, if mailed by Federal Express, U.S. Express Mail, or other similar overnight courier service, postage prepaid, and addressed as provided below, or (iii) on the third day after mailing if mailed to the Party to whom notice is to be given by first class mail, registered or certified, postage prepaid, addressed as provided below. Except as provided otherwise in this Agreement, email addresses are provided for courtesy copies only, and notice may not be given by email. Either Party may change the place for the giving of notice to it by thirty (30) days prior written notice to the other Party as provided herein.

If to OVDC/OVP: Oak Valley Partners, L.P.
Attn: John Ohanian
Post Office Box 645
Calimesa, California 92320
Email: johanian@tvglc.com

With a copy to: Oak Valley Partners, L.P.
Attn: Craig Martin
2242 Good Hope Road
Prosper, Texas 75078
Email: cmartin@tvglc.com

If to YVWD: Yucaipa Valley Water District
Attn: General Manager
Post Office Box 730
Yucaipa, California 92399
Email: jzoba@yvwd.us

With a copy to: Law Office of David Wysocki
Attn: David Wysocki
543 E. Mariposa Drive
Redlands, California 92373
Email: dwysockilaw@gmail.com

- L. *Authority.* Each signatory of this Agreement represents and warrants that s/he is authorized to execute this Agreement on behalf of the Party for which s/he signs. Each Party represents that it has legal authority to enter into this Agreement and to perform all obligations under this Agreement.
- M. *Counterparts.* This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall

constitute but one and the same instrument. Signatures may be delivered electronically or by facsimile and shall be binding upon the Parties as if they were originals.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

OAK VALLEY DEVELOPMENT COMPANY, LLC,
a Texas Limited Liability Company

By: _____ +
Craig Martin, President

YUCAIPA VALLEY WATER DISTRICT,
a California County Water District

By: _____
Chris Mann, President

Exhibit 1

Executed Beaumont Basin Watermaster Form 5

Notice to Adjust Rights of and Overlying Party due to Proposed Provision of Water Service by an Appropriator

Beaumont Watermaster - Form 5

NOTICE TO ADJUST RIGHTS OF AN OVERLYING PARTY DUE TO PROPOSED PROVISION OF WATER SERVICE BY AN APPROPRIATOR

Please take notice that Yucaipa Valley Water District ("Appropriator") proposes to provide retail water service to Oak Valley Partners ("Overlying Owner") and that all original 1,806 / revised 1,398.90 acre feet ("Earmarked Water") of Overlying Water Rights will be transferred to the Appropriator when the Overlying Owner received water service on October 9, 2018.

Notice is hereby given that the Watermaster will reduce the Overlying Owner's Overlying Water Right(s) (as shown in Exhibit B, Column 4 of the Judgment and modified by the redetermination of safe yield) by the amount of Earmarked Water and adjust the Appropriative Water Rights of the Appropriator effective on the day when water service is first provided by the Appropriator.

OVERLYING OWNER

Oak Valley Development Company /
Oak Valley Partners

Overlying Party

John Ohanian

Authorized Agent - Print Name

Director of Development

Title

John Ohanian

Signature

11/18/2019

Date

Post Office Box 645

Calimesa, California 92320

Address for Notice

(909) 795-8941

Telephone

johanian@tvglc.com

Email Address

APPROPRIATOR

Yucaipa Valley Water District

Appropriator Party

Joseph B. Zoba

Authorized Agent - Print Name

General Manager

Title

Joseph B. Zoba

Signature

Nov. 19, 2019

Date

Post Office Box 730

Yucaipa, California 92399

Address for Notice

(909) 797-5119 x2

Telephone

jzoba@yvwd.us

Email Address

For Watermaster Use
Date Form is Received:
Date Earmarked Water is First Used:

Exhibit 2

Memorandum of Agreement for Transfer of Water Rights in Real Property

3524802.1



Date: June 2, 2020

Prepared By: Allison Edmisten, Chief Financial Officer

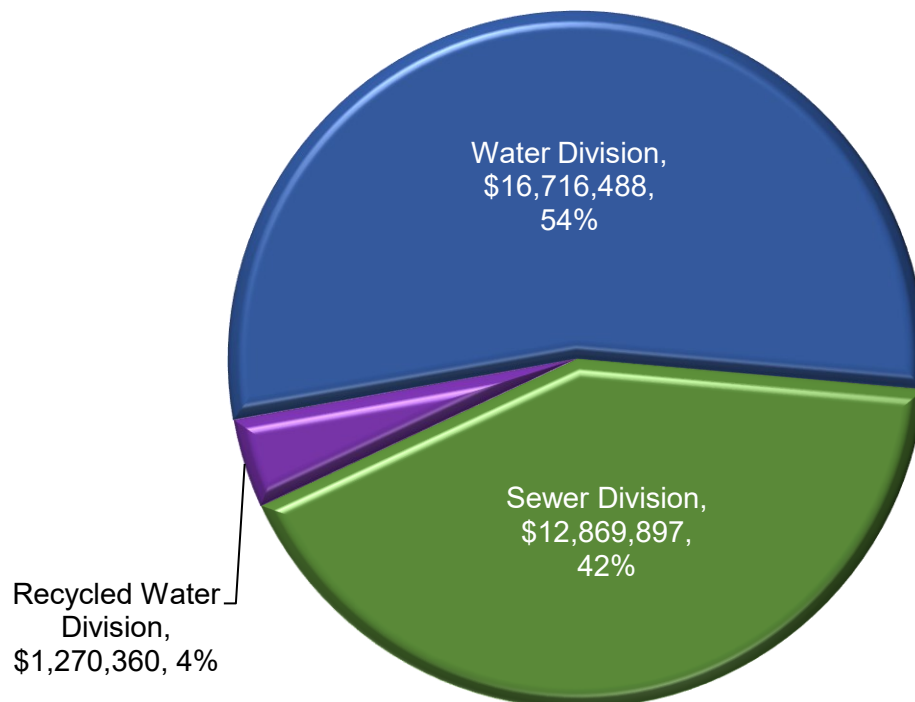
Subject: Adoption of the Operating Budget and Capital Improvement Plan for Fiscal Year 2021

Recommendation: That the Board adopt the budget as presented.

District staff will conduct the overview of the budget to review the proposed budget for next year. During this overview, the District staff will provide a detailed overview of the drinking water, sewer, and recycled water enterprise funds of the District.

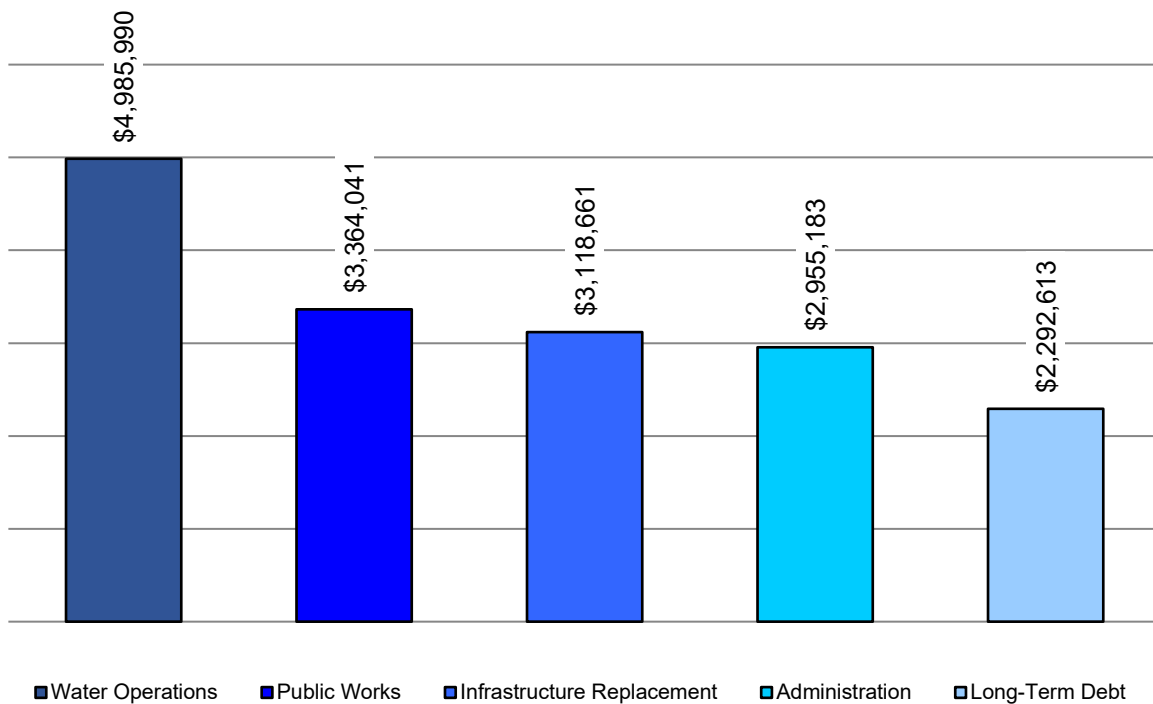
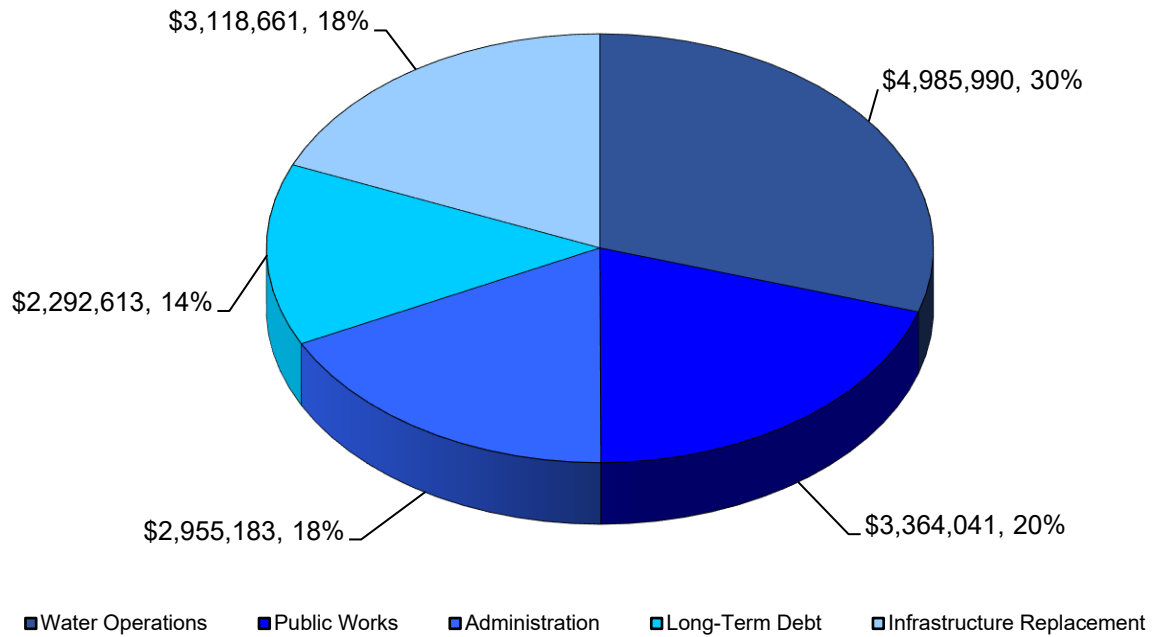
Budget Overview

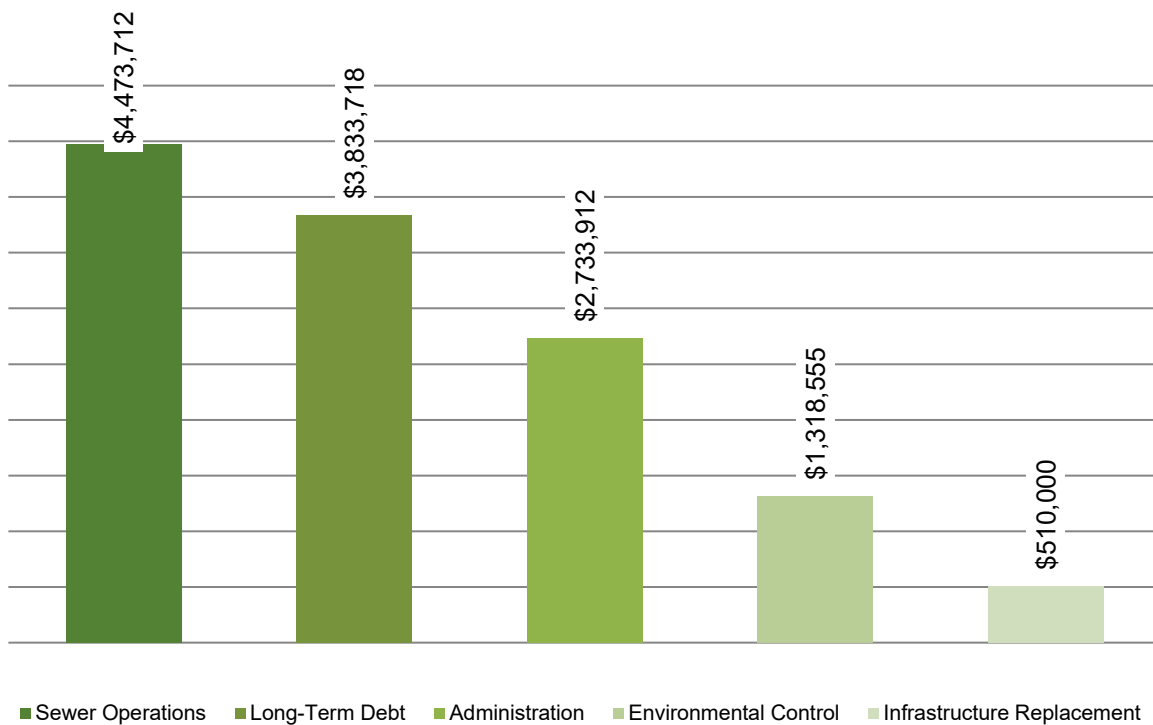
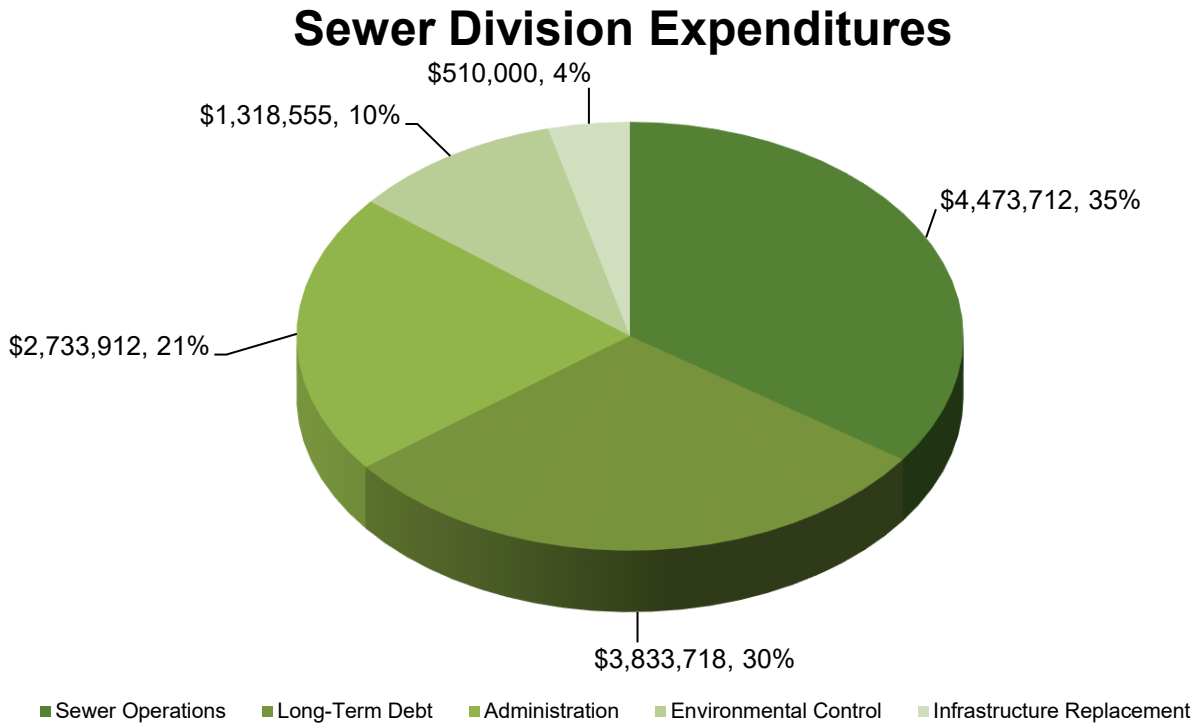
The Fiscal Year 2021 operating budget totals \$30,856,745 (excluding capital improvement projects) distinguished by the following three enterprise funds.



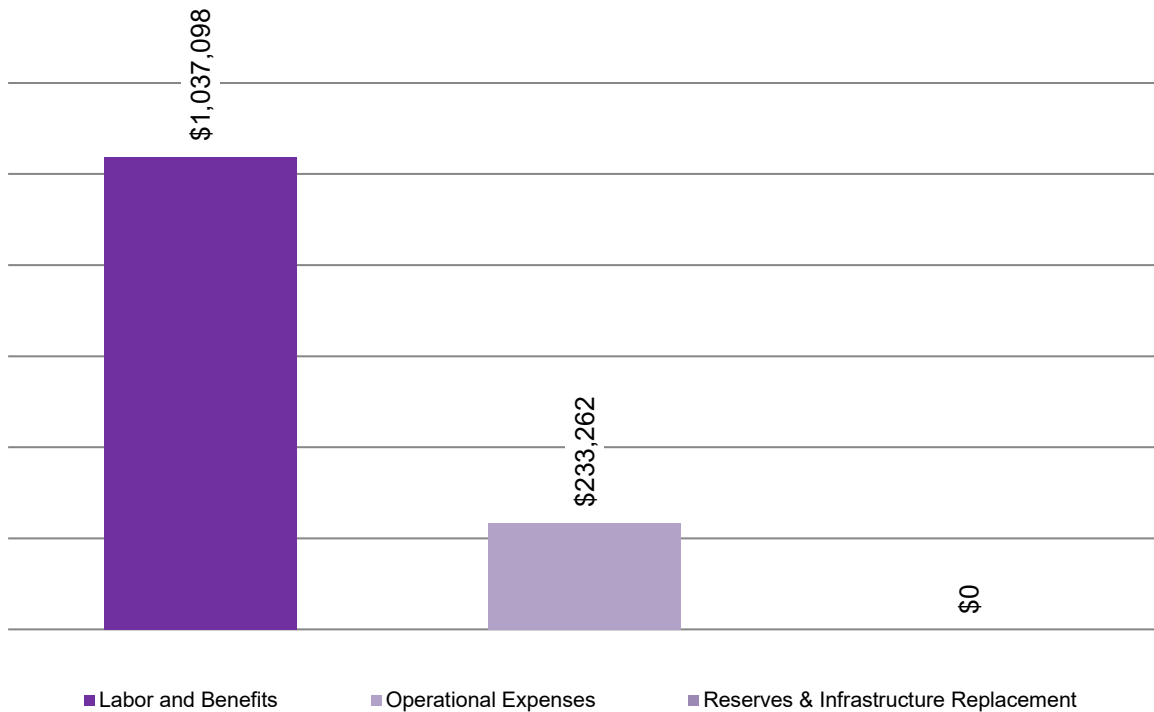
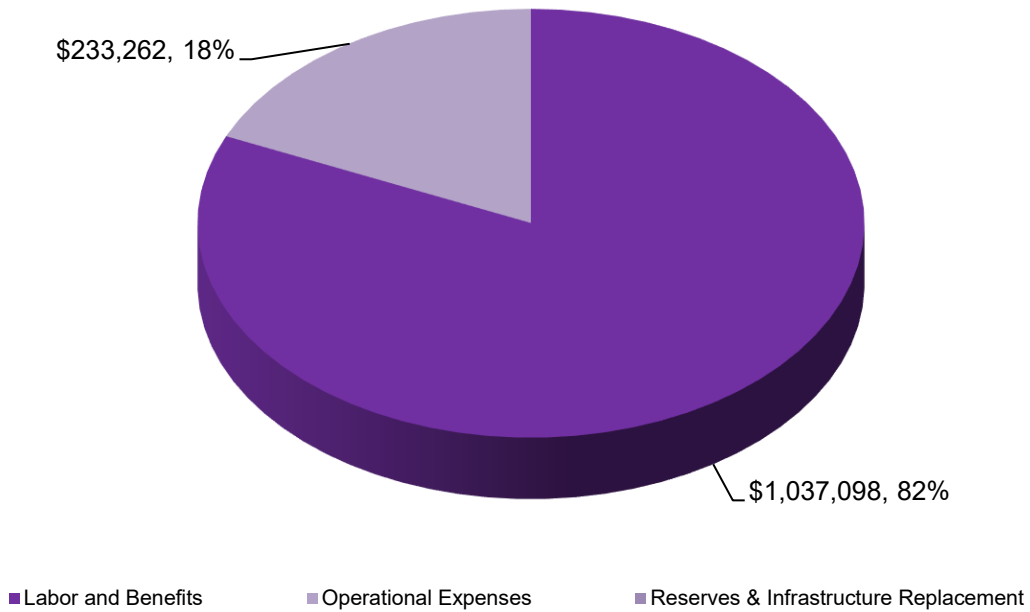
The departmental expenses for each of the enterprise funds are provided below:

Water Division Expenditures





Recycled Water Division Expenditures



WATER DIVISION BUDGET

Department	2019-20 Annual Budget	2020-21 Requested Budget
OPERATING REVENUE		
02-400-40010. Sales-Water & Non Potable	\$ 5,600,000	\$ 5,862,780
02-400-40011. Sales-Construction Water	\$ 100,000	\$ 30,000
02-400-40012. Sales-Supplemental Water-Riv	\$ 250,000	\$ 257,500
02-400-40013. Sales-Supplemental Water-SB	\$ 850,000	\$ 875,500
02-400-40014. Sales-Disc (Multi Unit) Commdy	\$ (110,000)	\$ (110,000)
02-400-40015. Sales-Wholesale Water	\$ 200,000	\$ 115,000
02-400-40016. Sales-Establish Service Fee	\$ 6,000	\$ 6,120
02-400-40017. Sales-Excess Drinking Water	\$ -	\$ 564,756
02-400-40018. Sales-Infrastructure	\$ -	\$ 1,136,669
02-400-41000. Sales-Service Demand Charges	\$ 3,500,000	\$ 3,859,820
02-400-41001. Sales-Fire Srv Standby Fees	\$ 40,000	\$ 40,800
02-400-41003. Sales-Const Water Minimum Chg	\$ 5,000	\$ 5,100
02-400-41005. Sales-Disc (Multi Units)-SC	\$ (135,000)	\$ (128,250)
02-400-41010. Unauthorized Use of Water Chrg	\$ 2,000	\$ 2,040
02-400-41110. Meter/Lateral Installation	\$ 100,000	\$ 200,000
02-400-41112. Fire Flow Test Fees	\$ 4,500	\$ 4,590
02-400-41113. Disconnect & Reconnect Fees	\$ 100,000	\$ 70,000
02-400-41121. Delinquent Payment Charges	\$ 135,000	\$ 139,050
02-400-41124. Bad Debt Write-Off & Recovery	\$ (20,000)	\$ (20,400)
400. CHARGES FOR SERVICES	\$ 10,627,500	\$ 12,911,075
02-421-42122. Revenue - Other, Operating	\$ -	\$ -
02-421-42123. Admin, Management & Acctg Fees	\$ 210,000	\$ 206,550
421. REVENUE - OTHER	\$ 210,000	\$ 206,550
02-430-43010. Interest Earned	\$ 115,000	\$ 70,000
430. INTEREST EARNED	\$ 115,000	\$ 70,000
02-431-43110. Property Tax - Unsecured	\$ 250,000	\$ -
02-431-43120. Property Tax - Secured	\$ 3,000,000	\$ 2,988,863
02-431-43130. Tax Collection - Prior	\$ 45,000	\$ 40,000
02-431-43140. Taxes - Other	\$ 180,000	\$ 180,000
431. PROPERTY TAX	\$ 3,475,000	\$ 3,208,863
02-480-48002. Grants	\$ 700,000	\$ 300,000
02-480-48901. Contrib Cap-Capacity Fees	\$ -	\$ -
02-480-48902. Contrib Cap-Sustainability	\$ -	\$ -
02-480-48903. Contrib Cap-SGPWA Suppl Supply	\$ -	\$ -
02-480-48905. Contrib Cap-Infrastructure	\$ -	\$ -
02-480-48910. Contrib Cap-Scip R-12.4	\$ -	\$ -
480. CAPITAL CONTRIBUTIONS	\$ 700,000	\$ 300,000

WATER DIVISION BUDGET

Department	2019-20 Annual Budget	2020-21 Requested Budget
02-491-49110. Rental Income	\$ 3,000	\$ -
02-491-49150. Revenue - Misc Non-Operating	\$ 45,122	\$ 20,000
491. OTHER NON-OPERATING REV	\$ 48,122	\$ 20,000
TOTAL WATER REVENUE		
	\$ 15,175,622	\$ 16,716,488

OPERATING EXPENSES

02-501-50009. Labor - Overtime	\$ -	\$ 35,447
02-501-50010. Labor	\$ 1,027,703	\$ 1,000,914
02-501-50011. Labor - Credit	\$ -	\$ -
02-501-50013. Benefits-FICA	\$ 73,537	\$ 79,279
02-501-50014. Benefits-Life Insurance	\$ 6,264	\$ 4,899
02-501-50016. Benefits-Health & Def Comp	\$ 211,826	\$ 201,304
02-501-50017. Benefits-Disability Insurance	\$ 11,004	\$ 9,326
02-501-50019. Benefits-Workers Compensation	\$ 23,013	\$ 60,398
02-501-50021. Benefits-PERS Employee	\$ -	\$ -
02-501-50022. Benefits-PERS Employer	\$ 173,405	\$ 75,364
02-501-50023. Benefits-Uniforms	\$ 6,525	\$ 5,050
02-501-50024. Benefits-Vacation & Sick Pay	\$ 8,000	\$ -
02-501-50025. Benefits-Boots	\$ 8,415	\$ 3,330
02-501-51003. R&M - Structures	\$ 300,000	\$ 325,776
02-501-51011. R&M - Valves	\$ 20,000	\$ 20,400
02-501-51115. Laboratory Supplies	\$ -	\$ 2,550
02-501-51140. General Supplies & Expenses	\$ 3,000	\$ 5,000
02-501-51210. Power Purchases	\$ 1,300,000	\$ 1,352,000
02-501-51211. Electricity & Fuel	\$ 5,000	\$ 5,100
02-501-51316. Supplemental Source of Supply	\$ 1,075,000	\$ 1,085,750
02-501-54012. Education & Training	\$ -	\$ 7,303
02-501-54019. Licenses & Permits	\$ 65,000	\$ 66,300
02-501-54025. Telephone & Internet	\$ -	\$ 3,000
02-501-54110. Laboratory Services	\$ 77,500	\$ 76,500
02-501-57040. YVRWFF-Crystal Creek Exp	\$ 567,431	\$ 561,000
501. WATER OPERATIONS	\$ 4,962,623	\$ 4,985,990
02-503-50009. Labor - Overtime	\$ -	\$ 59,434
02-503-50010. Labor	\$ 1,593,344	\$ 1,584,210
02-503-50011. Labor - Credit	\$ -	\$ -
02-503-50013. Benefits-FICA	\$ 121,891	\$ 125,741
02-503-50014. Benefits-Life Insurance	\$ 10,440	\$ 9,991
02-503-50016. Benefits-Health & Def Comp	\$ 425,106	\$ 391,002
02-503-50017. Benefits-Disability Insurance	\$ 14,340	\$ 14,795
02-503-50019. Benefits-Workers Compensation	\$ 43,020	\$ 13,744
02-503-50021. Benefits-PERS Employee	\$ -	\$ -
02-503-50022. Benefits-PERS Employer	\$ 239,002	\$ 120,829
02-503-50023. Benefits-Uniforms	\$ 10,875	\$ 10,850

WATER DIVISION BUDGET

Department	2019-20 Annual Budget	2020-21 Requested Budget
02-503-50024. Benefits-Vacation & Sick Pay	\$ 4,000	\$ -
02-503-50025. Benefits-Boots	\$ 32,775	\$ 6,735
02-503-51001. R&M - Vehicles & Equipment	\$ 207,500	\$ 224,000
02-503-51011. R&M - Valves	\$ 5,000	\$ 5,100
02-503-51020. R&M - Pipelines	\$ 200,000	\$ 204,000
02-503-51021. R&M - Service Lines	\$ 96,000	\$ 97,920
02-503-51022. R&M - Fire Hydrants	\$ 50,000	\$ 51,000
02-503-51029. Repair & Maintenance-Backflow	\$ 65,000	\$ 66,300
02-503-51030. R&M - Meters	\$ 30,000	\$ 330,600
02-503-51031. R&M - Fire Flow Testing	\$ 25,000	\$ 25,500
02-503-51092. Equipment Credits	\$ -	\$ -
02-503-51140. General Supplies & Expenses	\$ 3,000	\$ 3,060
02-503-54012. Education & Training	\$ -	\$ 15,230
02-503-54025. Telephone & Internet	\$ -	\$ 4,000
503. UTILITY SERVICES	\$ 3,176,293	\$ 3,364,041
02-506-50009. Labor - Overtime	\$ -	\$ 12,436
02-506-50010. Labor	\$ 616,295	\$ 655,148
02-506-50011. Labor - Credit	\$ -	\$ -
02-506-50012. Director Fees	\$ 26,000	\$ 27,300
02-506-50013. Benefits-FICA	\$ 47,147	\$ 53,161
02-506-50014. Benefits-Life Insurance	\$ 3,120	\$ 3,964
02-506-50016. Benefits-Health & Def Comp	\$ 130,980	\$ 161,439
02-506-50017. Benefits-Disability Insurance	\$ 5,547	\$ 6,007
02-506-50019. Benefits-Workers Compensation	\$ 16,640	\$ 4,454
02-506-50021. Benefits-PERS Employee	\$ -	\$ -
02-506-50022. Benefits-PERS Employer	\$ 92,444	\$ 53,984
02-506-50023. Benefits-Uniforms	\$ 3,250	\$ 175
02-506-50024. Benefits-Vacation & Sick Pay	\$ 10,000	\$ -
02-506-50025. Benefits-Boots	\$ 1,950	\$ 2,055
02-506-50055. Pension Expense-GASB 68	\$ -	\$ -
02-506-51003. R&M - Structures	\$ 35,000	\$ 40,700
02-506-51091. Expense Credits (overhead)	\$ -	\$ -
02-506-51120. Safety Equipment & Supplies	\$ 25,000	\$ 25,500
02-506-51125. Petroleum Products	\$ 150,000	\$ 153,000
02-506-51130. Office Supplies & Expenses	\$ 35,000	\$ 35,700
02-506-51140. General Supplies & Expenses	\$ 40,000	\$ 40,800
02-506-51199. Disaster Repairs & Incidences	\$ -	\$ -
02-506-51211. Utilities - Electricity	\$ 32,000	\$ 32,640
02-506-51213. Utilities - Natural Gas	\$ 2,000	\$ 2,740
02-506-54002. Dues & Subscriptions	\$ 30,000	\$ 30,600
02-506-54005. Computer Expenses	\$ 145,000	\$ 147,900
02-506-54010. Postage	\$ 10,000	\$ 10,200
02-506-54011. Printing & Publications	\$ -	\$ -
02-506-54012. Education & Training	\$ 20,000	\$ 20,400
02-506-54013. Utility Billing Expenses	\$ 185,000	\$ 197,700

WATER DIVISION BUDGET

Department	2019-20 Annual Budget	2020-21 Requested Budget
02-506-54014. Public Relations	\$ 31,500	\$ 32,130
02-506-54016. Travel Related Expenses	\$ 7,500	\$ 7,650
02-506-54017. Certifications & Renewals	\$ 12,000	\$ 12,240
02-506-54020. Meeting Related Expenses	\$ 8,000	\$ 8,160
02-506-54022. Utilities - YVWD Services	\$ 145,000	\$ 147,900
02-506-54024. Waste Disposal	\$ 2,700	\$ 5,100
02-506-54025. Telephone & Internet	\$ 45,000	\$ 53,000
02-506-54099. Conservation & Rebates	\$ 30,000	\$ 30,600
02-506-54104. Contractural Services	\$ 270,000	\$ 200,700
02-506-54107. Legal	\$ 120,000	\$ 120,000
02-506-54108. Audit & Accounting	\$ 15,000	\$ 15,300
02-506-54109. Professional Fees	\$ 217,691	\$ 168,300
02-506-55500. Depreciation	\$ 1,272,330	\$ 204,000
02-506-55510. Bond Issuance Costs	\$ -	\$ -
02-506-56001. Insurance	\$ 100,000	\$ 122,000
02-506-57030. Regulatory Compliance	\$ 35,000	\$ 35,700
02-506-57090. Election Related Expenses	\$ -	\$ -
02-506-57095. Yucaipa SGMA	\$ 10,000	\$ 10,200
02-506-57096. Beaumont Basin Watermaster	\$ 40,000	\$ 40,800
02-506-57097. San Timoteo SGMA	\$ 5,000	\$ 8,100
02-506-57098. Bunker Hill GSC	\$ 15,000	\$ 15,300
02-506-57099. Prior Year Exp & Rev	\$ -	\$ -
02-506-57199. Suspense	\$ -	\$ -
02-506-57204. Amortized Bond Discount	\$ -	\$ -
02-506-58500. Cap Contrib to Other Gov Agcy	\$ -	\$ -
02-506-59960. Operating Transfers	\$ -	\$ -
506. ADMINISTRATION	\$ 4,044,094	\$ 2,955,183
02-540-57001. Asset Acq. - Water Dept	\$ -	\$ -
02-540-57003. Asset Acq. - US Dept	\$ -	\$ -
02-540-57006. Asset Acq. - Admin Dept	\$ -	\$ -
02-540-57201. Series 2015A Principal	\$ 1,170,000	\$ 1,230,000
02-540-57402. Interest - Bond Repayment	\$ 1,122,612	\$ 1,062,613
02-540-57807. Infrastructure Replacement Fnd	\$ -	\$ 3,118,661
02-540-58010. Loss Or Gain-Asset Disposal	\$ -	\$ -
540. DEBT & CAPITAL OUTLAY	\$ 2,292,612	\$ 5,411,274
TOTAL WATER EXPENSE	\$ 14,475,622	\$ 16,716,488

SEWER DIVISION BUDGET

Department	2019-20 Annual Budget	2020-21 Requested Budget
OPERATING REVENUE		
03-400-40016. Sales-Establish Service Fee	\$ 500	\$ 510
03-400-41000. Sales-Sewer Charges	\$ 12,132,712	\$ 12,424,514
03-400-41005. Sales-Disc (Multi Units)-SC	\$ (200,000)	\$ (200,000)
03-400-41110. Meter/Lateral Installation	\$ 15,000	\$ 15,038
03-400-41121. Penalty - Late Charges	\$ 125,000	\$ 126,250
03-400-41124. Bad Debt Write-Off & Recovery	\$ (15,000)	\$ (15,075)
03-400-41131. Front Footage Fees	\$ 55,000	\$ 55,550
400. CHARGES FOR SERVICES	\$ 12,113,212	\$ 12,406,787
03-421-42122. Revenue - Other, Operating	\$ 2,000	\$ 2,020
421. REVENUE - OTHER	\$ 2,000	\$ 2,020
03-430-43010. Interest Earned	\$ 100,000	\$ 102,000
430. INTEREST EARNED	\$ 100,000	\$ 102,000
03-431-43110. Property Tax - Unsecured	\$ -	\$ -
03-431-43120. Property Tax - Secured	\$ -	\$ 356,540
03-431-43130. Tax Collection - Prior	\$ -	\$ -
03-431-43140. Taxes - Other	\$ -	\$ -
431. PROPERTY TAX	\$ -	\$ 356,540
03-480-48002. Grants	\$ -	\$ -
03-480-48004. Grants-Prop 50 #07-503-550-2	\$ -	\$ -
03-480-48901. Contrib Cap-Capacity Fees	\$ -	\$ -
03-480-48905. Contrib Cap-Infrastructure	\$ -	\$ -
480. CAPITAL CONTRIBUTIONS	\$ -	\$ -
03-491-49150. Revenue - Misc Non-Operating	\$ 1,369,774	\$ 2,550
491. OTHER NON-OPERATING REV	\$ 1,369,774	\$ 2,550
TOTAL SEWER REVENUE	\$ 13,584,986	\$ 12,869,897

SEWER DIVISION BUDGET

Department	2019-20 Annual Budget	2020-21 Requested Budget
OPERATING EXPENSES		
03-502-50009. Labor - Overtime	\$ -	\$ 33,252
03-502-50010. Labor	\$ 1,059,129	\$ 1,033,509
03-502-50013. Benefits-FICA	\$ 81,023	\$ 81,604
03-502-50014. Benefits-Life Insurance	\$ 5,592	\$ 5,136
03-502-50016. Benefits-Health & Def Comp	\$ 224,598	\$ 210,851
03-502-50017. Benefits-Disability Insurance	\$ 9,535	\$ 9,600
03-502-50019. Benefits-Workers Compensatn	\$ 28,596	\$ 71,774
03-502-50021. Benefits-PERS Employee	\$ -	\$ -
03-502-50022. Benefits-PERS Employer	\$ 158,869	\$ 75,557
03-502-50023. Benefits-Uniforms	\$ 5,825	\$ 5,350
03-502-50024. Benefits-Vacation & Sick Pay	\$ 9,000	\$ -
03-502-50025. Benefits-Boots	\$ 7,995	\$ 3,450
03-502-51003. R&M - Structures	\$ 350,000	\$ 357,000
03-502-51010. R&M - Automation Control	\$ 65,000	\$ 75,000
03-502-51106. Chemicals	\$ 600,000	\$ 700,000
03-502-51111. Propane	\$ 500	\$ 510
03-502-51115. Laboratory Supplies	\$ 30,000	\$ 41,000
03-502-51140. General Supplies & Expenses	\$ 5,000	\$ 6,400
03-502-51210. Utilities - Power Purchases	\$ 850,000	\$ 994,553
03-502-54012. Education & Training	\$ -	\$ 7,566
03-502-54025. Telephone & Internet	\$ -	\$ 5,000
03-502-54110. Laboratory Services	\$ 85,000	\$ 114,000
03-502-57031. Sewage Waste Disposal-Solids	\$ 226,000	\$ 234,600
03-502-57034. Brineline Operating Expenses	\$ 396,500	\$ 408,000
502. SEWER OPERATIONS	\$ 4,198,162	\$ 4,473,712
03-506-50009. Labor - Overtime	\$ -	\$ 12,436
03-506-50010. Labor	\$ 616,295	\$ 655,148
03-506-50011. Labor - Credit	\$ -	\$ -
03-506-50012. Director Fees	\$ 26,000	\$ 27,300
03-506-50013. Benefits-FICA	\$ 47,147	\$ 53,161
03-506-50014. Benefits-Life Insurance	\$ 3,120	\$ 3,964
03-506-50016. Benefits-Health & Def Comp	\$ 122,640	\$ 161,439
03-506-50017. Benefits Disability Insurane	\$ 5,547	\$ 6,007
03-506-50019. Benefits-Workers Compensation	\$ 16,640	\$ 4,454
03-506-50021. Benefits-PERS Employee	\$ -	\$ -
03-506-50022. Benefits-PERS Employer	\$ 92,444	\$ 53,984
03-506-50023. Benefits-Uniforms	\$ 3,250	\$ 175
03-506-50024. Benefits-Vacation & Sick Pay	\$ 5,000	\$ -
03-506-50025. Benefits-Boots	\$ 1,950	\$ 2,115

SEWER DIVISION BUDGET

Department	2019-20 Annual Budget	2020-21 Requested Budget
03-506-50055. Pension Expense-GASB 68	\$ -	\$ -
03-506-51120. Safety Equipment & Supplies	\$ 9,500	\$ 9,690
03-506-51125. Petroleum Products	\$ 24,000	\$ 29,000
03-506-51130. Office Supplies & Expenses	\$ 7,000	\$ 9,200
03-506-51140. General Supplies & Expenses	\$ 30,000	\$ 30,600
03-506-51199. Disaster Repairs & Incidences	\$ -	\$ -
03-506-54002. Dues & Subscriptions	\$ 30,000	\$ 41,000
03-506-54003. Management & Admin Services	\$ 210,000	\$ 206,550
03-506-54005. Computer Expenses	\$ 120,000	\$ 122,400
03-506-54011. Printing & Publications	\$ -	\$ -
03-506-54012. Education & Training	\$ 20,000	\$ 20,400
03-506-54014. Public Relations	\$ 25,000	\$ 25,500
03-506-54016. Travel Related Expenses	\$ 10,000	\$ 10,200
03-506-54017. Certifications & Renewals	\$ 10,000	\$ 10,200
03-506-54019. Licenses & Permits	\$ 70,000	\$ 71,400
03-506-54020. Meeting Related Expenses	\$ 5,000	\$ 7,500
03-506-54022. Utilities - YVWD Services	\$ 265,000	\$ 355,000
03-506-54024. Waste Disposal	\$ 14,000	\$ 33,000
03-506-54025. Telephone & Internet	\$ 50,000	\$ 60,000
03-506-54030. Drinking Water	\$ -	\$ -
03-506-54104. Contractural Services	\$ 46,000	\$ 165,000
03-506-54107. Legal	\$ 30,000	\$ 30,600
03-506-54108. Audit & Accounting	\$ 15,000	\$ 15,300
03-506-54109. Professional Fees	\$ 1,567,274	\$ 297,189
03-506-55500. Depreciation	\$ 472,982	\$ -
03-506-56001. Insurance	\$ 130,000	\$ 132,600
03-506-57030. Regulatory Compliance	\$ 70,000	\$ 71,400
03-506-57099. Prior Year Exp & Rev	\$ -	\$ -
03-506-59960. Operating Transfers	\$ -	\$ -
506. ADMINISTRATION	\$ 4,170,789	\$ 2,733,912
03-507-50009. Labor - Overtime	\$ -	\$ 23,890
03-507-50010. Labor	\$ 625,069	\$ 616,937
03-507-50011. Labor - Credit	\$ -	\$ -
03-507-50013. Benefits-FICA	\$ 47,818	\$ 49,025
03-507-50014. Benefits-Life Insurance	\$ 3,864	\$ 3,768
03-507-50016. Benefits-Health & Def Comp	\$ 151,662	\$ 152,863
03-507-50017. Benefits-Disability Insurance	\$ 5,626	\$ 5,768
03-507-50019. Benefits-Workers Compensatio	\$ 16,877	\$ 5,391
03-507-50021. Benefits-PERS Employee	\$ -	\$ -
03-507-50022. Benefit-PERS Employer	\$ 93,760	\$ 49,754

SEWER DIVISION BUDGET

Department	2019-20 Annual Budget	2020-21 Requested Budget
03-507-50023. Benefits-Uniforms	\$ 4,025	\$ 4,050
03-507-50024. Benefits-Vacation & Sick Pay	\$ 40,000	\$ -
03-507-50025. Benefits-Boots	\$ 2,415	\$ 2,475
03-507-51003. Sewer Pipeline & Facilities	\$ 250,000	\$ 250,001
03-507-51140. General Supplies & Expenses	\$ 500	\$ 1,000
03-507-51241. Lift Station #1	\$ 52,500	\$ 52,001
03-507-51242. Lift Station #2	\$ 18,000	\$ 18,001
03-507-51243. Lift Station #3	\$ 3,200	\$ 6,200
03-507-51244. Lift Station #4	\$ 9,500	\$ 9,501
03-507-51246. Lift Station #6	\$ 5,000	\$ 5,001
03-507-51248. Lift Station #8	\$ 2,500	\$ 2,501
03-507-54012. Education & Training	\$ -	\$ 5,428
03-507-54025. Telephone & Internet	\$ -	\$ -
03-507-54111. Pretreatment	\$ 50,000	\$ 55,000
507. ENVIRONMENTAL CONTROL	\$ 1,382,316	\$ 1,318,555
03-540-57002. Asset Acq. - Treatment Dept	\$ -	\$ -
03-540-57006. Asset Acq. - Admin Dept	\$ -	\$ -
03-540-57007. Asset Acq. - EC Dept	\$ -	\$ -
03-540-57009. Plant Support - Sari Line	\$ -	\$ -
03-540-57202. SRF Principal - WWTP	\$ 2,306,368	\$ 2,361,721
03-540-57203. SRF Principal - Brineline	\$ 447,138	\$ 459,211
03-540-57204. SRF Principal - Wise	\$ 136,599	\$ 139,605
03-540-57205. SRF Principal - R 10.3	\$ 40,023	\$ 40,903
03-540-57206. SRF Principal - Crow St	\$ 15,667	\$ 16,012
03-540-57403. Interest - Long Term Debt	\$ 887,924	\$ 816,267
03-540-57807. Infrastructure Replacement Fnd	\$ -	\$ 510,000
03-540-58010. Loss Or Gain-Asset Disposal	\$ -	\$ -
540. DEBT & CAPITAL OUTLAY	\$ 3,833,719	\$ 4,343,718
TOTAL SEWER EXPENSE	\$ 9,751,267	\$ 12,869,897

RECYCLED WATER DIVISION BUDGET

Department	2019-20 Annual Budget	2020-21 Requested Budget
OPERATING REVENUE		
04-400-40010. Sales-Water & Non Potable	\$ 663,947	\$ 1,001,460
04-400-40011. Sales-Construction Water	\$ 45,000	\$ 9,981
04-400-40017. Sales-Excess Drinking Water	\$ -	\$ 8,574
04-400-40018. Sales-Infrastructure	\$ -	\$ 72,642
04-400-41000. Sales-Service Demand Charges	\$ 90,000	\$ 153,641
04-400-41003. Sales-Const Water Minimum Chg	\$ 1,000	\$ 821
04-400-41110. Meter/Lateral Installation	\$ 70,000	\$ 1,020
04-400-41121. Penalty - Late Charges	\$ 5,000	\$ 2,000
04-400-41122. Revenue - Other, Operating	\$ 500	\$ 505
04-400-41124. Bad Debt Write-Off & Recovery	\$ -	\$ -
400. CHARGES FOR SERVICES	\$ 875,447	\$ 1,250,644
04-430-43010. Interest Earned	\$ 25,000	\$ 19,716
430. INTEREST EARNED	\$ 25,000	\$ 19,716
04-431-43110. Property Tax - Unsecured	\$ -	\$ -
04-431-43120. Property Tax - Secured	\$ 400,000	\$ -
04-431-43130. Tax Collection - Prior	\$ -	\$ -
04-431-43140. Taxes - Other	\$ -	\$ -
431. PROPERTY TAX	\$ 400,000	\$ -
04-480-48002. Grants	\$ -	\$ -
04-480-48901. Contrib Cap-Capacity Fees	\$ -	\$ -
04-480-48905. Contrib Cap-Infrastructure	\$ -	\$ -
480. CAPITAL CONTRIBUTIONS	\$ -	\$ -
04-491-49150. Revenue-Misc Non-Operating	\$ 1,000	\$ -
491. OTHER NON-OPERATING REV	\$ 1,000	\$ -
TOTAL RECYCLED WATER REVENUE	\$ 1,301,447	\$ 1,270,360

OPERATING EXPENSES

04-506-50009. Labor - Overtime	\$ -	\$ 18,771
04-506-50010. Labor	\$ 705,207	\$ 718,807
04-506-50011. Labor - Credit	\$ -	\$ -
04-506-50012. Director Fees	\$ 5,000	\$ 5,000
04-506-50013. Benefits-FICA	\$ 53,948	\$ 56,805
04-506-50014. Benefits-Life Insurance	\$ 3,600	\$ 3,735
04-506-50016. Benefits-Health & Def Comp	\$ 143,004	\$ 156,856
04-506-50017. Benefits-Disability Insurance	\$ 6,347	\$ 6,640

RECYCLED WATER DIVISION BUDGET

Department	2019-20 Annual Budget	2020-21 Requested Budget
04-506-50019. Benefits-Workers Compensation	\$ 19,041	\$ 9,080
04-506-50021. Benefits-PERS Employee	\$ -	\$ -
04-506-50022. Benefits-PERS Employer	\$ 105,781	\$ 56,064
04-506-50023. Benefits-Uniforms	\$ 3,750	\$ 3,000
04-506-50024. Benefits-Vacation & Sick Pay	\$ -	\$ -
04-506-50025. Benefits-Boots	\$ 4,750	\$ 2,340
04-506-50055. Pension Expense-GASB 68	\$ -	\$ -
04-506-51003. R&M - Structures	\$ 26,519	\$ 15,300
04-506-51011. R&M - Valves	\$ 500	\$ 510
04-506-51020. R&M - Pipelines	\$ 500	\$ 510
04-506-51021. R&M - Service Lines	\$ 4,000	\$ 2,040
04-506-51022. R&M - Fire Hydrants	\$ 4,000	\$ 2,040
04-506-51030. R&M - Meters	\$ 1,500	\$ 1,530
04-506-51140. General Supplies & Expenses	\$ 7,000	\$ 3,060
04-506-51210. Utilities - Power Purchases	\$ 84,500	\$ 87,880
04-506-51316. Imported Water Purchases	\$ -	\$ -
04-506-54002. Dues & Subscriptions	\$ 3,000	\$ 3,060
04-506-54005. Computer Expenses	\$ 11,000	\$ 5,100
04-506-54011. Printing & Publications	\$ -	\$ -
04-506-54012. Education & Training	\$ 3,500	\$ 5,132
04-506-54014. Public Relations	\$ 4,200	\$ 4,284
04-506-54016. Travel Related Expenses	\$ 1,000	\$ 1,020
04-506-54017. Certifications & Renewals	\$ 500	\$ 510
04-506-54019. Licenses & Permits	\$ 7,500	\$ 7,650
04-506-54020. Meeting Related Expenses	\$ 1,400	\$ 1,428
04-506-54022. Utilities - YVWD Services	\$ 12,500	\$ 12,750
04-506-54025. Telephone & Internet	\$ 1,400	\$ 1,428
04-506-54104. Contractual Services	\$ 10,000	\$ 10,200
04-506-54107. Legal	\$ 500	\$ 510
04-506-54108. Audit & Accounting	\$ 4,000	\$ 4,080
04-506-54109. Professional Fees	\$ 30,000	\$ 30,600
04-506-54110. Laboratory Services	\$ -	\$ -
04-506-55500. Depreciation	\$ -	\$ -
04-506-56001. Insurance	\$ 25,000	\$ 25,500
04-506-57030. Regulatory Compliance	\$ 6,500	\$ 6,630
04-506-57040. Environmental Compliance	\$ 500	\$ 510
04-506-57099. Prior Year Exp & Rev	\$ -	\$ -
04-506-59960. Operating Transfers	\$ -	\$ -
506. ADMINISTRATION	\$ 1,301,447	\$ 1,270,360
TOTAL RECYCLED WATER EXPENSE	\$ 1,301,447	\$ 1,270,360

Board Reports and 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
72 full time employees

FY 2019-20 Operating Budget: Water Division - \$14,455,500
Sewer Division - \$12,217,712
Recycled Water Division - \$1,301,447

Number of Services: 13,794 drinking water connections serving 19,243 units
14,104 sewer connections serving 22,774 units
111 recycled water connections serving 460 units

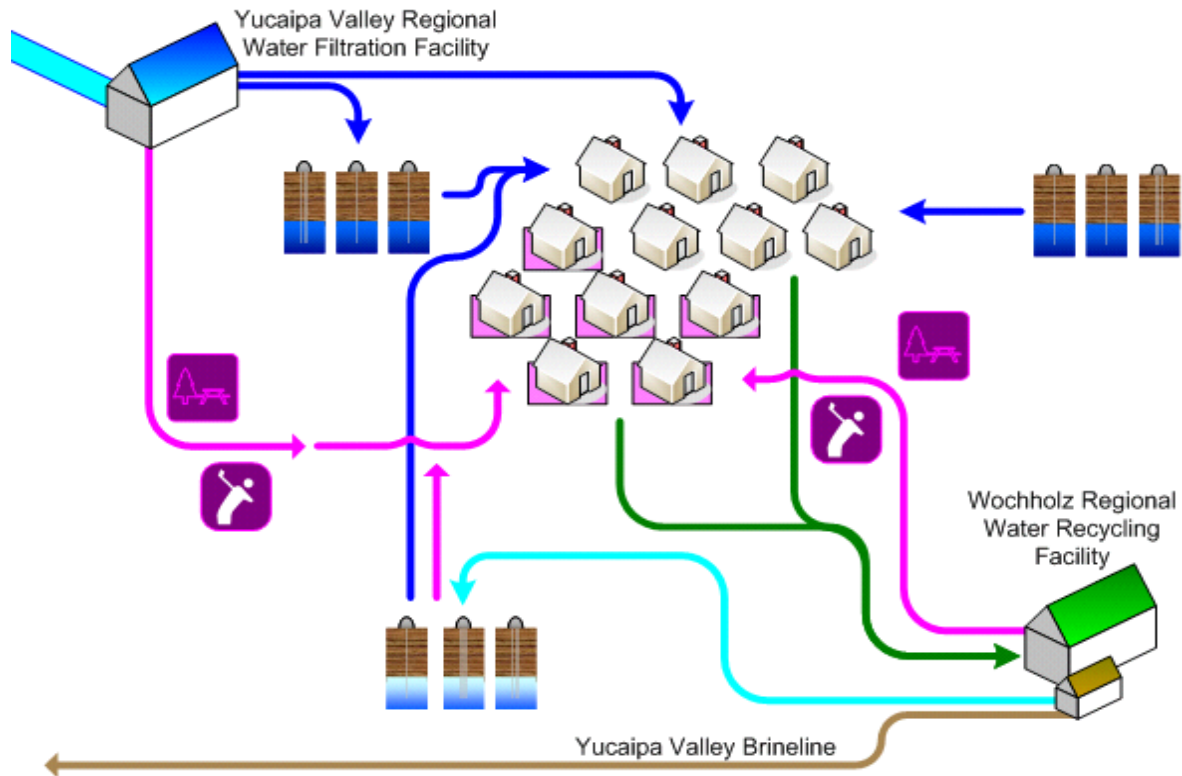
Water System: 223 miles of drinking water pipelines
2,033 fire hydrants
27 reservoirs - 34 million gallons of storage capacity
18 pressure zones
2.958 billion gallon annual drinking water demand
Two water filtration facilities:
- 1 mgd at Oak Glen Surface Water Filtration Facility
- 12 mgd at Yucaipa Valley Regional Water Filtration Facility

Sewer System: 8.0 million gallon treatment capacity - current flow at 3.5 mgd
213 miles of sewer mainlines
4,504 sewer manholes
5 sewer lift stations
1.27 billion gallons of recycled water produced per year

Recycled Water: 22 miles of recycled water pipelines
5 reservoirs - 12 million gallons of storage
0.681 billion gallon annual recycled water demand

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

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



Typical Rates, Fees and Charges:

- **Drinking Water Commodity Charge:**

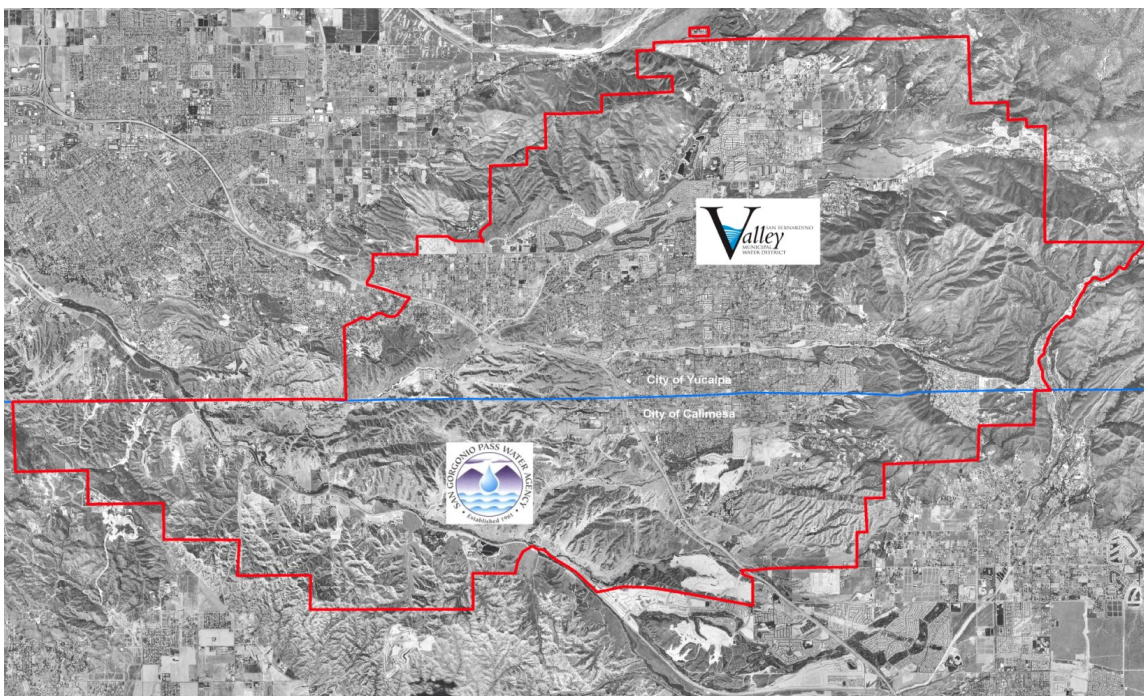
1,000 gallons to 15,000 gallons	\$1.429 per each 1,000 gallons
16,000 gallons to 60,000 gallons	\$1.919 per each 1,000 gallons
61,000 gallons to 100,000 gallons	\$2.099 per each 1,000 gallons
101,000 gallons or more	\$2.429 per each 1,000 gallons
- **Recycled Water Commodity Charge:**

1,000 gallons or more	\$1.425 per each 1,000 gallons
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- **Water Meter Service Charge (Drinking Water or Recycled Water):**

5/8" x 3/4" Water Meter	\$14.00 per month
1" Water Meter	\$23.38 per month
1-1/2" Water Meter	\$46.62 per month
- **Sewer Collection and Treatment Charge:**

Typical Residential Charge	\$42.43 per month
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State Water Contractors: San Bernardino Valley Municipal Water District
San Gorgonio Pass Water Agency



	San Bernardino Valley Municipal Water District	San Gorgonio Pass Water Agency
Service Area Size	353 square miles	222 square miles
Table "A" Water Entitlement	102,600 acre feet	17,300 acre feet
Imported Water Rate	\$125.80 / acre foot	\$399 / acre foot
Tax Rates for FY 2019-20	\$0.1425 per \$100	\$0.1775 per \$100
Number of Board Members	Five (5)	Seven (7)
Operating Budget FY 2019-20	\$58,372,000	\$9,551,000

Imported Water Charges (Pass-through State Water Project Charge)

- San Bernardino Valley Municipal Water District - Customers in San Bernardino County or City of Yucaipa pay a pass-through amount of \$0.270 per 1,000 gallons.
- San Gorgonio Pass Water Agency - Customers in Riverside County or City of Calimesa pay a pass-through amount of \$0.660 per 1,000 gallons. A proposed rate change to \$0.857 per 1,000 gallons is pending future consideration by YVWD.





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 wastewater 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 wastewater treatment process. This high-quality product can be recycled as a soil amendment on farmland or further processed as an earth-like product for commercial and home gardens to improve and maintain fertile soil and stimulate plant growth.

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

Certificate of Participation (COP) - A type of financing where an investor purchases a share of the lease revenues of a program rather than the bond being secured by those revenues.

Coliform Bacteria - A group of bacteria found in the intestines of humans and other animals, but also occasionally found elsewhere used as indicators of sewage pollution. E. coli are the most common bacteria in wastewater.

Collections System - In wastewater, it is the system of typically underground pipes that receive and convey sanitary wastewater or storm water.

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.

Contaminants of Potential Concern (CPC) - Pharmaceuticals, hormones, and other organic wastewater contaminants.

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.

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.

Levels of Service (LOS) - Goals to support environmental and public expectations for performance.

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.

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.

Santa Ana River Interceptor (SARI) Line - A regional brine line designed to convey 30 million gallons per day (MGD) of non-reclaimable wastewater from the upper Santa Ana River basin to Orange County Sanitation District for treatment, use and/or disposal.

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

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 wastewater.

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.

South Coast Air Quality Management District (SCAQMD) - Regional regulatory agency that develops plans and regulations designed to achieve public health standards by reducing emissions from business and industry.

Special district - A form of local government created by a local community to meet a specific need. Yucaipa Valley Water District is a County Water District formed pursuant to Section 30000 of the California Water Code

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.

Surface Water - Water found in lakes, streams, rivers, oceans, or reservoirs behind dams. In addition to using groundwater, Yucaipa Valley Water District receives surface water from the Oak Glen area.

Sustainable Groundwater Management Act (SGMA) - Pursuant to legislation signed by Governor Jerry Brown in 2014, the Sustainable Groundwater Management Act requires water agencies to manage groundwater extractions to not cause undesirable results from over production.

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 wastewater as it trickles over them.

Underground Service Alert (USA) - A free service (<https://www.digalert.org>) 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 carry 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.

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

Water Service Line - A water service line is used to deliver water from the Yucaipa Valley Water District's mainline distribution system.

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.

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

Water-Wise House Call - a service which provides a custom evaluation of a customer's indoor and outdoor water use and landscape watering requirements.

Well - a hole drilled into the ground to tap an underground aquifer.

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





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
SGMA	Sustainable Groundwater Management Act
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