

MINUTES OF THE UPPER SANTA ANA RIVER WATERSHED INFRASTRUCTURE FINANCING AUTHORITY

Regular Meeting of the Board of Directors | October 20, 2021

ROLL CALL

| Member Agency | Director | Attendance |
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| San Bernardino Valley Municipal Water District | Paul Kielhold | Present |
| Yucaipa Valley Water District | Lonni Granlund | Present |
| San Bernardino Valley Water Conservation District | Daniel Cozad | Present |

| Staff Present | Agency |
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| Heather Dyer | San Bernardino Valley Municipal Water District |
| Anthony Flordelis | San Bernardino Valley Municipal Water District |
| Anel Perez | San Bernardino Valley Municipal Water District |
| Cindy Saks | San Bernardino Valley Municipal Water District |
| Melissa Zoba | San Bernardino Valley Municipal Water District |
| Allison Edmisten | Yucaipa Valley Water District |
| Madeline Blua | Yucaipa Valley Water District |
| Scott Heil | Varner Brandt |

| Others in Attendance: | |
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| Melody McDonald | San Bernardino Valley Water Conservation District |
| Miguel Guerrero | San Bernardino Municipal Water Department |
| Ryan Shaw | Western Municipal Water District |
| Jeff Herrin | AECOM |
| Nyles O'Harra | Yucaipa Valley Water District |
| Chris Mann | Yucaipa Valley Water District |
| Gil Botello | San Bernardino Valley Municipal Water District |
| T. Milford Harrison | San Bernardino Valley Municipal Water District |

CALL TO ORDER

The Regular Meeting of the Upper Santa Ana River Watershed Infrastructure Financing Authority (USAR WIFA) was called to order by Chair Paul Kielhold at 8:30 a.m. Chair Kielhold led the Pledge of Allegiance. A quorum was noted present by roll call.

1. PUBLIC COMMENT

Chair Kielhold stated that any member of the public wishing to make any comments to the Authority may do so. There was no comment.

2. APPROVAL OF MINUTES

Vice Chair Granlund moved to approve the minutes of the August 18, 2021, meeting. Director Cozad seconded. The motion was unanimously adopted by roll-call vote.

3. DISCUSSION AND POSSIBLE ACTION ITEMS

3.1 Confirm the Membership of the San Bernardino Municipal Water Department and its Representatives

Executive Director Heather Dyer announced the San Bernardino Municipal Water Department approved the Joint Exercise of Powers Agreement to join the Authority on August 24, 2021. She noted the support of Miguel Guerrero for this program.

Director Cozad moved to confirm the membership of the San Bernardino Municipal Water Department and seat Miguel Guerrero as Director and Cecilia "Toni" Callicott as the Alternate. Vice Chair Granlund seconded. The motion was unanimously adopted by a roll-call vote.

3.2 Consider the Appointment of the Chair and Vice Chair of the Technical Advisory Committee

Executive Director Heather Dyer explained the Technical Advisory Committee (TAC) is established through Section 17 of the Joint Powers Agreement. After consultation with the general managers, the recommendation is for appointment of Joe Zoba of Yucaipa Valley Water District as Chair and Wen Huang, Deputy General Manager / Chief Engineer of San Bernardino Valley Municipal Water District as the Vice Chair of the Committee. The TAC reviews the technical details associated with projects that would be financed through the Authority, assuring they are in line with the agreed-upon process, and makes recommendations to the Board, she explained.

Ms. Dyer reminded the Board the Authority was set up so that all details of loan repayment, and receipt of funding through the Environmental Protection Agency (EPA) is included in the Project Agreement to assure that the people who are benefitting from the program are the people paying for it, and to assure a secure method for passing along costs and loan payments through the JPA to the project owner (the member agencies).

Ms. Dyer listed the proposed members of the TAC:

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| Katelyn Scholte, Assistant Engineer | San Bernardino Valley Water Conservation District |
| Steve Miller, Director of Water Utility | San Bernardino Municipal Water Department |
| Wen Huang, Chief Engineer | San Bernardino Valley Municipal Water District |
| Joe Zoba, General Manager | Yucaipa Valley Water District |

Vice Chair Granlund moved to approve the appointment of Joe Zoba as Chair and Wen Huang as Vice Chair for a one-year term. Director Cozad seconded. The motion was unanimously adopted by a roll-call vote.

4. REPORTS (Discuss and Possible Action)

4.1 Executive Director's Report

Executive Director Heather Dyer advised the Board there has not been a response from the EPA regarding the Letter of Interest (LOI). EPA staff did send a letter to Congressman Aguilar and the Congressional delegation confirming that they are giving thorough consideration to the LOI, she reported. She pointed to a Fact Sheet listing all LOIs received for a total of \$8.8 billion requested through the program; with approximately \$7 billion available.

The Enhanced Recharge Project by Valley District and partners has also been submitted for a \$2 million grant from the Bureau of Reclamation WaterSMART drought response program, Dyer advised. The WIFIA program allows layering of funding opportunities, she noted.

Ms. Dyer highlighted additional activities including a website for the Watershed Connect and a dashboard to which the EPA, member agencies, and public can be directed to understand what Watershed Connect is about. It is envisioned as a future program management tool, she explained.

A scope and proposal from AECOM – WSC is in progress to start program implementation, identify additional needed information, and investigate details to be able to prepare a full application, she explained.

Other upcoming items include a meeting in two weeks, debt management policy, conflict of interest policy, cost share proposal, and a resolution to allow virtual meetings in accordance with AB 361.

Staff continues to engage with additional members, Ms. Dyer said, to assure the Agreement is added to the agencies' agendas.

5. ANNOUNCEMENTS

5.1 List of Announcements

Ms. Dyer indicated it is likely there will be a meeting in two weeks and recommended canceling the first meeting in December which overlaps with the Association of California Water Agencies Fall Conference.

San Bernardino Valley Municipal Water District Director Gil Botello welcomed new member San Bernardino Municipal Water Department, and others present echoed the sentiment. Mr. Guerrero thanked the Authority for its approval and said the agency is glad to join the team. He offered some background on the approval process and noted several positive comments from the Water Board, City Council, and Mayor.

6. ADJOURNMENT

The meeting was adjourned at 8:46 a.m.

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| <p>APPROVAL CERTIFICATION</p> <p>I hereby certify to approval of the foregoing Minutes of the Upper Santa Ana River Watershed Infrastructure Financing Authority.</p> <p>_____</p> <p>Secretary</p> <p>Date _____</p> |
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Respectfully submitted,

Lynda J. Kerney
Contract Assistant