

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

August 22, 2023

FROM

CHAD NOTTINGHAM, Deputy Executive Officer, County Administrative Office

SUBJECT

Joinder For Ex Officio Membership of the Fenner Valley Water Authority Joint Exercise of Powers Agreement

RECOMMENDATION(S)

1. Approve Joinder **Agreement No. 23-923** with Santa Margarita Water District and Fenner Gap Mutual Water Company to authorize the joinder of San Bernardino County for ex officio, non-voting, membership in the Fenner Valley Water Authority through a Joint Exercise of Powers Agreement, effective on the last date executed by the parties.
2. Approve the appointment of Supervisor Dawn Rowe as the San Bernardino County Director and Supervisor Curt Hagman as the San Bernardino County Alternate Director for the Board of Directors of the Fenner Valley Water Authority for an initial two-year term, effective retroactively as of July 1, 2023, through June 30, 2025.

(Presenter: Chad Nottingham, Deputy Executive Officer, 387-4811)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Provide for the Safety, Health and Social Service Needs of County Residents.

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

FINANCIAL IMPACT

Joinder of the Fenner Valley Water Authority (Authority) as an ex-officio member will not result in the use of Discretionary General Funding (Net County Cost). Section 5.3 of the Joint Exercise of Powers Agreement (Agreement) provides that ex-officio, non-voting, members are not responsible for the debts, liabilities, and obligations of the Authority. Further, Section 12.4 of the Agreement provides that no member shall be required to fund any portion of the costs and expenses of the Authority except as otherwise provided as it relates to a member's participation in the Cadiz Valley Water Conservation, Recovery and Storage Project (Water Project).

BACKGROUND INFORMATION

On October 1, 2012 (Item No. 1), the Board of Supervisors, acting as a Responsible Agency under the California Environmental Quality Act, approved the Final Environmental Impact Report for the Water Project and adopted the Water Project's Groundwater Management, Monitoring and Mitigation Plan (Management Plan). As described in the executive summary of the Management Plan, the Water Project is a 50-year groundwater recovery, conservation, and conjunctive use storage project within the collective Fenner, Orange Blossom Wash, Bristol, and Cadiz Watersheds in the Eastern Mojave Desert.

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The Management Plan requires monitoring of aquifer health and safe yield, groundwater levels and rates of decline, groundwater quality, subsidence, surface vegetation, air quality, third-party wells and springs, and establishes corrective measures to address potential significant adverse impacts to critical resources and undesirable results attributable to the Water Project. The Water Project will provide reliable water supply to participating water agencies, including granting rights to 25,000 thousand acre-feet of water supply to San Bernardino County for its own use.

The Management Plan governs the operation and management of the Water Project by Fenner Gap Mutual Water Company (FGMWC), formerly known as Fenner Valley Mutual Water Company, through a joint powers agreement initially between FGMWC and Santa Margarita Water District (SMWD). FGMWC and SMWD formed the Authority in November 2014. Each of these entities is a public agency or non-profit mutual water company that is empowered to contract with other public agencies for the joint exercise of powers. This collaboration aims to direct and coordinate actions related to various goals. These goals include improving access to clean, reliable, and affordable water supply, enhancing conservation and storage of water supplies to support communities during prolonged drought periods, advancing the sustainability and monitoring of groundwater basins, and fostering economic development by ensuring stable, long-term, sustainable water supplies for housing and businesses in underserved communities.

Pursuant to Section 2.2 of the Agreement, the purpose of the Authority includes, but is not limited to, the following objectives in connection with the Water Project:

- Review and approve the design, permitting and construction of project facilities in accordance with the Management Plan and such other requirements as may be adopted by the Authority;
- Operate and maintain the project facilities, either directly or through a facility operations agreement with FGMWC; and
- Ensure the extraction, conveyance, and delivery of water for the Water Project via project facilities is undertaken in accordance with the Management Plan.

The most recent amendment to the Agreement (Third Amendment), was done in order to assist in coordinating the duties and activities of the Authority with other governmental entities by extending membership of the Authority to ex-officio, non-voting, members that include cities, counties, and local government agencies (Government Entities). The Government Entities would need to be those whose boundaries include a member of the Authority of any beneficiary of project facilities, including, but not limited to, pipelines, pumping plans and infrastructure needed for the Water Project, as well as federally-recognized Indian tribes, non-profit organizations, Metropolitan Water District of Southern California and California Department of Water Resources. The addition of members from cities, counties, or local government agencies, will benefit the Authority as this will allow for the ability to apply for federal and state funding based on government participation.

Ex-officio members may join the Authority by executing a Joinder Agreement form and receiving a unanimous vote from the Authority's Board of Directors. After joining the Authority as an ex-officio member, the member is authorized to designate one representative, at its sole discretion, to attend and participate in the meetings of the Board of Directors of the Authority while serving as a non-voting Director.

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Ex-officio members are not responsible for the debts, liabilities, and obligations of the Authority, and none of the duties, responsibilities, or obligations of members as set forth in the Agreement apply to ex-officio members unless expressly indicated otherwise.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Jason Searles, Deputy County Counsel, 387-5455) on August 9, 2023; Finance (Erika Rodarte, 387-4919, and Stephanie Maldonado, 387-4378, Administrative Analysts) on August 14, 2023; and County Finance and Administration (Robert Saldana, Deputy Executive Officer, 387-5423) on August 14, 2023.

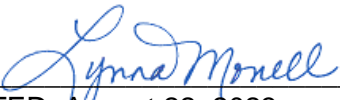
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Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

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

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: August 22, 2023



cc: CAO - Nottingham w/agree
Contractor - c/o CAO w/agree
File - w/agree w/attach
CCM 08/29/2023