



**SAN BERNARDINO
VALLEY** | A REGIONAL WATER
AGENCY SINCE 1954

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A REGIONAL WATER AGENCY
SINCE 1954

CALL TO ORDER

Regular Meeting of the Board of Directors

Tuesday, July 21, 2026



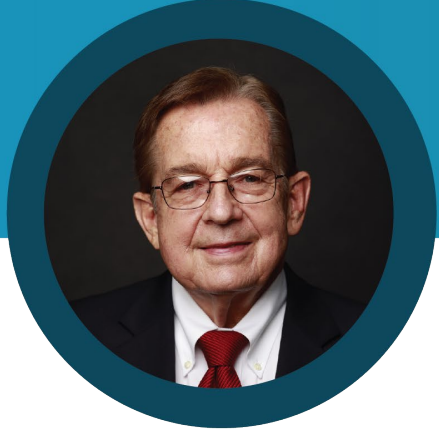
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Pledge of Allegiance



T. Milford Harrison
President



Gil J. Botello
Vice President



Susan Longville
Treasurer



Paul Kielhold
Director

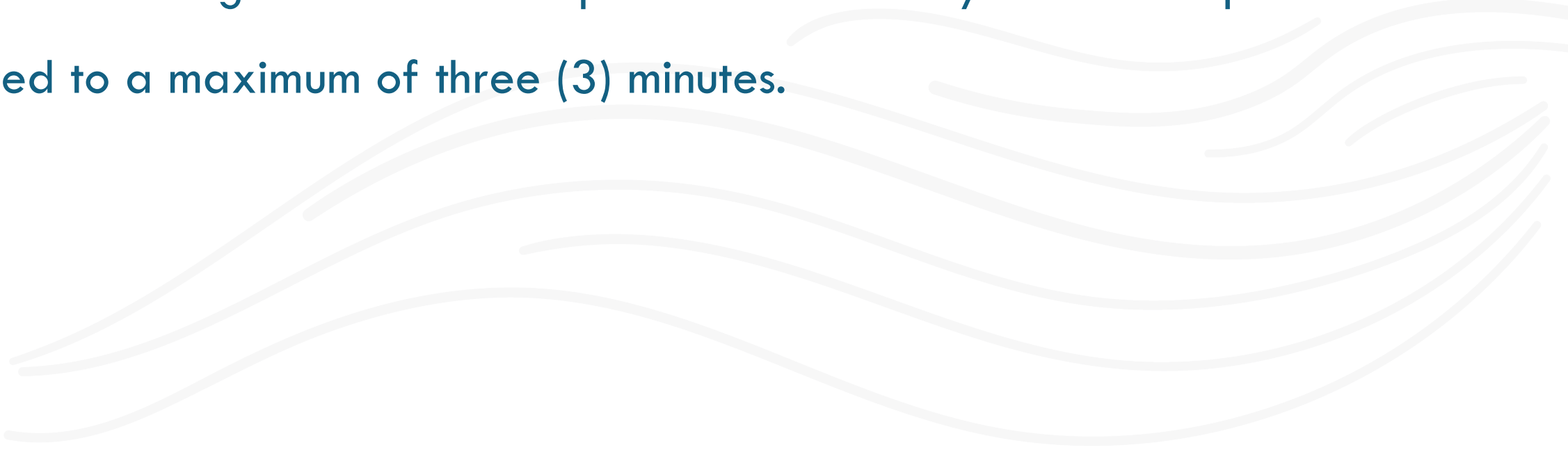


Jose Velasquez
Director

Roll Call

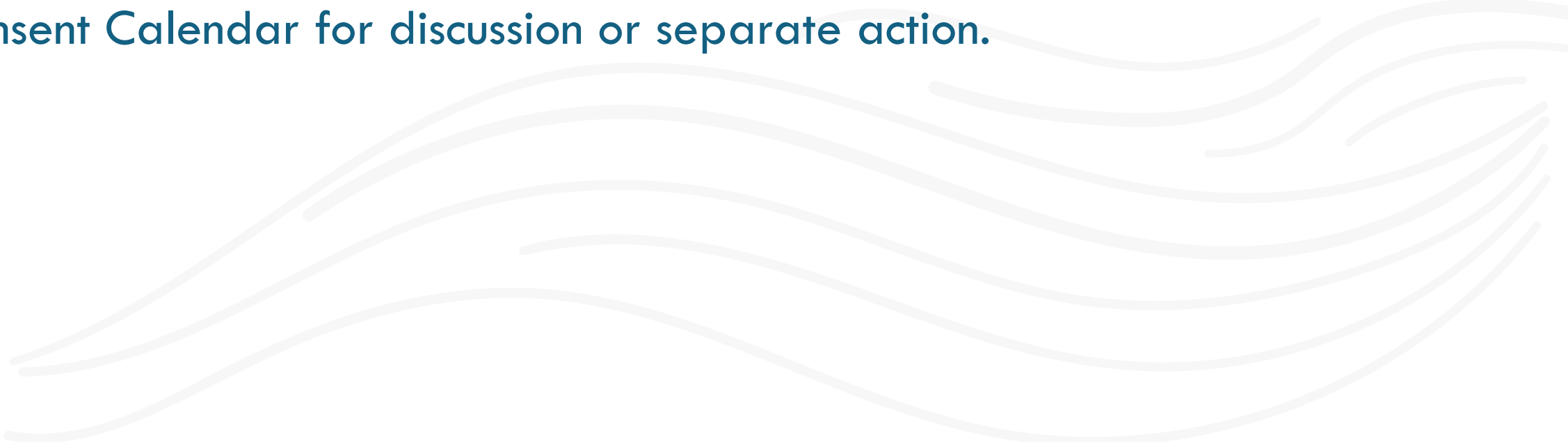
Public Comment

Members of the public may address the Board regarding any item within the subject matter jurisdiction of the Board; however, no action may be taken on off-agenda items except as authorized by law. Each speaker is limited to a maximum of three (3) minutes.

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Consent Calendar

All matters on the Consent Calendar may be approved by one motion. Any member of the Board of Directors may request an item be removed from the Consent Calendar for discussion or separate action.

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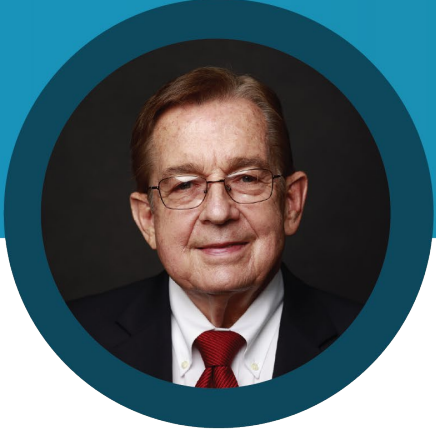
Consent Calendar 2.1-2.3

2.1 Approve Minutes of the Regular Board of Directors Meeting – General Fund Budget Workshop - June 25, 2026 (p. 4)

2.2 Approve Minutes of the Board of Directors Special Meeting – Policy/Administration workshop – July 2, 2026 (p. 10)

2.3 Approve Minutes of the Regular Board of Directors Meeting – July 7, 2026 (p.14)

BOARD MOTION & ROLL CALL VOTE



T. Milford Harrison
President



Gil J. Botello
Vice President



Susan Longville
Treasurer



Paul Kielhold
Director



Jose Velasquez
Director

Staff Recommendation:

Approve Consent Calendar items 2.1-2.3.

Discussion and Possible Action Items





Discussion Item 3.1 (pg. 21)

Heather Dyer – Chief Executive Officer/General Manager

Cindy Saks, CPA – Chief Financial Officer/Deputy General Manager

Greg Woodside, PG, C.H.g – Chief of Planning and Watershed Resilience

Consider Adopting the Fiscal Year 2026-2027 State Water Contract Fund Budget and
Setting the Ad Valorem Property Tax Rate for Fiscal Year 2026-2027

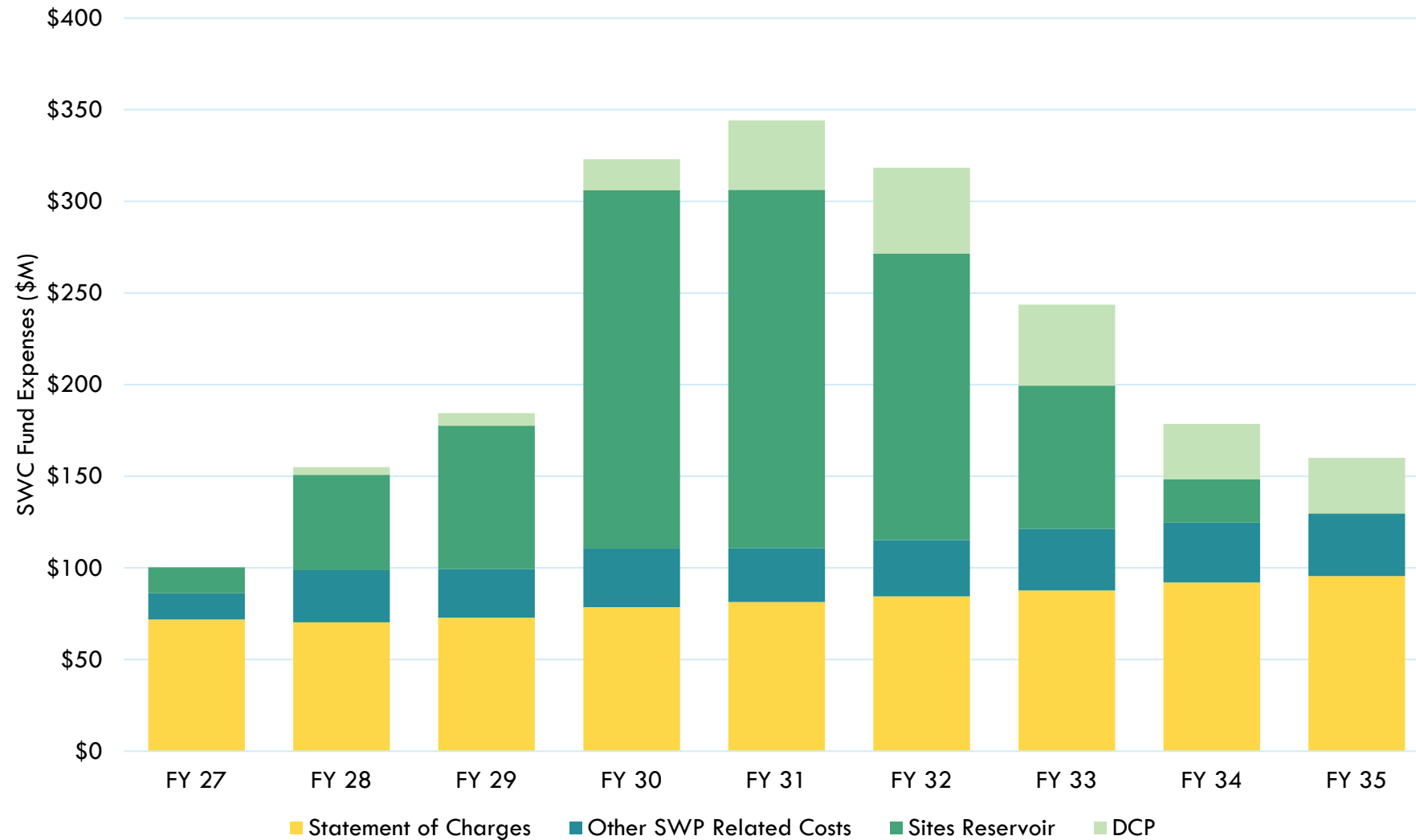
Recap of July 14 Workshop Presentation

- State Water Project (SWP) is operated by the Department of Water Resources (DWR)
- The system is financed primarily through long-term contracts with 29 public water agencies (contractors) who pay all capital and maintenance costs
- Staff laid out current and projected cost obligations under the State Water Contract (SWC) and considerations in setting the 2026/27 property tax rate
 - Like a retail water system, most charges are fixed irrespective of the amount of water allocated/delivered by DWR

Today's Board Consideration

- Adopt the Proposed Fiscal Year 2026-2027 State Water Contract (SWC) Fund Budget estimates to authorize up to \$100.3 million in expenditures from the Fund (Attachment 1)
- Determine the property tax rate and adopt a resolution (Attachment 2) for the new rate
 - The resolution is due to the County of San Bernardino on July 24 and County of Riverside by August 3

San Bernardino Valley Estimated Future SWC Fund Expenditures

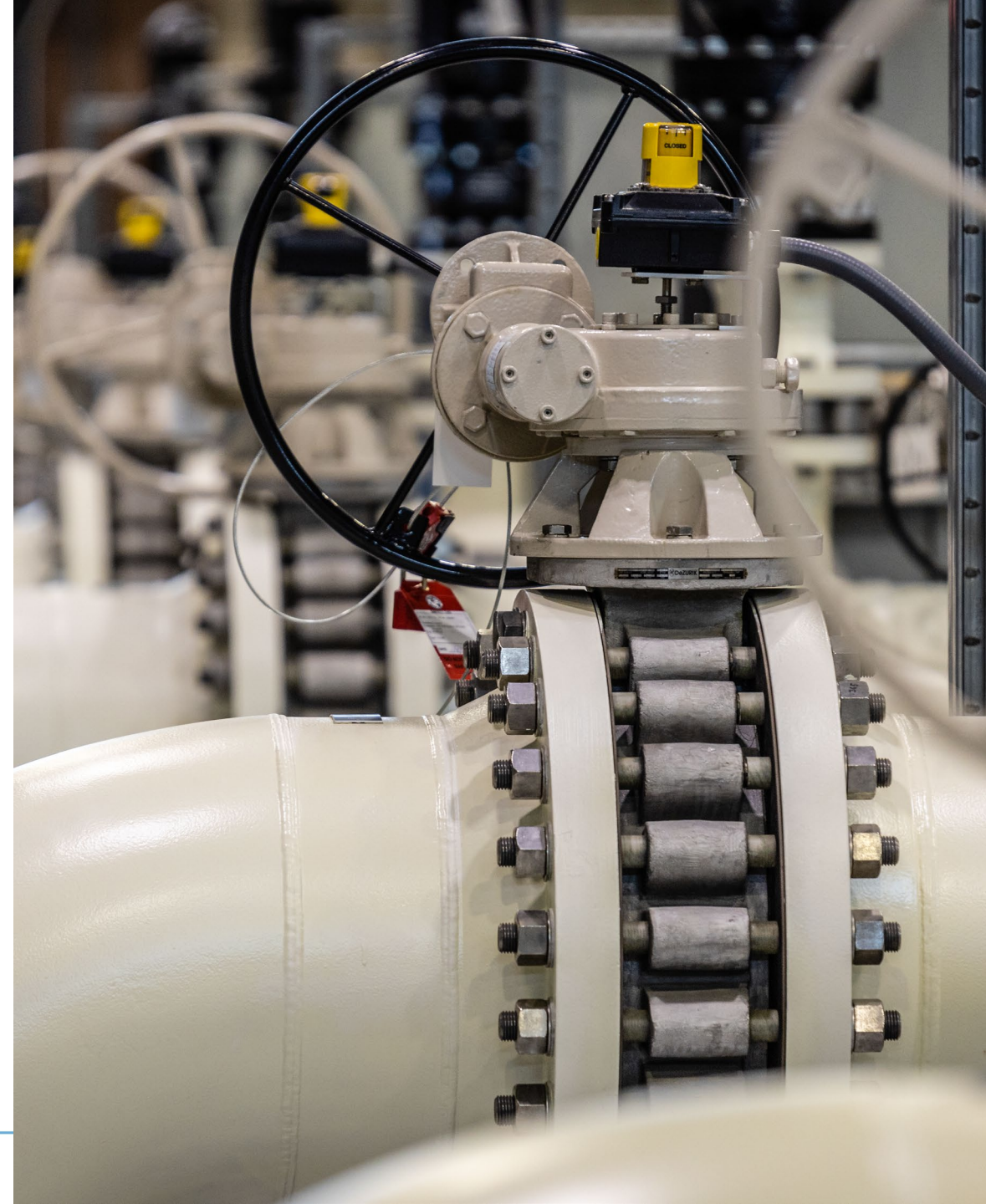


Estimated SWC Costs Billed Through Statement of Charges for FY 2026-2027 and FY 2027-2028

Cost Category	FY 2026-2027 (millions)	FY 2027-2028 (millions)
SWP Variable Charge	\$11.8	\$15.9
SWP Fixed Charge	\$44.3	\$35.6
East Branch Extension Debt	\$15.6	\$18.8
SWP Facility Costs	\$0.0	\$14.1
Sites Reservoir	\$14.2	\$52.1
Delta Conveyance Project	\$0.0	\$4.2
Total SWC Cost Estimate	\$85.9	\$140.7

Reflecting the New Reserve Policy in the Tax Rate

- Adopted July 7, 2026
- Established range targets for reserve funds
- Aligns with expected costs
- Best use of the existing reserves in combination with setting tax rate
- Addresses need to prepare for catastrophic/ high impact events

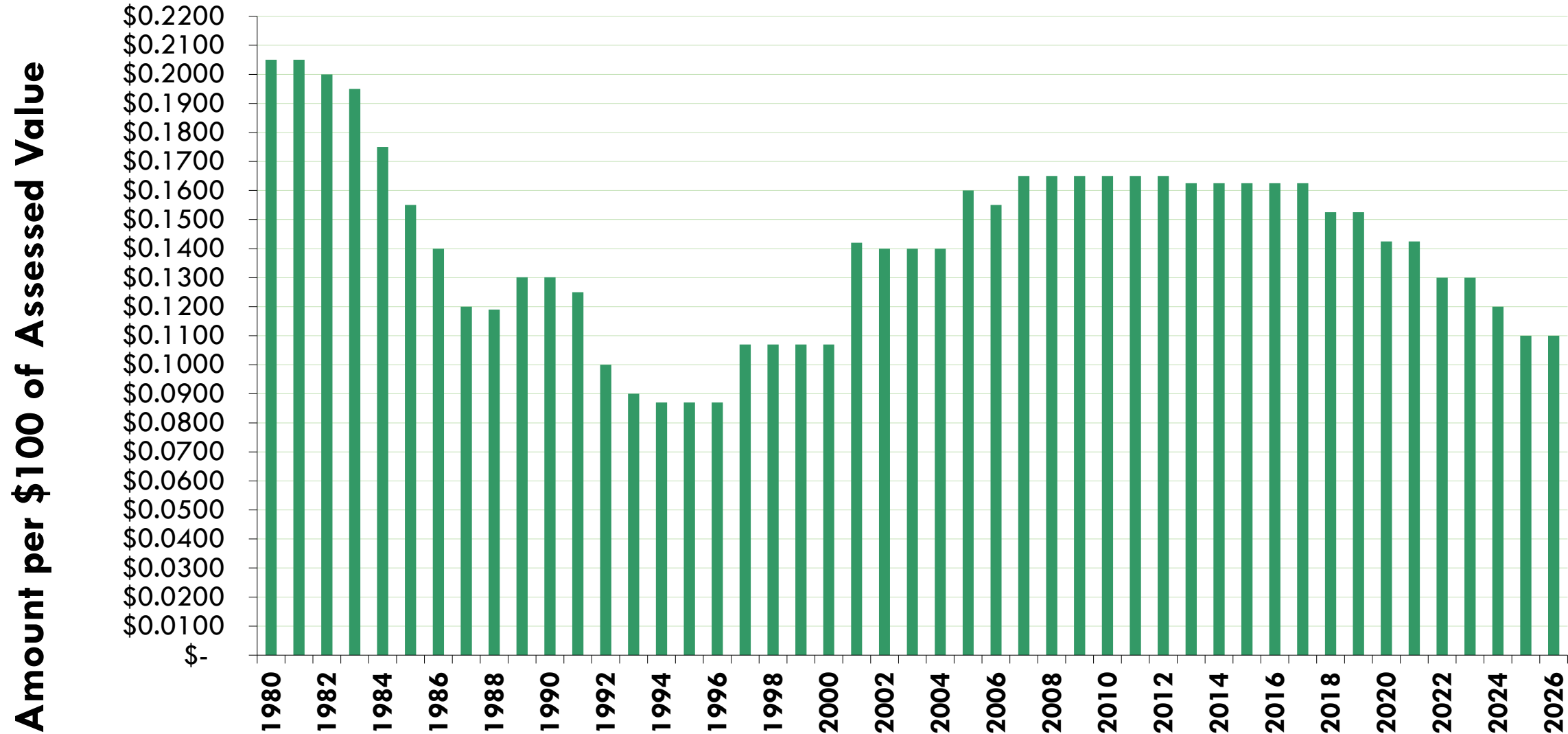


2027 Reserve Policy: State Water Contract Fund

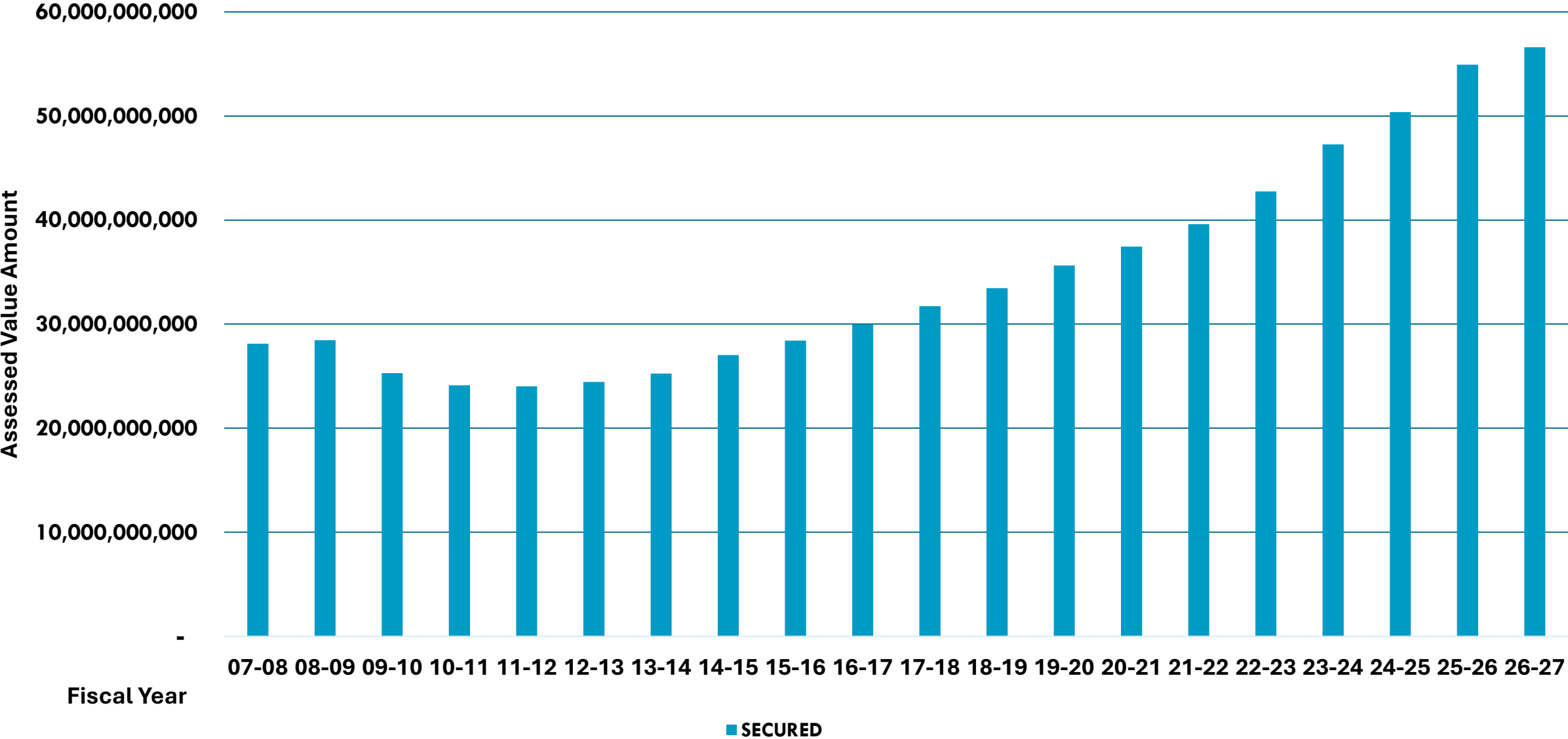
Category	Reserve Minimum	Reserve Target
1. State Water Contract Restricted Operating Reserve	1 year of State Water Contract (SWC) statement of charges	2 years of State Water Contract costs
2. State Water Contract Catastrophic Risk and Emergency Reserve	1 year of cost of purchasing replacement water supplies to meet retail customer water treatment plant demands as determined by the Agency	2 years of cost of purchasing replacement water supplies to meet retail customer direct delivery needs as determined by the Agency
3. State Water Contract Restricted Capital Project Reserve	Determined based on anticipated SWC capital projects and project timelines that will be annually reviewed by the Agency	Approximately 100% of next 2 years SWC CIP projections (including the current fiscal year's expenses)

SWC Property Tax Rate History

San Bernardino Valley Municipal Water District Tax Rate By Year

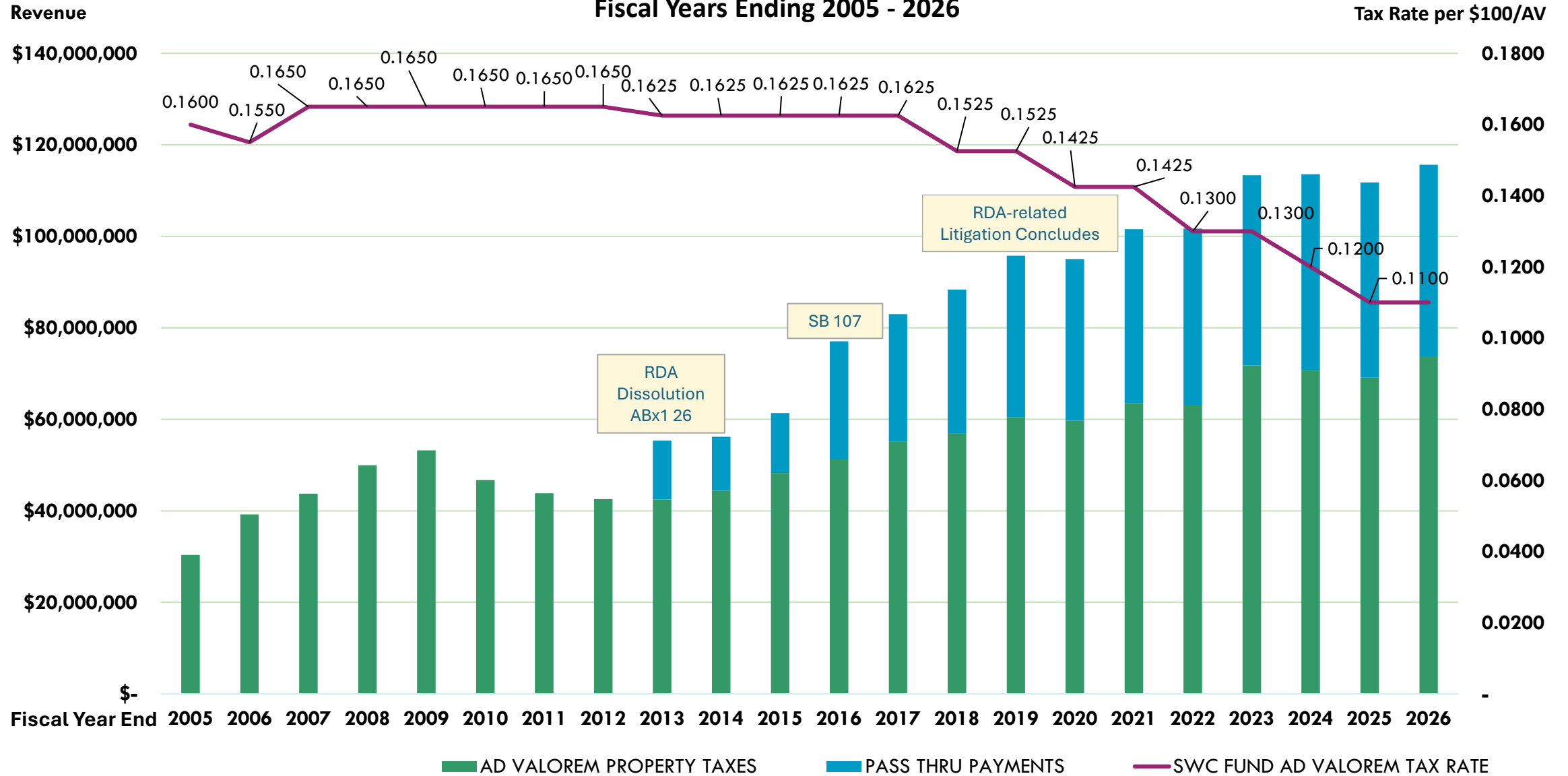


San Bernardino Valley Municipal Water District
San Bernardino County Secured
Assessed Values



San Bernardino Valley Municipal Water District State Water Contract Fund Ad Valorem Property Tax and Pass Through Payments Revenue and Tax Rate per \$100 of Assessed Value

Fiscal Years Ending 2005 - 2026



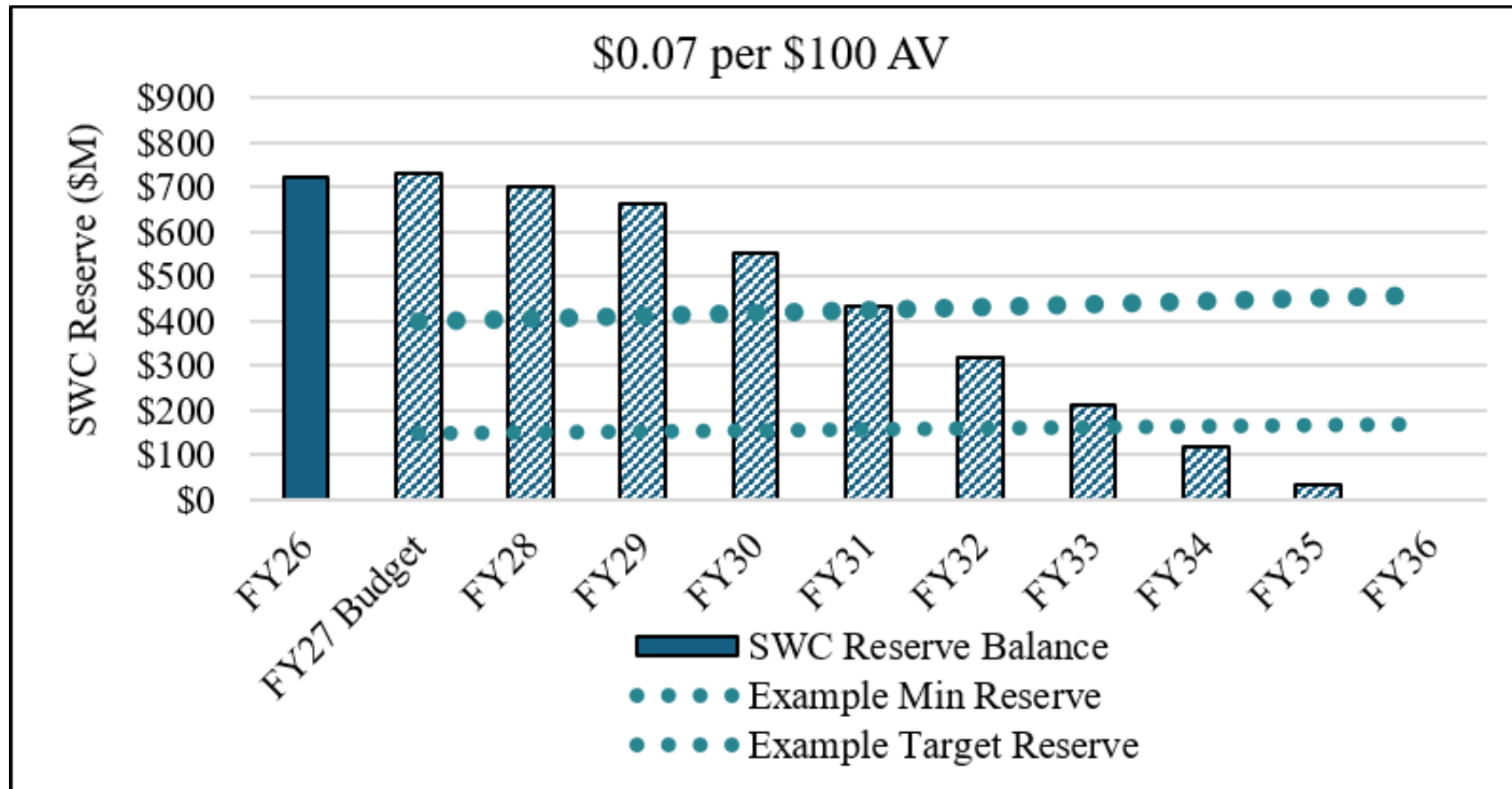
Tax Rate Options

FY 2026-2027 Revenue and Estimated Reserve Effects of Alternative Tax Rates

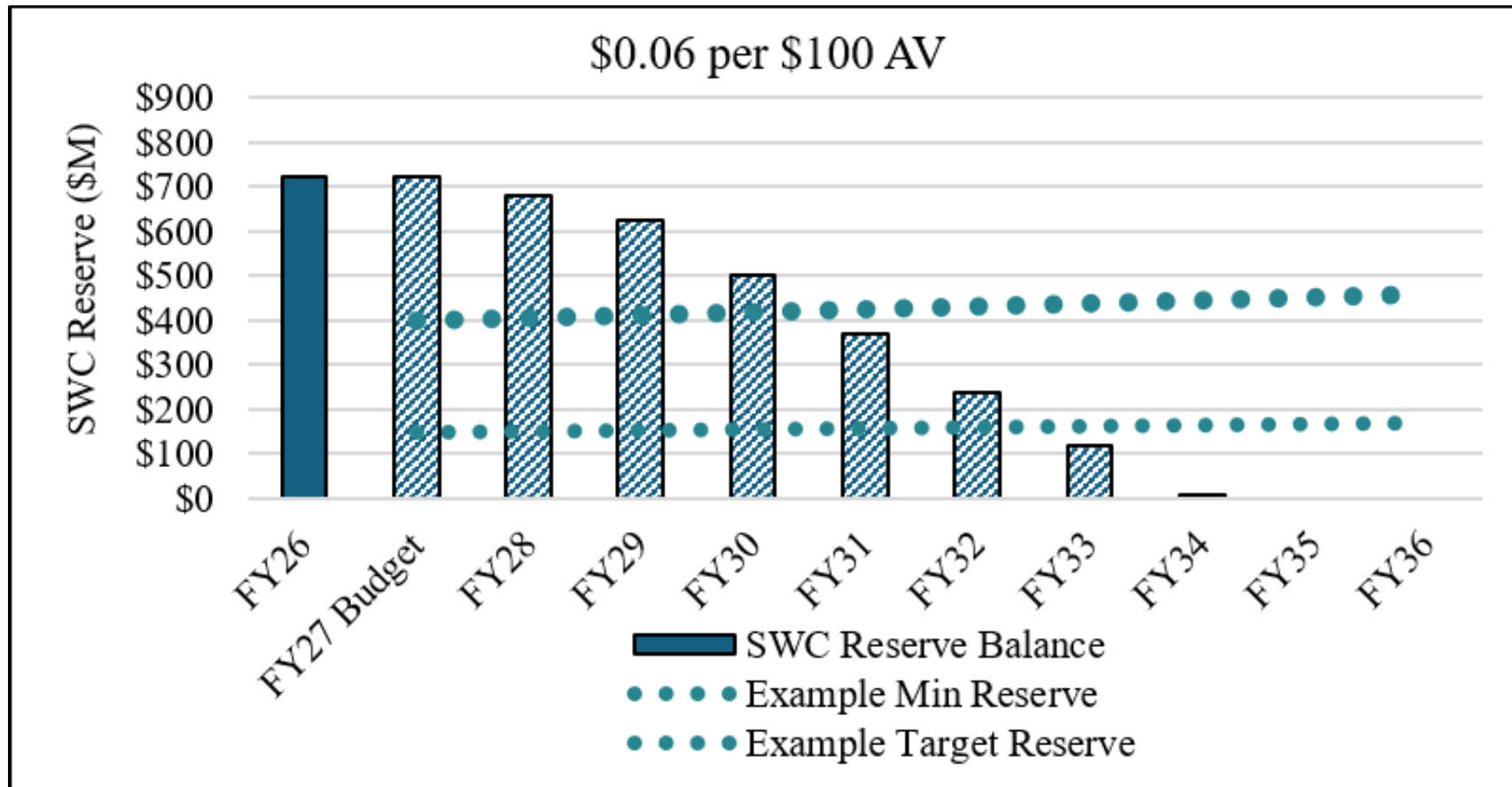
Tax Rate	Estimated Property Tax Revenue (millions)	Estimated FY 2027 EOY Reserve (millions)	Estimated Reserve Change (millions)
\$0.08	\$87.0	\$743.8	\$19.9
\$0.07	\$76.1	\$733.0	\$9.1
\$0.06	\$65.3	\$722.1	(\$1.8)
\$0.05	\$54.4	\$711.2	(\$12.7)
\$0.04	\$43.5	\$700.3	(\$23.6)

Expenditures cover SWC obligations

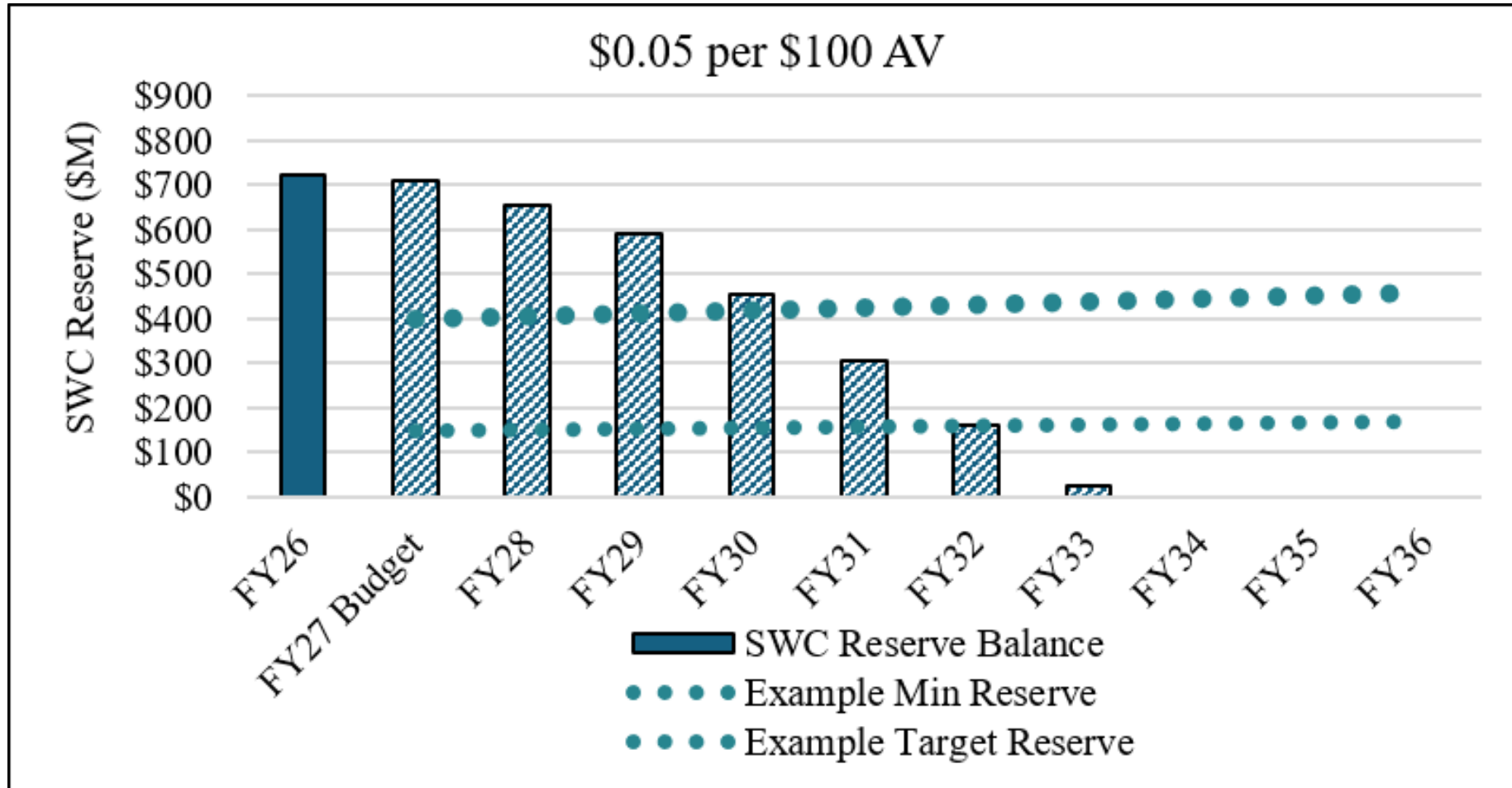
Projected SWC Fund Reserves at \$0.07 per \$100 of Assessed Value



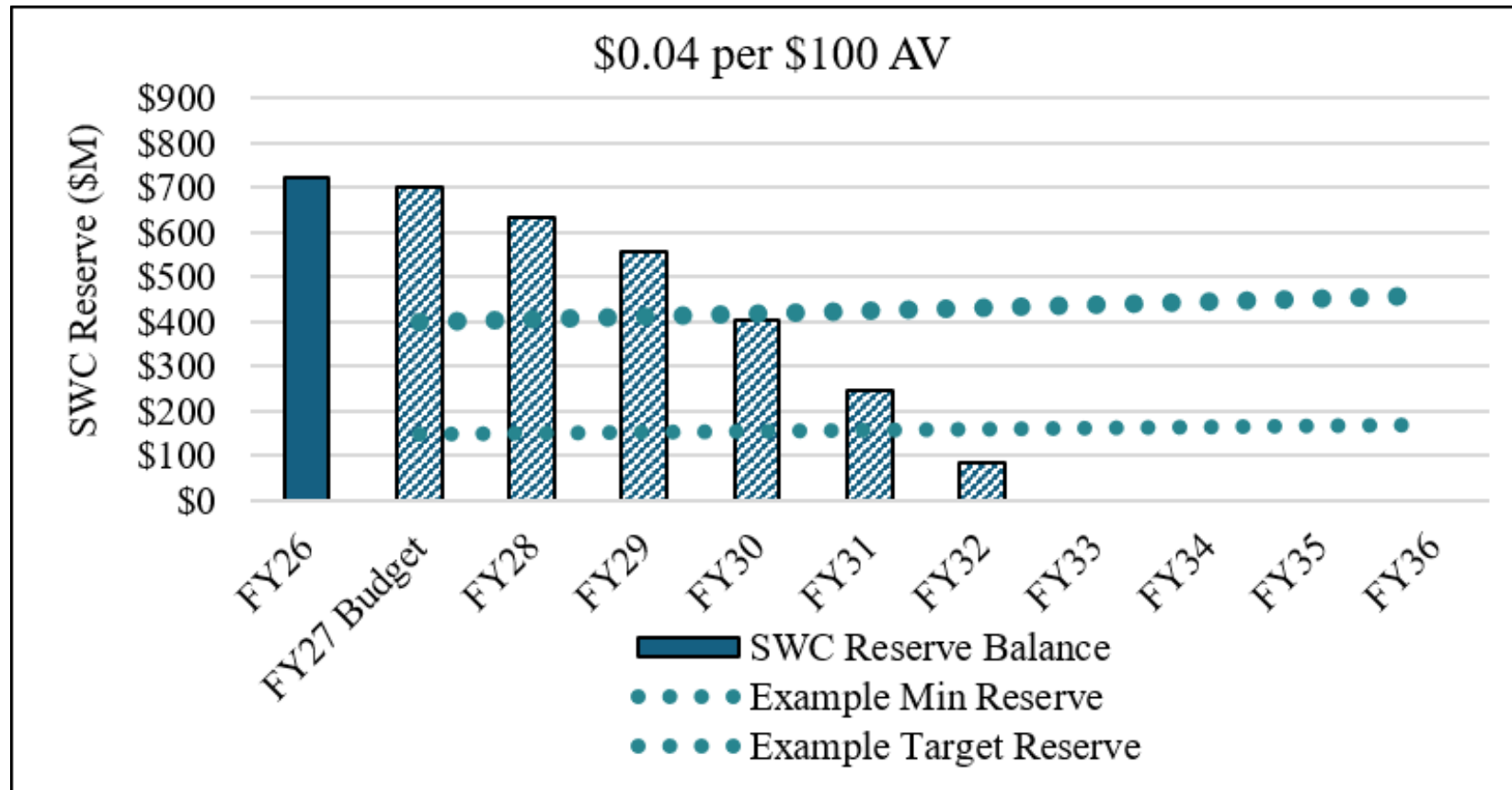
Projected SWC Fund Reserves at \$0.06 per \$100 of Assessed Value



Projected SWC Fund Reserves at \$0.05 per \$100 of Assessed Value



Projected SWC Fund Reserves at \$0.04 per \$100 of Assessed Value



Next Steps

1. Review and consider adoption of the Budget Estimates, with a not to exceed amount
2. Adopt the property tax rate
3. Once adopted, staff will finalize the budget based on the Board's direction

SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT	
STATE WATER CONTRACT FUND	
PROPOSED FISCAL YEAR 2026-2027 BUDGET ESTIMATES	
	2026-2027 Estimate
ESTIMATED EXPENDITURES	
Capital Cost Component - Delta Water Charge	\$ 4,440,198.00
Capital Cost Component - Transportation Charge	\$ 3,551,627.00
Capital Cost Component - Power Debt Service	\$ 861,482.00
Minimum OMP& R Component - Delta Water Charge	\$ 5,592,514.00
Minimum OMP& R Component - Transportation Charge	\$ 26,535,100.00
Variable Charge for Energy	\$ 11,832,000.00
Water System Revenue Bond	\$ 2,534,870.00
Off Aqueduct Power Facilities Variable Cost	\$ 43,542.00
East Branch Enlargement - Minimum OMP&R	\$ 383,128.00
East Branch Extension	\$ 15,642,661.00
Tehachapi 2nd Afterbay	\$ 393,095.00
Sites Reservoir Project	\$ 14,180,000.00
SWP Delivery Turnouts and Water Treatment	\$ 13,800,000.00
Legal/Financial Advisory Fee	\$ 150,000.00
Audit Fees	\$ 45,000.00
State Water Contractor Fees	\$ 350,000.00
TOTAL SWC EXPENDITURES	\$ 100,335,217.00
ESTIMATED REVENUE	
Investment Income/Interest Earnings	\$ 25,000,000.00
Return of DWR Debt Service Reserves/Bond Cover	\$ 8,300,000.00
TOTAL NON-TAX REVENUE	\$ 33,300,000.00
Property Taxes	TBD (based on tax rate)
TOTAL PROPERTY TAX REVENUE	TBD (based on tax rate)
TOTAL SWC REVENUE	TBD (based on tax rate)
NET REVENUE OVER EXPENDITURES	TBD (based on tax rate)

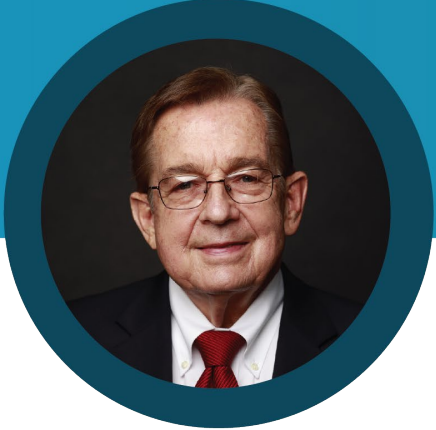
Summary of FY 2026-2027 Revenue and Estimated Reserve Effects of Alternative Tax Rates

Estimated FY 2027 Expenditures: \$100.3 million

<i>FY 2027 Estimates (\$ In Millions)</i>				
Tax Rate	Property Tax Revenue	Other Revenue*	Total SWC Revenue	Net Amount to/from Cash Reserves
\$0.08	\$87.0	\$33.3	\$120.3	\$19.9
\$0.07	\$76.1	\$33.3	\$109.4	\$9.1
\$0.06	\$65.3	\$33.3	\$98.6	(\$1.8)
\$0.05	\$54.4	\$33.3	\$87.7	(\$12.7)
\$0.04	\$43.5	\$33.3	\$76.8	(\$23.6)

* Investment Income and Bond Cover Refunds

BOARD MOTION & ROLL CALL VOTE



T. Milford Harrison
President



Gil J. Botello
Vice President



Susan Longville
Treasurer



Paul Kielhold
Director



Jose Velasquez
Director

Staff Recommendation:

That the Board of Directors consider adopting the Fiscal Year 2026-2027 State Water Contract Fund Budget in the amount not-to-exceed \$100,335,217 in expenditures; determine an ad valorem property tax rate for Fiscal Year (“FY”) 2026-2027; and adopt Resolution No. 1205 establishing the selected rate

Reports 4.1 (pg.56)

Directors' Report of Activities and Travel Requests in
accordance with Resolution 1100

Reports 4.2

General Counsel Report



Reports 4.3

SAWPA Meeting Report







Reports 4.4 (pg. 62)

Sayer Pinto, MBA – Principal Water Resources Analyst

Water Delivery Report



DATE: July 21, 2026
TO: Board of Directors
FROM: Sayer Pinto, Principal Water Resources Analyst
SUBJECT: Water Delivery Report

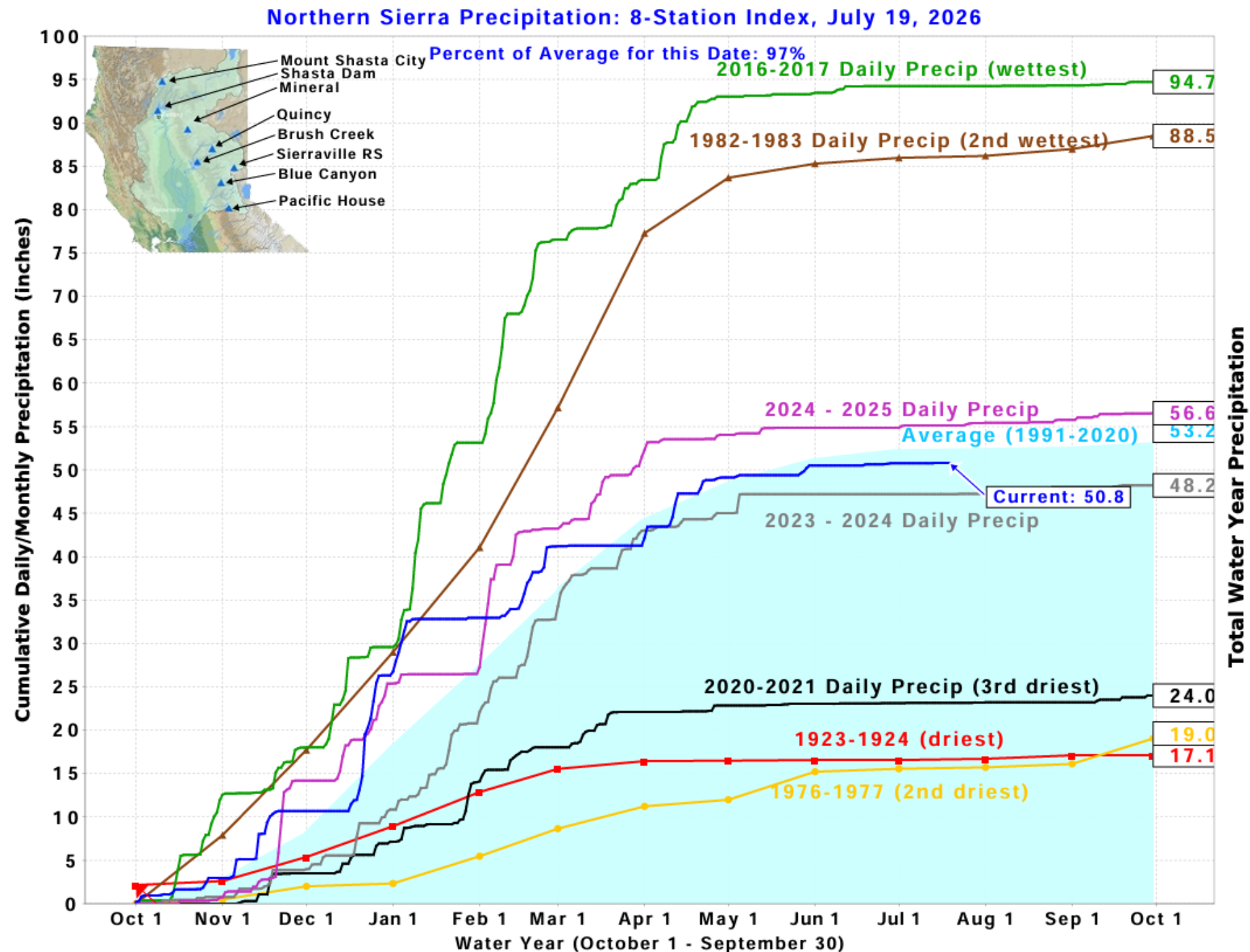
The following amounts of water were delivered by San Bernardino Valley Municipal Water District:
(in acre-ft)

	JUN	Year to Date
State Water Project	3,308	10,953
Groundwater		
Baseline Feeder Wells	636	2,332
San Bernardino Avenue Well	0	0
Santa Ana River Diversions	1,361	7,878

Northern Sierra Precipitation

As of July 19, 2026, the Northern Sierra 8-Station Index has measured an average of **50.8** inches of precipitation.

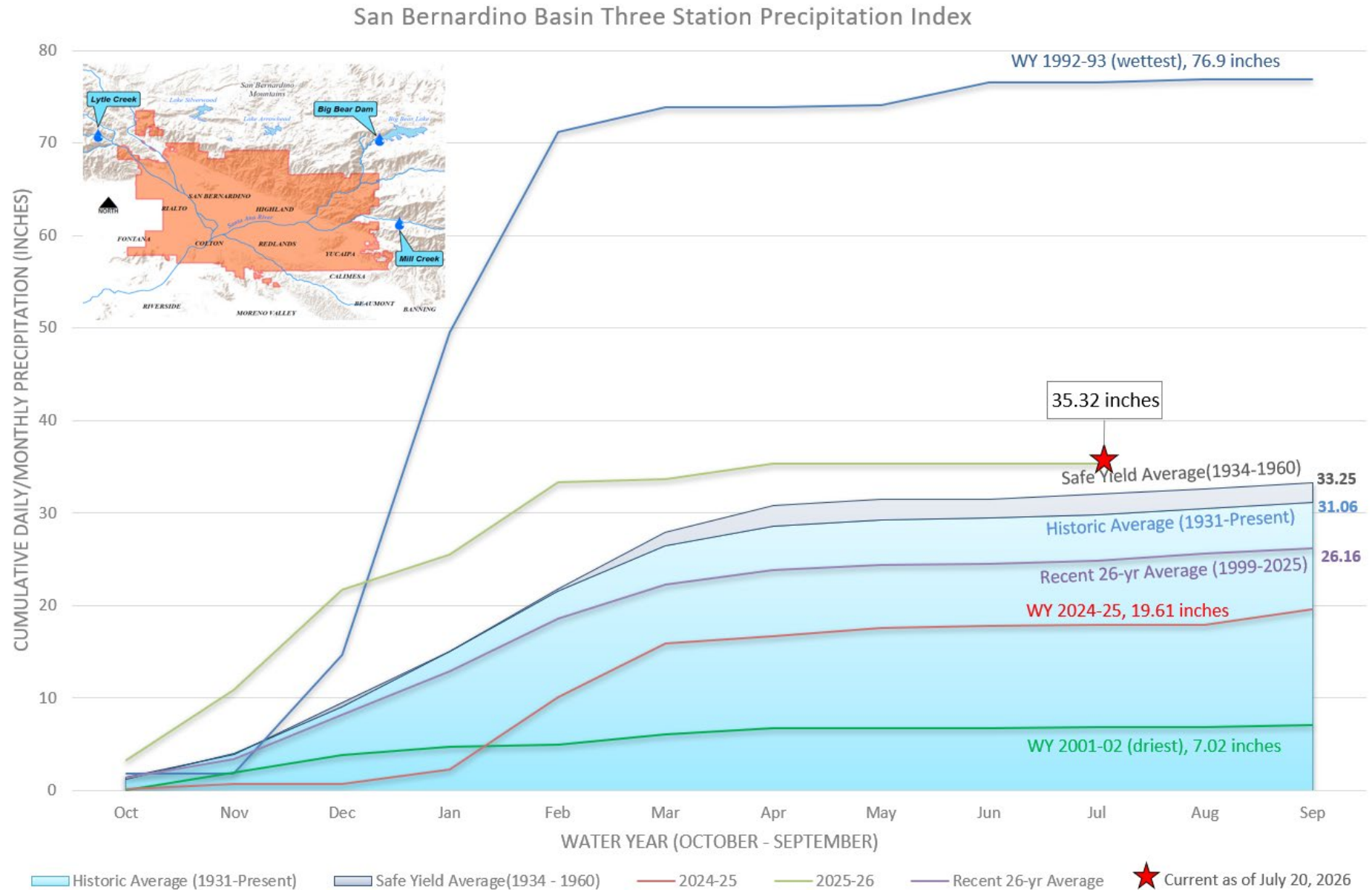
To reach the Water Year average (53.2 inches), the Index will need to measure **2.4** inches of precipitation.



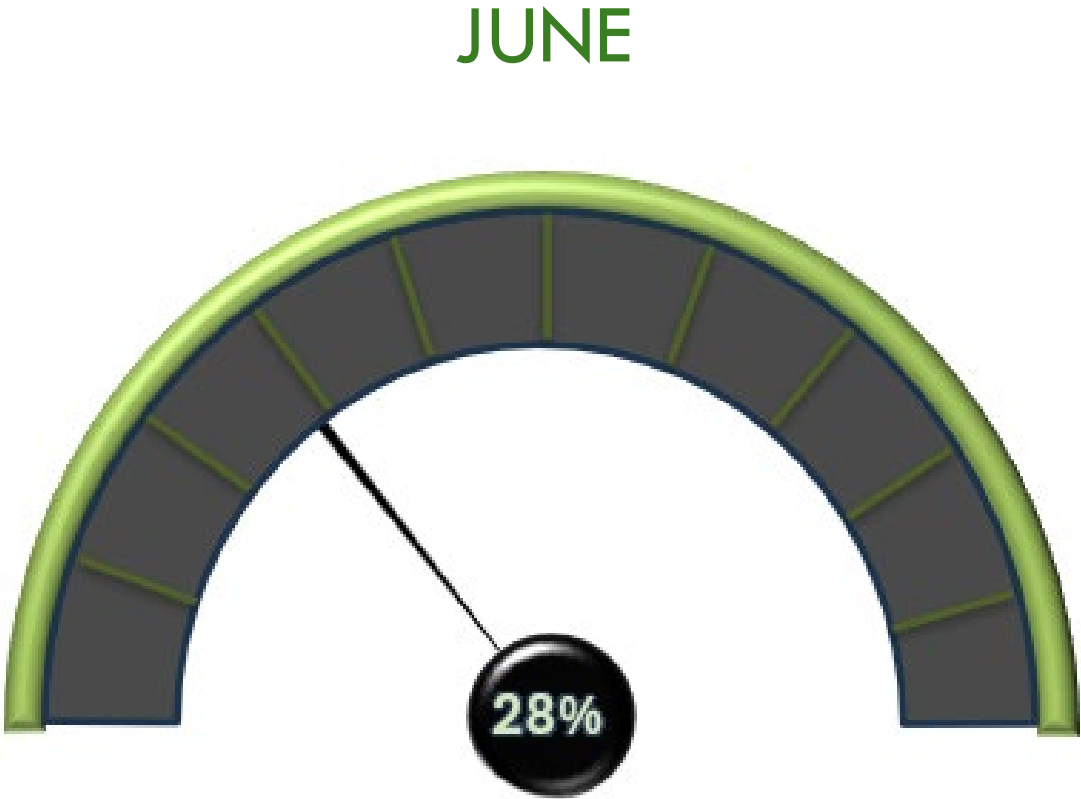
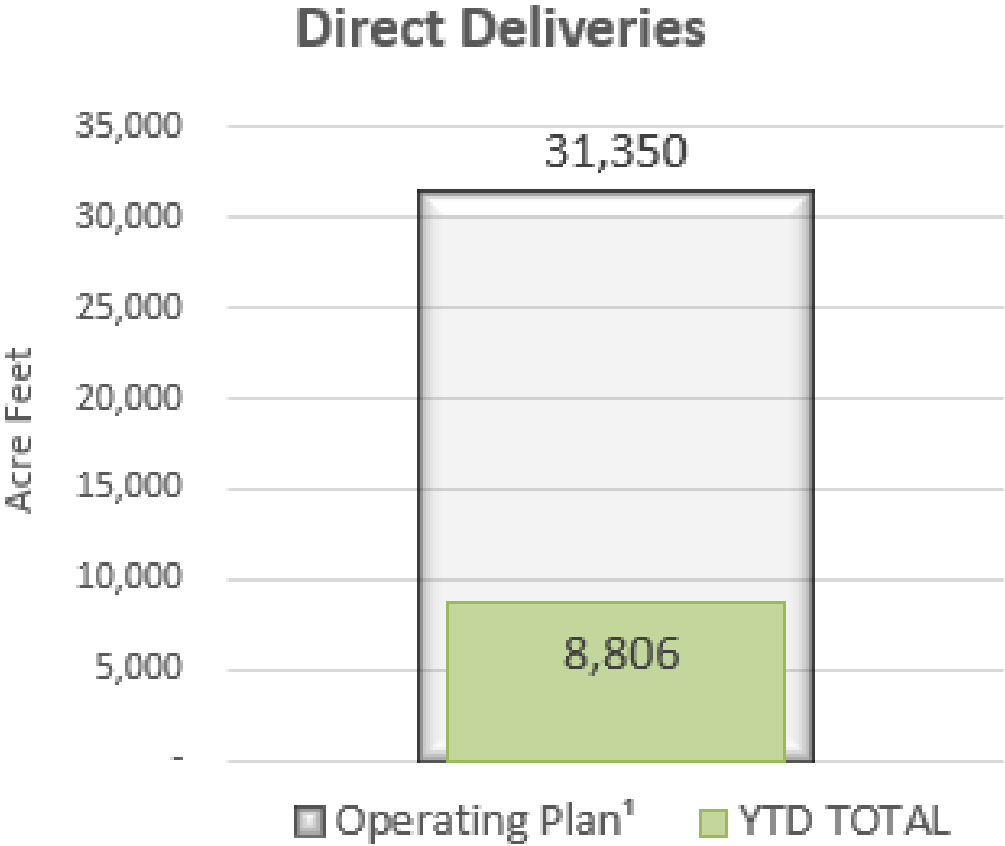
Local Precipitation

As of July 20, 2026, the San Bernardino 3-Station Index has measured an average of **35.32** inches of precipitation.

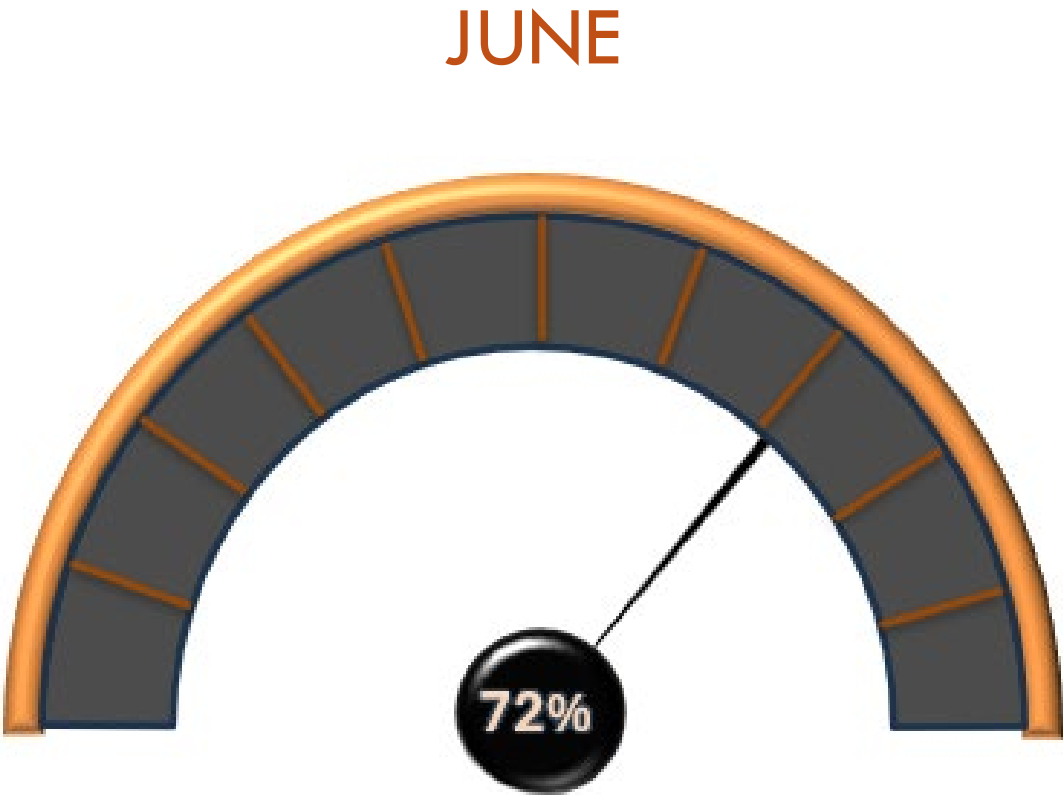
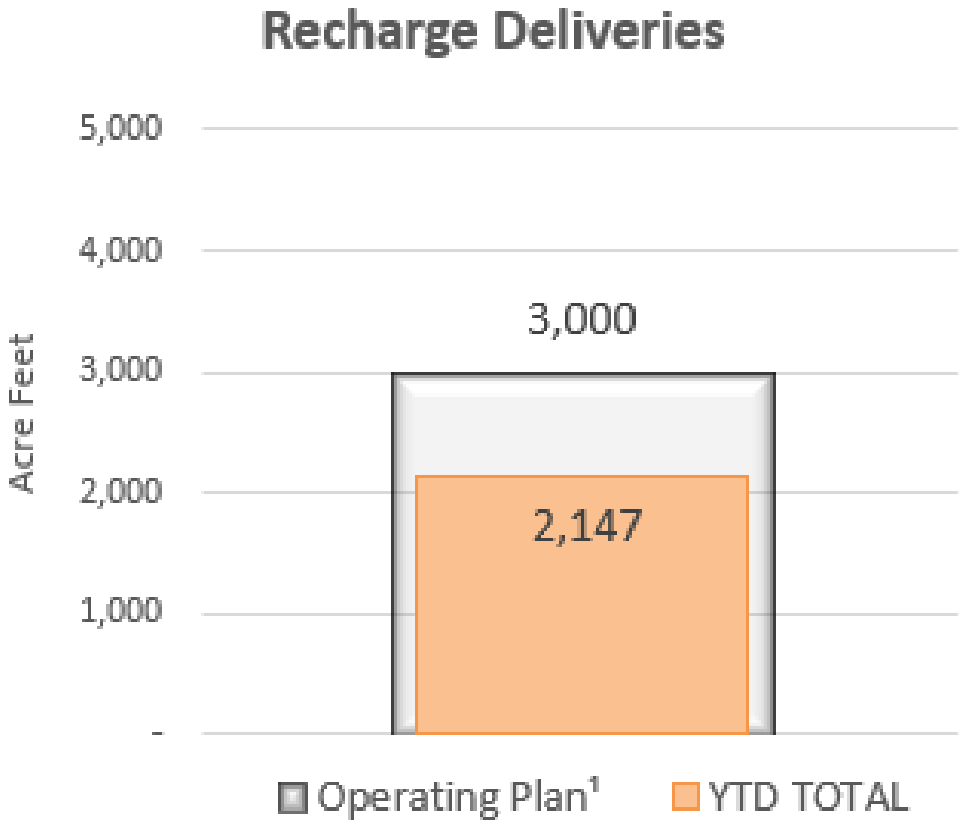
The Index has measured **4.26** inches of precipitation *above* the Historic Average.



Direct Deliveries



Recharge Deliveries



Water Resources Updates

- Water Resources and Operations Staff have had very productive discussions with the Department of Water Resources (DWR) regarding metering discrepancies. SBV and DWR teams are coordinating on a net-positive resolution.
- Water Resources and Operations Staff are re-evaluating the Operating Plan for Recharge to ensure SBV
 - can deliver new sources of water that may become available in the near future, and
 - will retain all the carry-over water stored in San Luis as DWR manages the reservoir levels.



Reports 4.5 (pg. 66)

Heather Dyer, MS, MBA – Chief Executive Officer/General Manager

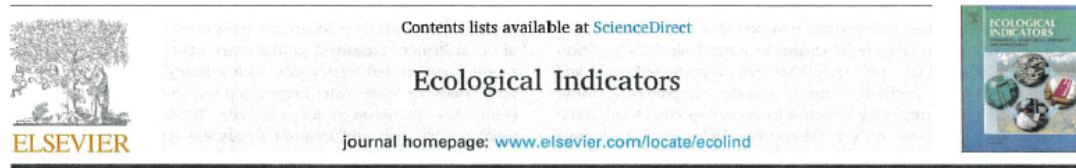
CEO/General Manager's Report

Anza Creek Larval Survey



Journal Publication

Ecological Indicators 186 (2026) 114835



Freshwater health in a highly urbanized semi-arid watershed: Assessing ecosystem vitality and ecosystem service delivery in the Santa Ana River watershed

Gary Qin^{a,*}, Kurt E. Anderson^a, Kai Palenscar^b, Helen M. Regan^a

^a Department of Evolution, Ecology, and Organismal Biology, University of California, Riverside, Riverside, California 92521, United States of America
^b San Bernardino Valley Municipal Water District, 380 East Vanderbilt Way, San Bernardino, California 92408, United States of America

ARTICLE INFO

Keywords:
Freshwater
Watershed
Mediterranean climate
Semi-arid
Assessment
Ecosystem health
Ecosystem service

ABSTRACT

Freshwater systems are biodiversity hotspots that provide ecosystem services vital to the well-being and livelihoods of billions of people. However, the multiple stressors they face from human activity threaten their ecological integrity. This study used the Santa Ana River Watershed (SARW) in Southern California as a case study of the challenges faced by freshwater systems in semi-arid, Mediterranean-climate regions. A baseline assessment of quantitative indicators spanning ecosystem vitality (EV) and ecosystem service (ES) delivery was conducted using the Freshwater Health Index to evaluate patterns between ecosystem condition and ecosystem service delivery. Composite scores were calculated from 16 sub-indicators across EV and ES, revealing an imbalance: EV scored 40/100, while ES scored 74/100. The low EV score reflected an extensively altered flow regime, impaired water quality for native freshwater species, disrupted connectivity, and threatened freshwater biodiversity. In contrast, the high ES score reflected a robust and diversified water portfolio that meets human needs and protects cultural and recreational sites, supported in part by engineered infrastructure and imported water supplies. These results indicate an imbalance between ecosystem condition and ecosystem service delivery, consistent with patterns observed in highly managed freshwater systems. As the first basin-wide application of the FHI in a highly urbanized semi-arid Mediterranean watershed, this study can inform follow-up within-basin assessments that incorporate climate change and management scenarios to support water management actions that promote freshwater health. More broadly, this study demonstrates how freshwater health assessments can be applied in highly urbanized, semi-arid Mediterranean watersheds facing environmental and water management challenges.

G. Qin et al.

Ecological Indicators 186 (2026) 114835

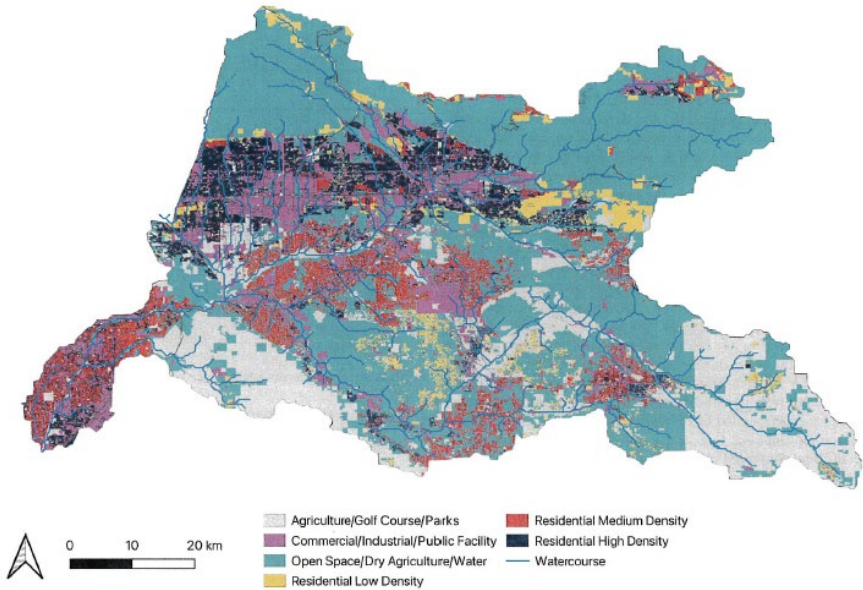
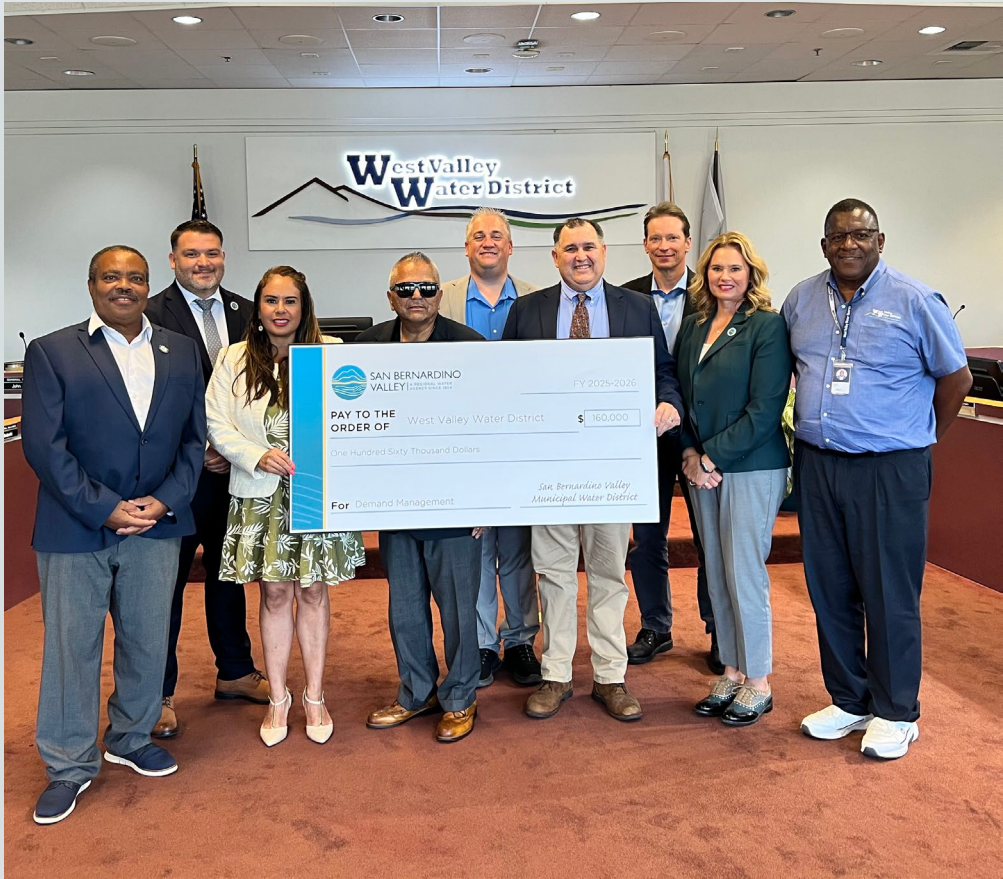


Fig. 3. Land use information in the Santa Ana River Watershed in southern California, USA.

History Video Recording



WVWD Demand Management Presentation



ACWA Region 9 Event



Future Business



Announcements 6.1 (pg.97)





Announcements

- **July 22 | 10:30 a.m. – Yucaipa Groundwater Sustainability Agency Board Meeting – Community Meeting**
Room at Yucaipa City Hall, 34272 Yucaipa Boulevard, Yucaipa
- **July 22 | 3:00 p.m. – SAWPA Strategic Plan Community Meeting - San Bernardino Valley Municipal Water**
District Boardroom, 380 E. Vanderbilt Way, San Bernardino
- **July 23 | 9:00 a.m. – Yucaipa Groundwater Sustainability Agency - Yucaipa Valley Regional Water**
Filtration Facility, 35477 Oak Glen Road, Yucaipa
- **August 4 | 8:30 a.m. – SAWPA PA 23 Committee Meeting by Teleconference or In-Person**
- **August 4 | 9:30 a.m. – SAWPA Commission Meeting by Teleconference or In Person**
- **August 4 | 10:30 a.m. – SAWPA PA 24 Committee Meeting by Teleconference or In-Person**
- **August 4 | 2:00 p.m. – Regular Board Meeting by Teleconference or In-Person**



Announcements

- **August 6 | 2:00 p.m. – Board of Directors’ Special Meeting - Policy/Administration Workshop by Teleconference or In-Person**
- **August 11 | 2:00 p.m. – Board of Directors’ Special Meeting - Resources/Engineering Workshop by Teleconference or In-Person**
- **August 12 | 1:30 p.m. – SBVW Conservation District Board Meeting**
- **August 14 | 8:00 a.m. – Building Industry Association Southern California Water Conference DoubleTree Hotel in Ontario, 222 N Vineyard Ave**
- **August 17 | 6:00 p.m. – ASBCSD dinner (Location: TBD)**
- **August 18 | 9:30 a.m. – SAWPA Commission Meeting by Teleconference or In Person**
- **August 18 | 2:00 p.m. – Regular Board Meeting by Teleconference or In-Person**

Closed Session

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7.1 CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED

LITIGATION: Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code section 54956.9 (one potential case)



A REGIONAL WATER AGENCY
SINCE 1954

Adjourn

