

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF BOARD GOVERNED COUNTY SERVICE AREAS
AND RECORD OF ACTION**

June 25, 2024

FROM

NOEL CASTILLO, Director, Department of Public Works – Special Districts

SUBJECT

California Extended Water and Wastewater Arrearage Payment Program

RECOMMENDATION(S)

Acting as the governing body of County Service Area 42 – Oro Grande, County Service Area 53B – Fawnskin, County Service Area 64 – Spring Valley Lake, County Service Area 70 CG – Cedar Glen, County Service Area 70 GH – Glen Helen, County Service Area 70F – Morongo Valley, County Service Area 70J – Oak Hills, County Service Area 70 S-3 – Lytle Creek, County Service Area 70 SP-2 – Oak Hills, County Service Area 70 W-3 – Hacienda, County Service Area 70 W-4 – Pioneertown, and County Service Area 82 - Trona:

1. Accept funding (**Agreement No. 24-492**) in the amount of \$960,700.06 from the State Water Resources Control Board for water and wastewater arrearages incurred and outstanding by customers of the respective County Service Areas during the period of June 16, 2021 to December 31, 2022.
2. Authorize the Director of the Department of Public Works or Assistant Director of the Department of Public Works to sign and submit any additional documents necessary for reporting, certifying, or finalizing the California Extended Water and Wastewater Arrearage Payment Program.

(Presenter: Noel Castillo, Director, 387-7906)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner.

Pursue County Goals and Objectives by Working with Other Agencies and Stakeholders.

Focus on Recovery and Resiliency Following Major Emergency Responses such as the December 2, 2015 Terrorist Attack (SB Strong) and the Global COVID-19 Pandemic.

FINANCIAL IMPACT

Approval of this item will accept funds of \$960,700.06 from the State Water Resources Control Board (SWRCB) pursuant to County Policy No. 05-13, and will not result in the use of Discretionary General Funding (Net County Cost). The funds received from SWRCB for the California Extended Water and Wastewater Arrearage Program (Program) do not require a local match and must be used to credit customer accounts identified as having unpaid water and wastewater bills for billing periods between June 16, 2021 and December 31, 2022. Funds not credited to customer accounts within 60 days from receipt must be returned to the SWRCB.

The amount of funding for each County Service Area (CSA) is indicated in the following table:

County Service Area	Amount
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County Service Area	Amount
CSA 42 – Oro Grande	\$ 34,956.86
CSA 53 B – Fawnskin	\$ 39,367.08
CSA 64 – Spring Valley Lake	\$ 129,929.50
CSA 70 CG – Cedar Glen	\$ 10,143.56
CSA 70 GH – Glen Helen	\$ 5,202.41
CSA 70 70F – Morongo Valley	\$ 166,598.13
CSA 70 J – Oak Hills	\$ 59,595.00
CSA 70 S-3 – Lytle Creek	\$ 74,654.21
CSA 70 SP-2 – Oak Hills	\$ 536.52
CSA 70 W-3 – Hacienda	\$ 12,862.15
CSA 70 W-4 – Pioneertown	\$ 1,768.81
CSA 82 - Trona	\$ 425,085.83
Total	\$ 960,700.06

BACKGROUND INFORMATION

The Department of Public Works – Special Districts (Department) operates and manages several water and wastewater districts throughout the unincorporated areas of San Bernardino County. The State of California’s declared state of emergency and the resulting COVID-19 stay at home orders had an adverse financial impact on community water and wastewater systems as it became difficult for many customers to pay their bills because of job loss and other hardships. Recognizing this, SWRCB created the California Water and Wastewater Arrearage Payment Program that provided \$985,000,000 statewide as relief to water and wastewater systems for revenues lost from unpaid bills due to the COVID-19 pandemic. The Program initially prioritized residential and commercial drinking water arrearages accrued between March 4, 2020 and June 15, 2021. All accounts with an outstanding balance during this period became eligible for this funding.

On March 15, 2022 (Item No. 50), the Board of Supervisors (Board) accepted Program funding totaling \$237,901 from SWRCB for drinking water arrearages incurred and outstanding by customers for the Department’s respective water districts. Upon receipt of these funds, the Department immediately began crediting customer accounts for customer debt and COVID-19 pandemic related revenue loss accrued between March 4, 2020 through June 15, 2021.

On November 15, 2022 (Item No. 96), the Board accepted Program funding for wastewater systems totaling \$472,268 from SWRCB for wastewater arrearage incurred and outstanding by customers for the Department’s respective wastewater districts. Upon receipt of these funds, the Department immediately began crediting customer accounts for customer debt and COVID-19 pandemic related revenue loss between March 4, 2020 through June 15, 2021.

On July 10, 2023, the Governor of the State of California signed a budget trailer bill expanding the Program. The new Program extends the COVID-19 pandemic relief period to December 31, 2022, with state legislature allocating the remaining \$600,000,000 in federal funding for this Program. The Program includes both water and wastewater debt from residential and commercial customers.

On December 19, 2023 (Item No. 98), the Board authorized the submission of the Program applications to SWRCB for water and wastewater arrearages of the aforementioned County Service Areas.

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A total of \$960,700.06 was subsequently approved by SWRCB on March 26, 2024, for use in funding water and wastewater arrearages incurred and outstanding by customers of the Department's respective water and wastewater districts during the period of June 16, 2021 through December 31, 2022.

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Aaron Gest, Deputy County Counsel, 387-5455) on May 31, 2024; Finance (Jessica Trillo, Administrative Analyst, 387-4222) on June 4, 2024; and County Finance and Administration (Paloma Hernandez-Barker, Deputy Executive Officer, 387-5423) on June 7, 2024.

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Record of Action of the Board of Supervisors
Board Governed County Service Areas

APPROVED (CONSENT CALENDAR)

Moved: Curt Hagman Seconded: Joe Baca, Jr.
Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: June 25, 2024



cc: BGCSA - Palos w/ agree
Contractor c/o BGCSA w/ agree
File w/ agree
JLL 06/25/2024