

Responses to the Draft Report
San Bernardino Valley Municipal
Water District

Attachment 7c

April 1, 2015

Kathleen Rollings-McDonald
Local Agency Formation Commission
215 North "D" Street, Suite 204
San Bernardino, CA 92415-0490
lafco@lafco.sbcounty.gov

Dear Kathleen,

We have reviewed the Local Agency Formation Commission's *Draft Staff Report - Service Review of Water Conservation in the Valley Region*, dated March 12, 2015, and offer the following comments for your consideration:

1. The table of recharge basins on page 47 is from the original *Upper Santa Ana River Watershed Integrated Regional Water Management Plan* (2007). The plan was recently updated and that Table 2-9 can be found on page 2-41 of the updated plan. The updated IRWMP is available on our website, <http://www.sbvmd.com/reports/reports/-folder-1057>. We support the recommended corrections to this table as presented in the comments from the San Bernardino Valley Water Conservation District.
2. Suggest revising the last paragraph of the "San Bernardino Basin Area" section on page 50 to: Groundwater storage in the San Bernardino Basin Area is currently 650,000 acre-feet lower than it was in the base year, 1934. This new, historic low storage level is about 78,000 acre-feet lower than the previous, historic low storage level recorded in 1965.
3. The Crafton Hills Reservoir Expansion project listed on page 52 is not a "recharge project" as stated on page 51.
4. Suggest this revised text for the Enhanced Recharge project on page 51: The Enhanced Recharge in Santa Ana River Basins is a joint project with the Western Municipal Water District, Riverside Public Utilities and San Bernardino Valley Water Conservation District. The first phase involves construction of intake improvements, a sedimentation basin, new canal, 96-inch diameter pipeline and new recharge ponds. The second phase involves construction of additional 96-inch diameter pipeline to connect to the Metropolitan Water District of Southern California 12-foot diameter Inland Feeder Pipeline. Phase 1 is currently in process and is expected to cost \$35 million. Overall, this project is expected to capture and recharge an average of 12,000 acre-feet per year.

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5. We have consulted the District's legal counsel who has advised us that there is no requirement in the California Constitution for Municipal Water Districts to have an independent auditor review the Gann Appropriations limit. The only reference that he found was a recommendation prepared by the California League of Cities which is not a part of California law. For this reason, we ask that you provide the legal basis for this requirement or that you remove the multiple references to this requirement from the report.

6. Suggest this revised text under the title of OPEB Payments on page 80: The Other-Post Employment Benefits (OPEB) Payments indicator below monitors whether an agency is able to pay or is paying the amount required to fund the OPEB system as determined by its actuary. It is calculated by dividing OPEB payments by OPEB annual cost. IEUA, MUNI, and SB Valley WCD provide OPEB to its retired employees, although at varying benefits and costs. For example, for employees hired before April 19, 2011, MUNI pays the cost of the monthly medical and dental insurance premiums for retired employees and their dependents who have reached at least age 50 with a minimum of 10 years of service. For employees hired after April 19, 2011 who have reached the age of 60 with a minimum of 15 years of service, MUNI will pay the cost of monthly medical and dental insurance premiums for retired employees and their dependents, until the retired employee reaches the age of Medicare eligibility.

7. Suggest including the District's Appropriation Limit on page 93, second paragraph to MUNI limit is \$24,215,427.

Thank you for the opportunity to provide comments on this draft staff report. Please call me directly at (909) 387-9226 if you would like to discuss further.

Sincerely,



Douglas D. Headrick
General Manager & Chief Engineer