MINUTES
FOR THE
WATER BOARD OF THE CITY OF SAN BERNARDINO

MAY 23, 2023

CALL TO ORDER
The Regular Meeting of the Water Board of the City of San Bernardino was called to order by President Toni Callicott at 9:30 AM, Tuesday, May 23, 2023, in-person and livestream via YouTube.

ROLL CALL

<table>
<thead>
<tr>
<th>Attendee Name</th>
<th>Title</th>
<th>Status</th>
<th>Arrived</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cecilia “Toni” Callicott</td>
<td>President</td>
<td>Present</td>
<td>9:30 AM</td>
</tr>
<tr>
<td>Wayne Hendrix</td>
<td>Vice President</td>
<td>Present</td>
<td>9:30 AM</td>
</tr>
<tr>
<td>David Mlynarski</td>
<td>Board Member</td>
<td>Absent</td>
<td>N/A</td>
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<tr>
<td>Rikke Johnson</td>
<td>Board Member</td>
<td>Present</td>
<td>9:30 AM</td>
</tr>
<tr>
<td>Thomas Brickley</td>
<td>Board Member</td>
<td>Present</td>
<td>9:30 AM</td>
</tr>
<tr>
<td>Miguel Guerrero</td>
<td>General Manager</td>
<td>Present</td>
<td>9:30 AM</td>
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1. ANNOUNCEMENTS BY THE BOARD: None.

2. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA: Gil Botello, Valley District Board Member, commented on the Inland Solar Challenge (Solar Challenge) held at Yucaipa Regional Park from Friday, May 19, 2023 through Sunday, May 21, 2023.

   Mr. Botello congratulated the nine (9) high schools that participated in the Solar Challenge and stated that Devin Arciniega and Department staff did an outstanding job at the event.

   Mr. Botello stated that the event was a good example of youth leadership development, teamwork, community involvement, and water jobs.

   Mr. Botello stated that Cajon High School did the best overall and encouraged more San Bernardino high schools to participate.
3. PUBLIC COMMENTS ON ITEMS LISTED ON THE AGENDA: None.

4. CONSENT CALENDAR – ITEMS 4A THROUGH 4D:

   A. PAYROLL:

      | Water Fund | Sewer Treatment | Sewer Collections | Total      |
      |            |                |                  |            |
      | Claims:305736-305923 | $796,429.81   | $960,019.76       | $48,290.19 | $1,804,739.76 |
      | Accounts Payable     | $321,527.09   | $305,420.52       | $10.07     | $626,957.67   |
      | Gross Payroll        | $1,117,956.90 | $1,265,440.28     | $48,300.26 | $2,431,697.43 |

   Payroll for the pay period beginning May 8, 2023 through May 21, 2023.

   B. CONTRACTS AND BILLS: Contracts and bills presented at this meeting.

   C. MINUTES: May 9, 2022.

   D. QUARTERLY CHANGE ORDER REPORT – QUARTER ENDING ON MARCH 31, 2023: In accordance with Policy 51.020, staff has prepared the change order report for the quarter ending March 31, 2023, as submitted.

   | RESULT: APPROVED 4-0 BY ROLL CALL VOTE W/ 1 ABSENT |
   | MOVER: R. Johnson                                    |
   | SECONDER: W. Hendrix                                 |
   | ABSTAINED: N/A                                       |
   | ABSENT: D. Mlynarski                                 |

DISCUSSION ITEMS

5. AMENDMENT TO SAN BERNARDINO BASIN GROUNDWATER COUNCIL FRAMEWORK AGREEMENT: As a result of years of severe drought across the state, the California Legislature enacted the Sustainable Groundwater Management Act of 2014 (SGMA). This act established a statewide framework for the sustainable management of groundwater resources, which focused on granting new authorities and responsibilities to local agencies. While adjudicated basins such as the San Bernardino Basin (SBB), which included the Bunker Hill Groundwater Basin, were not subject to most provisions of the act, water managers were expected to manage the SBB in accordance with the sustainability principals to avoid deleterious impacts on the basin.
In 2018, the Department and several local water agencies developed a Groundwater Sustainability Council for the SBB, now known as the Groundwater Council (GC). The goals of the GC were to identify and maximize water resources that support a sustainable water supply into the future, and to equitably share the cost of those resources amongst the SBB producers. In February 2018, the Water Board approved the San Bernardino Basin Groundwater Council Framework Agreement (GC Agreement).

The GC Agreement was a five-year agreement that expired in February 2023. Before expiration of the agreement, an agreement renewal subcommittee (Subcommittee) was formed by the GC to discuss potential renewal. A renewal agreement could not be reached due to concerns by members regarding long-term obligations from a new agreement and with ongoing commitments/partnerships by some of the agencies in other related efforts.

In order to continue discussions and allow the Conservation District sufficient time to adjust should the GC no longer continue, the Subcommittee recommended an amendment that extends the GC agreement to June 30, 2024. The Amendment to the San Bernardino Basin Groundwater Council Framework Agreement (Amendment) was approved by the GC at its April 24, 2023 meeting.

The fiscal impact resulting from this amendment was $1,425,208 as calculated in the updated Equitable Allocation Method (Amendment Exhibit B). This would be budgeted in the Department’s Fiscal Year 2023/2024 Operating and Capital Improvement Budget.

**MOTION:** Approve the Amendment to the San Bernardino Basin Groundwater Council Framework Agreement with the San Bernardino Basin stakeholders. The General Manager was authorized execute the Agreement.

**RESULT:** APPROVED 4-0 BY ROLL CALL VOTE W/ 1 ABSENT

**MOVER:** T. Brickley  
**SECONDER:** W. Hendrix  
**ABSTAINED:** N/A  
**ABSENT:** D. Mlynarski

6. **APPROVAL OF A MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE SAN BERNARDINO MUNICIPAL WATER DEPARTMENT AND RAMTEK FOR THE PRESELECTION OF A BATTERY ENERGY STORAGE SYSTEM (BESS) FOR THE MERIDIAN SEWER LIFT STATION REPLACEMENT PROJECT (SPECIFICATION NO. 1779R):** In September of 2021, the San Bernardino Municipal Water Department (SBMWD or Department) executed a Professional Services Agreement with Lee + Ro to design a sewer lift station to replace the existing Meridian Lift Station. The new sewer lift station would have a larger footprint with vehicle access for operation and maintenance. The renewed lift station would include a new wet well, mechanical and electrical systems, a new building to house the electrical systems, piping, instrumentation, and a backup power source.
A backup power source was required to avoid sanitary sewer system overflow during power outages. Staff strongly supported an effort to increase resilience by implementing alternative backup power sources before any regulated changes. Thus, the Department recommended that Lee + Ro investigate a Battery Energy Storage System (BESS) as a potential backup power source.

In January 2023, Department Staff issued a request for proposals (RFPs) to all equipment suppliers registered in PlanetBids for the preselection of a BESS and one (1) equipment supplier responded to the RFP.

There was no fiscal impact at this point since it was a preselection of the specific BESS only, and an MOU is established with Ramtek to coordinate with the future General Contractor awarded for construction. The funding source for this project was the FY 2022/2023 Sewer Fund Capital Project titled *Meridian Lift Station Emergency Generator Project* (C.O. 50012), which currently had a total of $3,227,179.56 in unencumbered funds.

**MOTION:** Approve the Memorandum of Understanding with Ramtek for the preselection of the Battery Energy Storage System Option No. 2, for an amount not to exceed $396,400.80 to be included in a future construction contract. The General Manager was authorized to execute the Memorandum of Understanding.

**RESULT:** APPROVED 4-0 BY ROLL CALL VOTE W/ 1 ABSENT

**MOVER:** T. Brickley
**SECONDER:** R. Johnson
**ABSTAINED:** N/A
**ABSENT:** D. Mlynarski

7. **APPROVAL OF CAJON CANYON WELL NO. 2 WELL REHABILITATION BY GENERAL PUMP COMPANY, INC.:** Cajon Canyon Well experienced a loss of production and efficiency due to what appeared to be equipment wear and needs pumping equipment replacement.

Staff requested rehabilitation proposals for Cajon Canyon Well from five (5) prequalified well rehabilitation contractors and three (3) quotations were submitted to SBMWD based on the informal RFP.

Staff recommended approval of this expenditure of $56,750.00 from existing funds in the 2022/23 Fiscal Year Capital Budget under *Annual R/R - Wells*, with available funding of approximately $563,526.00.

**MOTION:** Approve the rehabilitation of Cajon Canyon Well by General Pump Company, Inc., in the amount of $56,750.00.
RESULT: APPROVED 4-0 BY ROLL CALL VOTE W/ 1 ABSENT
MOVER: W. Hendrix
SECONDER: R. Johnson
ABSTAINED: N/A
ABSENT: D. Mlynarski

8. OPERATING AND CAPITAL IMPROVEMENT BUDGET WORKSHOP: FISCAL YEAR 2023/24: Presentations on the proposed budget for Fiscal Year 2023/24 were presented to the Water Board by the Administrative Services, Finance/Purchasing & Non-Departmental, and Water Utility Divisions. In addition, a presentation on the Department’s overall budget assumptions and major items was presented. (PRESENTATION ONLY)

9. REPORTS:
   A. Report of the President – None.
   B. Report of the Commissioners – None.
   C. Report of the Directors –
      Director Shepardson reported that her section would bring forward two (2) Board items – (a) Analytical Services Laboratory Contract Renewal and (b) Property Insurance Coverage Renewal, at the second Board meeting in June.
   D. Report of the General Manager –
      1. General Manager Guerrero stated that the Inland Solar Challenge was huge success and a great event.
         General Manager Guerrero stated that Devin Arciniega was the chair of the event and did a great job, as well as the full committee from other neighboring water agencies.

10. ADJOURNMENT:
    The next regular meeting of the Water Board was scheduled for 9:30 a.m., June 13, 2023 at the Margaret H. Chandler Water Reclamation Plant, located at 399 Chandler Place, San Bernardino, CA, 92408.
    By: Miguel J. Guerrero, P.E.
       General Manager