

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY
AND RECORD OF ACTION**

December 16, 2025

FROM

NOEL CASTILLO, Director, Department of Public Works – Solid Waste Management

SUBJECT

Agreement with the City of Rialto for Standby Water Rights

RECOMMENDATION(S)

Approve **Agreement No. 25-1069** with the City of Rialto, including a non-standard term, for the right to utilize up to 1,600-acre feet of water in the Rialto-Colton Basin relating to groundwater contamination cleanup, in a total not to exceed amount of \$1,156,048, for the period January 1, 2026, to September 30, 2028, with the option to extend the term for two three-year periods. (Presenter: Noel Castillo, Director, 387-7906)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

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

FINANCIAL IMPACT

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost) as the Department of Public Works – Solid Waste Management Division (SWMD) is financed by fee revenue. The SWMD establishes fees that are charged to the public and other agencies for utilization of San Bernardino County's (County) Waste Disposal System. SWMD will pay a total of \$366,704 for water in 2025-26; \$385,040 for water in 2026-27; and \$404,304 for water in 2027-28, totaling \$1,156,048. Sufficient appropriation and revenue have been included in the SWMD 2025-26 budget and will be included in future recommended budgets.

BACKGROUND INFORMATION

In 1998, SWMD determined that a groundwater plume emanating from the Mid-Valley Sanitary Landfill had contaminated two wells operated by the San Gabriel Valley Water Company (San Gabriel). The clean-up plan developed by SWMD and approved by the Regional Water Quality Control Board (Water Board) focused on the construction of one treatment facility at the site of the two San Gabriel wells that would put those wells back into production and would also treat water from a third well necessary to contain the plume.

Numerous settlement agreements were approved by the Board of Supervisors (Board) in 1998 and 2000 to effectuate the clean-up plan. One aspect of the settlement agreements concerned water rights. Due to the complex nature of the water rights of the purveyors in the Rialto-Colton Basin, it was determined that in order to pump the third well, additional water rights were needed and as such, agreements were entered into with the City of Rialto (City) and Fontana Union Water Company relating to the acquisition of and payment for water rights necessary to pump 1,600-acre feet of water in the Rialto-Colton Basin.

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On May 16, 2000 (Item No. 72), the Board approved Agreement No. 00-289 with the City whereby the County agreed to pay a \$40 per acre foot stand by charge for 1,600-acre feet of water rights (e.g., \$64,000 per year) and an additional \$100/acre foot for each acre foot of water actually pumped from the third well pursuant to those water rights. The agreement was for a term of 20 years with the option to extend for an additional 20-year period upon notice by either party. The agreement expired May 16, 2020, and was not extended by the City or the County.

The County continues to participate in the clean-up plan approved by the Water Board. Due to changing conditions in the Rialto-Colton Basin, the need for additional water rights is evolving. While the County continues to work with the parties involved, including San Gabriel, Fontana Union Water Company, and the City to determine the specific water needs going forward, on September 21, 2021 (Item No. 30), the Board approved Agreement No. 21-689 with the City to utilize up to 1,600 acre feet of water, for a total not to exceed amount of \$598,944, for compliance with the Regional Board Order through December 31, 2022.

On December 13, 2022 (Item No. 56), the Board approved Amendment No. 1 to Agreement No. 21-689 between the County and City, extending the agreement term by three years to December 31, 2025 and increasing the contract amount by \$998,672, from \$598,944 to a total not to exceed amount of \$1,597,616.

With the anticipated expiration of Contract No. 21-689, and the County's continued efforts to work with the parties involved in the Rialto-Colton Basin, the proposed agreement has a term of January 1, 2026, through September 30, 2028. The proposed agreement will allow the County to reimburse the City for up to 1,600-acre feet of water utilized during each water year that runs annually from October 1st to September 30th. For the partial 2025-26 water year, the County will pay a \$65.48 per acre foot stand by charge for making water rights available (\$104,768) and an additional \$163.71 per acre foot for each acre foot of water pumped (up to \$261,936) for a total not to exceed amount of \$366,704. For the 2026-27 water year, the County will pay \$68.75 per acre foot charged for making water rights available (\$110,000) and an additional payment of \$171.90 per acre foot for each acre foot of water pumped (up to \$275,040), for a total not to exceed amount of \$385,040. For the 2027-28 water year, the County will pay \$72.19 per acre foot charged for making water rights available (\$115,520) and an additional payment of \$180.49 per acre foot for each acre foot of water pumped (up to \$288,784) for a total not to exceed amount of \$404,304, for a total agreement not to exceed amount of \$1,156,048. Given the complex nature of water rights and the Regional Board Order, the agreement includes two three-year options to extend the contract upon mutual party agreement by their respective governing bodies.

The agreement contains a mutual indemnification provision where the County is required to indemnify the City from claims, demands, costs or liability related to the agreement.

- The County standard contract does not include any indemnification or defense by the County of a contractor.
- Potential Impact: By agreeing to indemnify the City, the County could be responsible to defend and reimburse the City for costs, expenses, and damages, which could exceed the benefit of the agreement. However, the City is a government entity and County Policy 11-05 provides for mutual comparative fault and indemnification of other government entities.

The agreement is recommended, with the non-standard term, and is being done to continue to work with the City while it engages in good faith discussions with other parties regarding the necessity of the water and the terms for such use.

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This agreement was approved by the City of Rialto on November 18, 2025.

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Maria Insixiengmay, Deputy County Counsel, 387-5455) on October 28, 2025; and County Finance and Administration (Amanda Trussell, Principal Administrative Analyst, 387-5412) on December 3, 2025.

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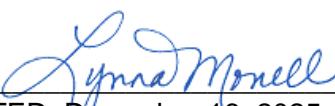
Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

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

Lynna Monell, CLERK OF THE BOARD

BY



DATED: December 16, 2025



cc: PW/SWMD - Rodabaugh w/agree
Contractor - c/o PW/SWMD w/agree
File - w/agree

CCM 12/19/2025