CLOSED SESSION 6:00PM- OPEN SESSION 6:30PM

"In order to comply with legal requirements for posting of agendas, only those items filed with the District Secretary's office by noon, on Wednesday prior to the following Thursday meeting, not requiring departmental investigation, will be considered by the Board of Directors."

OPENING CEREMONIES

Pledge of Allegiance
Opening Prayer
Call to Order
Roll Call of Board Members

ADOPT AGENDA

PUBLIC PARTICIPATION

Any person wishing to speak to the Board of Directors on matters listed or not listed on the agenda, within its jurisdiction, is asked to complete a Speaker Card and submit it to the District Clerk. Each speaker is limited to three (3) minutes. Under the State of California Brown Act, the Board of Directors is prohibited from discussing or taking action on any item not listed on the posted agenda. Comments related to noticed Public Hearing(s) and Business Matters will be heard during the occurrence of the item.
CONSENT CALENDAR

All matters listed under the Consent Calendar are considered routine and will be enacted by one vote. There will be no separate discussion of these items unless a member of the Board of Directors, Staff Member, or any member of the public request a specific item(s) be removed for separate action.

Consideration of:

1. New Committee Appointments.

2. Consider a Notice of Completion for Installation of Granular Activated Carbon Vessels.

BUSINESS MATTERS

Consideration of:

1. Approval of First Amendment to Agreement for Delivery of Supplemental Water.

2. Authorize signatures changes at various financial institutions.

3. Payment to LARSON O' BRIEN, LLP for Legal Services rendered November 30, 2017; $3,645.92.

4. Adoption of Resolution No. 2018-1: A RESOLUTION OF THE BOARD OF DIRECTORS OF THE WEST VALLEY WATER DISTRICT, AUTHORIZING SIGNATURE CARD CHANGES FOR LOCAL AGENCY INVESTMENT FUND

5. Adoption of Resolution No. 2018-2: A RESOLUTION OF THE BOARD OF DIRECTORS OF THE WEST VALLEY WATER DISTRICT, AUTHORIZING SIGNATURE CARD CHANGES - J.P MORGAN CHASE BANK

6. Adoption of Resolution No. 2018-3: A RESOLUTION OF THE BOARD OF DIRECTORS OF THE WEST VALLEY WATER DISTRICT, AUTHORIZING SIGNATURE CARD CHANGES FOR CalTrust

7. Adoption of Resolution No. 2018-4: A RESOLUTION OF THE BOARD OF DIRECTORS OF THE WEST VALLEY WATER DISTRICT, AUTHORIZING SIGNATURE CARD CHANGES FOR BANK OF HOPE
REPORTS - LIMITED TO 5 MINUTES MAXIMUM (Presentations or handouts must be provided to Board Members in advance of the Board Meeting).

1. Board Members
2. Legal Counsel
3. Interim General Manager
4. Staff Reports
   - 1,107 Days Without a "Lost Time" Claim

CLOSED SESSION

1. DISCUSSION OF CLOSED SESSION: Special Meeting November 29, 2017

2. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - Pursuant to Government Code Section 54956.9(a): Southern California Edison v. Fontana I Medical Properties, et al; San Bernardino County Superior Court Case No. CIVDS1621129.

3. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - Pursuant to Government Code Section 54956.9(a): San Bernardino Valley Municipal Water District, et al., v San Gabriel Valley Company, et al; San Bernardino County Superior Court Case No. CIVDS1311085 / Fourth District Court of Appeal Division Two, Case No. E063180.

4. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - Pursuant to Government Code Section 54956.9(a): Suzanne Cook v. West Valley Water District & Clifford O. Young; San Bernardino County Superior Court Case No. CIVDS1713213

5. CONFERENCE WITH LEGAL COUNSEL – THREATENED LITIGATION – Pursuant to Government Code Section 54956.9(b) (1): Matthew Litchfield v. Clifford O. Young, Sr. and West Valley Water District.

6. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - Pursuant to Government Code Section 54956.9(a): EEOC Complaint, Kenny Hernandez, Case Number 480-2017-00835

7. CONFERENCE WITH LEGAL COUNSEL - POTENTIAL LITIGATION - Pursuant to Government Code Section 54956.9(b): EEOC Complaint, Shanae Smith, Case Number 480-2017-00219

8. CONFERENCE WITH LEGAL COUNSEL - Pursuant to Government Code Section 54946: Public Employee Discipline/Dismissal/Release, Title(s): Board Secretary and Human Resources Manager

9. CONFERENCE WITH LEGAL COUNSEL-POTENTIAL LITIGATION- Pursuant to Government Code Section 54956.9(b) Johnson, Claim Number 18-0338
UPCOMING MEETINGS

1. January 15, 2018 - Office Closure in observance of Martin Luther King Jr. Day
2. January 18, 2018 - West Valley Water District Board Meeting, 6:00 p.m.
3. ACWA Conference - February 27th - March 1st, 2018

FUTURE AGENDA ITEMS

ADJOURN

DECLARATION OF POSTING:

I declare under penalty of perjury, that I am employed by the West Valley Water District and posted the foregoing Agenda at the District Offices on December 29, 2017.

ACTION ITEMS

Patricia Romero, Assistant Board Secretary

Please Note:

Material related to an item on this Agenda submitted to the Board after distribution of the agenda packet are available for public inspection in the District's office located at 855 W. Baseline, Rialto, during normal business hours. Also, such documents are available on the District’s website at www.wvwd.org subject to staff's ability to post the documents before the meeting.

Pursuant to Government Code Section 54954.2(a), any request for a disability-related modification or accommodation, including auxiliary aids or services, in order to attend or participate in the above-agendized public meeting should be directed to Shanae Smith, at least 72 hours in advance of the meeting to ensure availability of the requested service or accommodation. Mrs. Smith may be contacted by telephone at (909) 875-1804 ext. 704, or in writing at the West Valley Water District, P.O. Box 920, Rialto, CA 92377-0920.
**DATE:** January 4, 2018  
**TO:** Board of Directors  
**FROM:** Robert Christman, Interim General Manager  
**SUBJECT:** NEW COMMITTEES APPOINTMENTS

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<tr>
<th>West Valley Water District Committees Two Years term</th>
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<td><strong>Executive</strong></td>
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<td>Dr. Clifford O. Young, Sr., President</td>
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<td>Gregory Young, Vice President</td>
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<td><strong>Engineering/Planning</strong></td>
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<td>Gregory Young, Vice President</td>
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<td>Kyle Crowther, Director</td>
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<td><strong>External</strong></td>
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<td>Dr. Clifford O. Young, Sr., President</td>
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<td>Gregory Young, Vice President</td>
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<td><strong>Affairs Finance</strong></td>
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<td>Dr. Clifford O. Young, Sr., President</td>
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<td>Dr. Michael Taylor, Director</td>
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<td><strong>Human Resources</strong></td>
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<td>Kyle Crowther, Director</td>
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<td>Dr. Michael Taylor, Director</td>
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<td><strong>Safety and Technology</strong></td>
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<td>Dr. Clifford O. Young, Sr., President</td>
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<td>Robert Christman, Interim General Manager</td>
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<td>Dr. Michael Taylor, Director</td>
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<td>Kyle Crowther, Director</td>
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<td>Donald Olinger, Director</td>
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PR
DATE: January 4, 2018
TO: Board of Directors
FROM: Robert Christman, Interim General Manager
SUBJECT: CONSIDER A NOTICE OF COMPLETION FOR INSTALLATION OF GRANULAR ACTIVATED CARBON VESSELS

DISCUSSION:

In September 2016 the Board of Directors of the West Valley Water District awarded a contract for installation of Granular Activated Carbon (“GAC”) Vessels at the Oliver P. Roemer Water Filtration Facility. All work associated with the above referenced project is complete and staff is requesting authorization to file a Notice of Completion and to release final retention.

FISCAL IMPACT:

This project was a budgeted item in the Fiscal Year 2017/18 Capital Improvement Budget.

STAFF RECOMMENDATION:

Staff is recommending that the Board of Directors accept the completed facilities, authorize staff to file a Notice of Completion and to release final retention.

Respectfully Submitted,

Robert Christman, Interim General Manager

LJ:ss
BACKGROUND:

At its meeting on March 17, 2016 the WVWD Board approved an agreement for the delivery of supplemental water by and between the District, Marygold Mutual Water Company (Marygold), and the San Bernardino Valley Municipal Water District (Valley District). The agreement was developed to provide supplemental water supply to Marygold Mutual Water Company from Valley District, by utilizing the District's emergency interconnection with Marygold for delivery of the supplemental water. Marygold initially requested assistance with its water supply options due to increased levels of ammonium perchlorate contamination in its two primary groundwater wells. The agreement provides for emergency water supply during shutdown of Marygold’s wells while the company installs wellhead treatment systems to remove the perchlorate contamination. Additionally, the agreement provides for backup/emergency water supply from the District of up to 1500 gallons per minute in the event Valley District supplemental water supply is unavailable for purchase; Marygold may elect to purchase such water from the District, only under emergency conditions, at the actual cost per acre foot produced through the Oliver Roemer Treatment Plant, plus 10% for District administrative costs.

DISCUSSION:

Marygold recently requested an amendment to the three-party agreement to allow for the company to purchase State Project water from Valley District when the company’s existing sources of supply are inadequate to meet demand, or in any other circumstance where supplemental State Project supply would provide drought resiliency, water quality enhancement, or other benefits to the public. The original terms of supply for emergencies and well shutdowns during treatment system installation would remain unchanged from the original agreement.

At its meeting on November 7, 2017 the Board of Directors for Valley District approved the Amendment to the Agreement for Delivery of Supplemental Water. Staff has reviewed the proposed Amendment to the Agreement for Delivery of Supplemental Water, and determined that it will not adversely impact the District.

FISCAL IMPACT:
There is no fiscal impact associated with this item.

**STAFF RECOMMENDATION:**

Approve the First Amendment to the Agreement for Delivery of Supplemental Water with Marygold Mutual Water Company and the San Bernardino Valley Municipal Water District.

Respectfully Submitted,

Robert Christman, Interim General Manager

GG:ss

**ATTACHMENT(S):**

1. Exhibit A - WEST-#1473877-v5-First_Amendment_to_Agreement_with_Marygold
2. Exhibit B - Agreement for the Delivery of Supplemental Water
EXHIBIT A
FIRST AMENDMENT 
TO 
AGREEMENT FOR THE DELIVERY OF SUPPLEMENTAL WATER

This First Amendment to the Agreement for the Delivery of Supplemental Water ("First Amendment") is entered into and effective this ___ day of May ____, 2017, by and among the Marygold Mutual Water Company (the "Company"), West Valley Water District ("WVWD") and San Bernardino Valley Municipal Water District ("Valley District"). The Company, WVWD and Valley District are each individually sometimes referred to herein as a “Party” and are collectively referred to herein as the “Parties.”

Recitals

A. On March 15, 2016, the Parties entered into the Agreement for the Delivery of Supplemental Water (the “Agreement”) for the purpose of assisting the Company to respond to increasing levels of perchlorate in the Chino Basin by installing additional treatment facilities, and for the purpose of providing the Company with a supplemental source of water when other sources are not available. A true and correct copy of the Agreement, together with all exhibits, is attached hereto as Exhibit A and incorporated herein by reference as if set forth in full.

B. The Agreement contemplated that Valley District would provide State Water Project ("SWP") water to the Company to assist the Company in responding to increasing levels of perchlorate. Over the past year, the arrangements that have been established among the Parties under the Agreement have allowed the Parties better to manage their respective supplies, thereby increasing drought resiliency in the region, which advances the public interest.

C. The Parties now wish to expand the arrangements established in the Agreement so as to allow the Parties more fully to cooperate in the future in regional water management efforts, in a manner consistent with Valley District’s Resolution No. 888. At present, the Company is entitled to extract 655.317 acre-feet/year of groundwater from the Chino Basin, along with its annual share of variable reallocation from the Agricultural Pool. The Parties wish to amend the Agreement so as to enable Valley District to deliver SWP water to the Company whenever the Company’s groundwater resources in a given year are insufficient to meet the Company’s anticipated demands for groundwater. Such delivery of State Water Project water to the Company will enhance water supply reliability for the Company’s customers and could well enhance the conjunctive use of surface and groundwater in the region, which is in the interest of Valley District and its ratepayers.

D. The Parties, as noted above, acknowledge that all water deliveries by Valley District will be made pursuant to Valley District’s Resolution No. 888 and further acknowledge that the Board of Directors of Valley District retains the right to modify that resolution in any way (including but not limited to the rules for deliveries and the price for supplemental water) at any time.
E. The Parties wish to memorialize their mutual agreements by means of this First Amendment.

Agreements

1. Modification of Section 1(a)(2).

Section 1(a)(2) of the Agreement is hereby modified to read as follows:

In the future, during: (i) scheduled maintenance of the Company’s wells, for which the Company will provide Valley District with at least two weeks’ advance notice, (ii) emergency situations that render the Company’s existing sources of water supply unavailable, (iii) when the Company’s groundwater resources for a given year are not sufficient to satisfy the Company’s anticipated demand for water in that year, or (iv) such other circumstances as the Parties agree would serve to enhance regional drought resiliency, groundwater recharge, groundwater quality enhancement or other benefits to the public.

2. Terms of Service

a. The references in section 2 of the Agreement to Resolution 888 are hereby modified to replace the phrase “Resolution 888” with the phrase “Resolution 888 or any successor Resolution.”

b. No later than each November 1, the Company shall submit a written water order for the subsequent calendar year to Valley District on Company letterhead signed by the Company’s General Manager or other suitable officer of the Company in accordance with the requirements of Valley District’s Rules for Service. Such water order shall specify: (i) the total quantity of SWP water needed by the Company for the calendar year, (ii) the delivery location(s) of that water, and (iii) the quantity of water to be delivered to each location, by month. The failure of the Company to timely submit this water order shall mean that Valley District has no obligation to deliver SWP water to the Company during the subsequent calendar year.

c. In the event that the Company seeks to use WVWD facilities to convey or deliver SWP water to the Company:

(i) The Company shall coordinate the delivery of SWP water with WVWD and shall agree upon a price to be paid by the Company to WVWD to wheel SWP water through the WVWD facilities. The water order described in paragraph 2(b) above shall notify Valley District that the Company wishes to use WVWD facilities and a copy of said water order shall be provided to WVWD at the same time that it is provided to Valley District.
(ii) WVWD shall be the single point of contact for Valley District for the delivery of SWP water to the Company. WVWD shall, on behalf of the Company, submit a water order to Valley District that satisfies all of the requirements of section 2(b) above and that satisfies the needs of both the Company and WVWD.

d. Subject to Section 1(a)(2) of the Agreement as modified above, the Company agrees that it will use all of its available groundwater supplies prior to taking delivery of any SWP water purchased under the terms of this First Amendment. The Parties agree that, in the event that the Company reasonably anticipates that it will not be able to meet the demand for water during a calendar year within its service area through the use of its groundwater supplies, the Company may submit a water order to Valley District, either directly or by means of WVWD, in advance of the actual need for the delivery of water. Valley District, however, shall have no obligation to deliver water to the Company until the Company has exhausted its annual supply of groundwater.

3. The Parties agree that all provisions of the Agreement other than Section 1(a)(2) shall remain in full force and effect, without modification.

SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT

By: ________________________    Dated: _________
Susan Longville
President, Board of Directors

By: ________________________    Dated: _________
Steve Copelan, Secretary

APPROVED AS TO FORM

By: ________________________    Dated: _________
David R.E. Aladjem, Esq.
Downey Brand, LLP
Counsel for San Bernardino Valley Municipal Water District
WEST VALLEY WATER DISTRICT

By: ___________________________ Dated: _________
Dr. Clifford O. Young, Sr.
President, Board of Directors

By: ___________________________ Dated: _________
Robert Christman, Interim General Manager

APPROVED AS TO FORM

MARYGOLD MUTUAL WATER COMPANY

By: ___________________________ Dated: _________
Robert Tafoya
Tafoya & Garcia, LLP
Counsel for West Valley Water District

APPROVED AS TO FORM

By: ___________________________ Dated: _________
Justin Brokaw, General Manager

By: ___________________________ Dated: _________
Steven M. Kennedy
Brunick, McElhaney & Kennedy
Counsel for Marygold Mutual Water Company
AGREEMENT FOR THE DELIVERY OF SUPPLEMENTAL WATER

This Agreement for the Delivery of Supplemental Water ("Agreement") is entered into and effective this 15th day of March, 2016, by and among the Marygold Mutual Water Company ("Company"), West Valley Water District ("WVWD") and San Bernardino Valley Municipal Water District ("Valley District" or "District"). The Company, WVWD and Valley District are each individually sometimes referred to herein as a "Party" and are collectively sometimes referred to herein as the "Parties."

Recitals

A. Valley District is charged with providing a supplemental supply of State Water Project water to the residents of San Bernardino Valley. The Company serves water to its municipal and industrial customers located entirely within Valley District’s service area.

B. The Company’s primary source of water supply is groundwater extracted from wells overlying the Chino Basin. The Company has recently detected increasing amounts of perchlorate in its wells and is in the process of installing additional treatment facilities to address the increased contamination levels. However, the Company requires immediate access to a supplemental supply of water to meet the demands of its customers. In addition, from time to time the Company may experience other emergency situations that render the Company’s existing water supplies unavailable to meet customer demand, including during periods of necessary maintenance to perchlorate treatment facilities.

C. To address the increased levels of perchlorate and immediate need for additional supplies, on February 23, 2016, the Company submitted an application for the emergency delivery of State Water Project water from Valley District pursuant to the terms of the District’s Resolution Number 888 ("Resolution 888"). A true and correct copy of Resolution 888 is attached hereto as Exhibit A.

D. The Company does not have a direct interconnection with Valley District’s facilities for conveyance of State Water Project water. In order to accomplish the delivery of State Water Project water pursuant to Resolution 888, the Company proposes to receive State Water Project water from Valley District by delivery to WVWD’s Roemer Water Treatment Plant and then to the Company pursuant to an Emergency Interconnection Agreement dated March 15, 2001 (the "Interconnection Agreement") and letter from WVWD dated March 2, 2016. Copies of the Interconnection Agreement and March 2, 2016 letter are attached hereto as Exhibit B.

E. Upon review of the Company’s application, Valley District has determined that the emergency delivery of State Water Project water to the Company now and in the
future during periods when the Company's wells are not available due to necessary maintenance or emergency circumstances is in the public interest and in accord with good water resources management. The Company has identified a reasonably reliable source of backup supply in the event of unavailability of State Water Project water, in the form of deliveries of groundwater from WVWD, and the Company has demonstrated commitment to the statewide mandatory conservation measures adopted to address current drought conditions. Finally, the Company understands that the delivery of State Water Project water by Valley District is only a supplemental supply that is being provided to the Company due to the emergency nature of the current situation and for limited periods in the future under the conditions described above.

F. The Parties wish to memorialize their agreement for Valley District to deliver State Water Project water to the Company through an intertie with WVWD by entering into this Agreement.

Agreements

The Parties agree as follows:

1. **Delivery of Water.**

a. Subject to all of the terms and conditions of Valley District's contract with the California Department of Water Resources for State Water Project water and to any conditions affecting the State's source of supply or the availability of supply, Valley District agrees to deliver to WVWD's Roemer Water Treatment Plant up to 1,500 gallons per minute of State Water Project water for subsequent delivery to the Company:

   (1) During the forthcoming shut-down of the Company's wells to allow for the installation of wellhead treatment facilities, which shut-down is expected to begin in March 2016 and continue through approximately October 2016; and

   (2) In the future, either during: (i) scheduled maintenance of the Company's wells, for which the Company will provide Valley District with at least two weeks' advance written notice, or (ii) emergency situations that render the Company's existing sources of water supply unavailable.

The Company agrees to all terms and requirements of Resolution 888 and any amendments thereto.

b. WVWD agrees to deliver all State Water Project water delivered by Valley District under this Agreement to the Company pursuant to the terms of the Interconnection Agreement, which is hereby incorporated by reference into this Agreement as though fully set forth herein.
c. In the event of unavailability of State Water Project water, WVWD will serve as a backup water supply to the Company during the conditions identified in subparagraph (a) above.

2. **Payment.**
   
a. For delivery of water pursuant to Section 1(a)(1), Valley District agrees that the Company may pay the Tier I rate as defined by Resolution 888.
   
b. For delivery of water pursuant to Section 1(a)(2), the Company agrees that it will pay Valley District in accordance with the requirements of Resolution 888.
   
c. The Company agrees to pay WVWD for all water delivered pursuant to this Agreement in accordance with the requirements of the Interconnection Agreement and March 2, 2016 letter from WVWD to the Company.

3. **Term of Agreement.** Unless terminated as specified in Section 4, this Agreement will continue in force for a period of ten (10) years, beginning on March 15, 2016 and ending on March 14, 2026 ("Primary Term"). This Agreement will be automatically extended to continue on a year-to-year basis unless the Company notifies all other Parties, at least 60 days before the expiration of the Primary Term, that the Party will not extend the Agreement.

4. **Termination.** The Company may terminate this Agreement before the end of the Primary Term, or during any year-to-year extension, with three months’ advance written notice to Valley District. In the event of non-payment by the Company, Valley District or WVWD may terminate the Agreement immediately in the sole discretion of Valley District or WVWD. WVWD may terminate this Agreement before the end of the Primary Term, or during any year-to-year extension, with 6 months’ advance written notice to the Company and to Valley District. Notice of termination, once given, may not be withdrawn without the consent of the other Party or Parties.

5. **Indemnification**
   
a. **Indemnification by Company.** Company shall indemnify, defend and hold harmless Valley District and WVWD, their respective directors, officers, attorneys, employees and agents from and against all damages, liabilities, claims, actions, demands, costs and expenses (including, but not limited to, costs of investigations, lawsuits and any other proceedings whether in law or in equity, settlement costs, attorneys’ fees and costs), and penalties or violations of any kind, which arise out of, result from, or are related to the delivery of water pursuant to this Agreement beyond the point of delivery to the Company.
   
b. **Indemnification by WVWD.** WVWD shall indemnify, defend and hold harmless the Company and Valley District, their respective directors, officers, attorneys, employees and agents from and against all damages, liabilities, claims, actions,
demands, costs and expenses (including, but not limited to, costs of investigations, lawsuits and any other proceedings whether in law or in equity, settlement costs, attorneys' fees and costs), and penalties or violations of any kind, which arise out of, result from, or are related to the delivery of water pursuant to this Agreement upon delivery to WVWD at its Roemer Water Treatment Plant, except that the Company must indemnify as provided in Section 4.a.

c. **Indemnification by Valley District.** Valley District shall indemnify, defend and hold harmless the Company and WVWD, their respective directors, officers, attorneys, employees and agents from and against all damages, liabilities, claims, actions, demands, costs and expenses (including, but not limited to, costs of investigations, lawsuits and any other proceedings whether in law or in equity, settlement costs, attorneys' fees and costs), and penalties or violations of any kind, which arise out of, result from, or are related to the control, carriage, handling, use, disposal, or distribution of water pursuant to this Agreement prior to being delivered to WVWD at its Roemer Water Treatment Plant.

d. **Indemnification Procedures.** Any Party that is an indemnified Party (the "Indemnified Party") that has a claim for indemnification against another Party (the "Indemnifying Party") under this Agreement, shall promptly notify the Indemnifying Party in writing, *provided, however, that no delay on the part of the Indemnified Party in notifying the Indemnifying Party shall relieve the Indemnifying Party from any obligation unless* (and then solely to the extent) the Indemnifying Party is prejudiced. Further, the Indemnified Party shall promptly notify the Indemnifying Party of the existence of any claim, demand, or other matter to which the indemnification obligations would apply, and shall give the Indemnifying Party a reasonable opportunity to defend the same at its own expense and with counsel of its own selection, *provided* that the Indemnified Party shall at all times also have the right to fully participate in the disputed matter at its own expense. If the Indemnifying Party, within a reasonable time after notice from the Indemnified Party, fails to defend a claim, demand or other matter to which the indemnification obligations would apply, the Indemnified Party shall have the right, but not the obligation, to undertake the defense of, and to compromise or settle (exercising reasonable business judgment), the claim or other matter, on behalf, or for the account, and at the risk, of the Indemnifying Party. If the claim is one that cannot by its nature be defended solely by the Indemnifying Party, then the Indemnified Party shall make available all information and assistance to the Indemnifying Party that the Indemnifying Party may reasonably request.

6. **Force Majeure.** All obligations of the Parties other than monetary or payment obligations shall be suspended for so long as and to the extent performance thereof is prevented, directly or indirectly, not to exceed one year, by earthquakes, fires, tornados, acts of war, facility failures, floods, strikes, other casualties, other acts of nature, orders of court or governmental agencies having competent jurisdiction, or other events or causes
beyond the control of the Parties. No Party, or its officers, agents or employees, shall be liable for any damage arising out of, or connected with, a suspension of performance pursuant to this section.

7. Administration of Agreement

a. Books and Records. Each Party shall have access to and the right to examine any of the other Party’s pertinent books, documents, papers or other records (including, without limitation, records contained on electronic media) relating to the performance of that Party’s obligations pursuant to this Agreement.

(1) Retention of Records; Preservation of Privilege. Each Party shall retain all such books, documents, papers or other records to facilitate such review in accordance with that Party’s record retention policy. Access to each Party’s books and records shall be during normal business hours only. Nothing in this paragraph shall be construed to operate as a waiver of any applicable privileges.

(2) Outside Auditors. Any Party may, at any time and at its sole cost, hire an auditor to examine the accounting for work performed pursuant to this Agreement. The Parties may also agree to retain an independent auditor to review the accounting for work performed pursuant to this Agreement. The costs of such an auditor will be shared equally between the Parties.

b. Disputes. The Parties recognize that there may be disputes regarding the obligations of the Parties or the interpretation of this Agreement. The Parties agree that they may attempt to resolve disputes as follows:

(1) Statement Describing Alleged Violation or Interruption of Agreement. A Party alleging a violation or interruption of this Agreement (the “Initiating Party”) shall provide a written statement describing all facts that it believes constitute a violation or interruption of this Agreement to the Party alleged to have violated or interrupted the terms of this Agreement (the “Responding Party”).

(2) Response to Statement of Alleged Violation or Interruption. The Responding Party shall have sixty days from the date of the written statement to prepare a written response to the allegation of a violation or interruption of this Agreement and serve that response on the Initiating Party or to cure the alleged violation or interruption to the reasonable satisfaction of the Initiating Party. The Initiating Party and the Responding Party shall then meet within thirty days of the date of the response to attempt to resolve the dispute amicably.

(3) Mediation of Dispute. If the Initiating Party and the Responding Party cannot resolve the dispute within ninety days of the date of the written
response, they shall engage a mediator, experienced in water-related disputes, to attempt to resolve the dispute. Each Party shall ensure that it is represented at the mediation by a member of its Board of Directors. These representatives of the Initiating Party and the Responding Party may consult with staff and/or technical consultants during the mediation and such staff and/or technical consultants may be present during the mediation. The costs of the mediator shall be divided equally between the Initiating Party and the Responding Party.

(4) **Prior to Claims Under California Tort Claims Act.** The Parties agree that the procedure described in this paragraph 5.b represents an effort to resolve disputes without the need for a formal claim under the California Tort Claims Act or other applicable law. The period of time for the presentation of a claim by one Party against another shall be tolled for the period from the date on which the Initiating Party files a written statement until the date upon which the mediator renders a decision.

(5) **Reservation of Rights.** Nothing in this paragraph 7.b shall require a Party to comply with a decision of the mediator and, after the completion of the mediation process described above, each Party shall retain and may exercise at any time all legal and equitable rights and remedies it may have to enforce the terms of this Agreement; provided, that prior to commencing litigation, a Party shall provide at least five calendar days’ written notice of its intent to sue to the other Party.

8. **General Provisions.**

a. **Authority.** Each signatory of this Agreement represents that s/he is authorized to execute this Agreement on behalf of the Party for which s/he signs. Each Party represents that it has legal authority to enter into this Agreement, to perform all obligations under this Agreement and that any and all appropriate Board action necessary for approval of this Agreement has been taken.

b. **Amendment.** This Agreement may be amended or modified only by a written instrument executed by each of the Parties to this Agreement.

c. **Jurisdiction and Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of California, except for its conflicts of law rules. Any suit, action, or proceeding brought under the scope of this Agreement shall be brought and maintained to the extent allowed by law in the County of San Bernardino, California.

d. **Headings.** The paragraph headings used in this Agreement are intended for convenience only and shall not be used in interpreting this Agreement or in determining any of the rights or obligations of the Parties to this Agreement.
e. **Construction and Interpretation.** This Agreement has been arrived at through negotiations and each Party has had a full and fair opportunity to revise the terms of this Agreement. As a result, the normal rule of construction that any ambiguities are to be resolved against the drafting Party shall not apply in the construction or interpretation of this Agreement.

f. **Entire Agreement.** This Agreement constitutes the entire agreement of the Parties with respect to the subject matter of this Agreement and, save as expressly provided in this Agreement, supersedes any prior oral or written agreement, understanding, or representation relating to the subject matter of this Agreement.

g. **Partial Invalidity.** If, after the date of execution of this Agreement, any provision of this Agreement is held to be illegal, invalid, or unenforceable under present or future laws effective during the term of this Agreement, such provision shall be fully severable. However, in lieu thereof, there shall be added a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable.

h. **Successors and Assigns.** This Agreement shall be binding on and inure to the benefit of the successors and assigns of the respective Parties to this Agreement. No Party may assign its interests in or obligations under this Agreement without the written consent of the other Parties, which consent shall not be unreasonably withheld or delayed.

i. **Waivers.** Waiver of any breach or default hereunder shall not constitute a continuing waiver or a waiver of any subsequent breach either of the same or of another provision of this Agreement and forbearance to enforce one or more of the rights or remedies provided in this Agreement shall not be deemed to be a waiver of that right or remedy.

j. **Attorneys’ Fees and Costs.** The prevailing Party in any litigation or other action to enforce or interpret this Agreement shall be entitled to reasonable attorneys’ fees, expert witnesses’ fees, costs of suit, and other and necessary disbursements in addition to any other relief deemed appropriate by a court of competent jurisdiction.

k. **Necessary Actions.** Each Party agrees to execute and deliver additional documents and instruments and to take any additional actions as may be reasonably required to carry out the purposes of this Agreement.

l. **Compliance with Law.** In performing their respective obligations under this Agreement, the Parties shall comply with and conform to all applicable laws, rules, regulations and ordinances.

m. **Third Party Beneficiaries.** This Agreement shall not create any right or interest in any non-Party or in any member of the public as a third party beneficiary.
n. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument.

o. **Notices.** All notices, requests, demands or other communications required or permitted under this Agreement shall be in writing unless provided otherwise in this Agreement and shall be deemed to have been duly given and received on: (i) the date of service if served personally or served by facsimile transmission on the Party to whom notice is to be given at the address(es) provided below, (ii) on the first day after mailing, if mailed by Federal Express, U.S. Express Mail, or other similar overnight courier service, postage prepaid, and addressed as provided below, or (iii) on the third day after mailing if mailed to the Party to whom notice is to be given by first class mail, registered or certified, postage prepaid, addressed as follows:

[Notice information on next page]
Notice to San Bernardino Valley Municipal Water District

Douglas Headrick, General Manager
SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT
380 East Vanderbilt Way, San Bernardino, CA 92408
Phone: (909) 820-3701
Email: douglash@sibvmwd.com

David R.E. Aladjem
DONNEY BRAND LLP
621 Capitol Mall, Sacramento, CA 95814
Phone: (916) 520-5361
Email: daladjem@downeybrand.com

Notice to West Valley Water District

Thomas Crowley, General Manager
WEST VALLEY WATER DISTRICT
855 W. BASELINE
Phone: (909) 820-3702
Email: tcrowley@wvwd.org

David Olivas
TOFOYA & GARCIA, LLP
316 West 2nd Street, Suite 1000, Los Angeles, CA 90012
Phone: (213) 617-0600
Email: olivas@tafoyagarcia.com

Notice to Marygold Mutual Water Company

Justin Brokaw, General Manager
MARYGOLD MUTUAL WATER COMPANY
9725 Alder Avenue
Bloomington, CA 92316
Phone: (909) 877-1516
Email: jbrokaw@hughes.net
SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT

By: ___________________________ Dated: 3/29/16
Mark Bulot
President, Board of Directors

By: ___________________________ Dated: 3/30/16
Gil Navarro, Secretary

APPROVED AS TO FORM

By: ___________________________ Dated: ________
David R.E. Aladjem, Esq.
Downey Brand, LLP
Counsel for San Bernardino Valley Municipal Water District

WEST VALLEY WATER DISTRICT

By: ___________________________ Dated: ________
Dr. Clifford O. Young, Sr.
President, Board of Directors

By: ___________________________ Dated: ________
Thomas Crowley, General Manager

APPROVED AS TO FORM

By: ___________________________ Dated: ________
David Olivas
Counsel for West Valley Water District

Execution Copy
SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT

By: Mark Bulot
   President, Board of Directors
   
   Dated: 3/29/16

By: Gil Navarro, Secretary
   
   Dated: ________

APPROVED AS TO FORM

By: David R.E. Aladjem, Esq.
    Downey Brand, LLP
    Counsel for San Bernardino Valley Municipal Water District
    
   Dated: 3/31/16

WEST VALLEY WATER DISTRICT

By: Dr. Clifford O. Young, Sr.
    President, Board of Directors
   
   Dated: ________

By: Thomas Crowley, General Manager
   
   Dated: ________

APPROVED AS TO FORM

By: David Olivas
    Counsel for West Valley Water District
   
   Dated: ________
SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT

By: Mark Bulot
President, Board of Directors

Dated: 3/15/16

By: Gil Navarro, Secretary

Dated: 3/15/16

APPROVED AS TO FORM

By: David R.E. Amdjian, Esq.
Downey Brand, LLP
Counsel for San Bernardino Valley Municipal Water District

Dated: 3/15/16

WEST VALLEY WATER DISTRICT

By: Dr. Christopher Young, Sr.
President, Board of Directors

Dated: 3/15/16

By: Thomas Crowley, General Manager

Dated: 3/15/16

APPROVED AS TO FORM

By: David Oliver
Counsel for West Valley Water District

Dated: 3/15/16
MARYGOLD MUTUAL WATER COMPANY

By: Justin Brokaw, General Manager

Dated: 4/1/16

APPROVED AS TO FORM

By: Steven M. Kennedy
Brunick, McElhaney & Kennedy
Counsel for Marygold Mutual Water Company

Dated: 4/4/16
As a result of the recent election and recent personnel changes, it is recommended that we delete Linda Gonzalez, Robert J. Bourland, Matthew Litchfield and Marie Ricci as signers from ALL bank accounts. This will also include investment accounts at Local Agency, Investment Fund and Cal Trust. Successor Directors Dr. Michael Taylor and Kyle Crowther should be added to ALL J.P Morgan Chase accounts. Interim General Manager Robert Christman and Dr. Clifford O. Young, Sr. should be added to ALL J.P Morgan Chase accounts, Local Agency Investment Fund, Cal Trust and the NEW Hope bank checking account. This action will require different resolutions as required by the different banking institutions.

Staff Recommendation:

Authorize staff to prepare documents as required for the above banking signature and changes.

ATTACHMENT(S):
1. RESOLUTION NO 2018-1
2. RESOLUTION NO 2018-2
3. RESOLUTION NO 2018-3
4. RESOLUTION NO 2018-4
RESOLUTION NO. 2018-1
A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE WEST VALLEY WATER DISTRICT,
AUTHORIZING SIGNATURE CARD CHANGES FOR LOCAL AGENCY
INVESTMENT FUND

WHEREAS, The Local Agency Investment Fund is established in the State Treasury under Government Code section 16429.1 et. Seq. for the deposit of money of a local agency for purposes of investment by the State Treasurer; and

WHEREAS, the West Valley Water District (“District”) Board of Directors hereby finds that the deposit and withdrawal of money in the Local Agency Investment Fund in accordance with Government Code section 16429.1 et. Seq. for the purpose of investment as provided therein is in the best interests of the District.

WHEREAS, rescinding Resolution No. 2017-20 and removing the predecessors from all investments of monies in the local agency investment fund and authorizing the successors in office to such investments of monies in the local Agency Investment Fund by authorizing signature cards to their successors.

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors hereby authorizes the deposit and withdrawal of District monies in the Local Agency Investment Fund in the State Treasury in accordance with Government Code section 16429.1 et. Seq. for the purpose of investment as provided therein.

BE IT FURTHER RESOLVED, as follows: Section 1 The following District officers holding the title(s) General Manager Matthew H. Litchfield, P.E. and Chief Financial Officer Marie Ricci be removed from the Local Agency Investment Fund and add their successors in office Interim General Manager Robert Christman and President, Board of Directors Dr. Clifford O. Young, Sr. are each hereby authorized to order the deposit or withdrawal of monies in Local Agency Investment Fund and may execute and deliver any and all documents necessary or advisable in order to effectuate the purpose of this resolution and the purposes of the resolution and the transaction contemplated hereby:

Robert Christman
Interim General Manager

Dr. Clifford O. Young, Sr.
President, Board of Directors

Tamara Washington
Accountant

Greg Gage
Assistant General Manager

Jose Velasquez
Accounting Supervisor
Section 2. That said Resolution shall be effective January 4, 2018 and shall remain in full force and effect until rescinded by Board of Directors by resolution and a copy of the resolution rescinding this resolution is filed with the State Treasurer’s Office.

ADOPTED, SIGNED, AND APPROVED THIS 4TH DAY OF JANUARY, 2018 BY THE FOLLOWING VOTE:

AYES: DIRECTORS:
NOES: DIRECTORS:
ABSENT: DIRECTORS:
ABSTAIN: DIRECTORS:

Dr. Clifford O. Young, Sr., President of the Board of Directors of the West Valley Water District

ATTEST:

Patricia Romero
Assistant Board Secretary
RESOLUTION NO. 2018-2
A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE WEST VALLEY WATER DISTRICT,
AUTHORIZING SIGNATURE CARD CHANGES- J.P MORGAN CHASE BANKS

WHEREAS, the West Valley Water District (“District”) Board of Directors hereby finds that the deposit and withdrawal of money in the J.P Morgan (Chase Bank Accounts) in accordance with Government Code section 16429.1 et. Seq. for the purpose of Authorizing signature card changes to the successors in office as provided therein is in the best interests of the District.

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors hereby authorizes signature card changes to the J.P Morgan (Chase Bank Account) for the purpose of deposits and withdrawals of District monies in the J.P Morgan (Chase Bank Accounts) in accordance with Government Code section 16429.1 et. Seq. for the purpose of investment as provided therein.

BE IT FURTHER RESOLVED, as follows: Section 1 The following District officers holding the title(s) Director Linda Gonzalez, Director Robert J. Bourland, General Manager Matthew H. Litchfield, P.E. and Chief Financial Officer Marie Ricci be removed as signers to the J.P Morgan(Chase Bank Accounts) and their successors in office Interim General Manger Robert Christman, Director Kyle Crowther and Director Dr. Michael Taylor are each hereby authorized to order the deposit or withdrawal of monies in J.P Morgan (Chase Bank Accounts) and may execute and deliver any and all documents necessary or advisable in order to effectuate the purpose of this resolution and the purposes of the resolution and the transaction contemplated hereby:

<table>
<thead>
<tr>
<th>Robert Christman</th>
<th>Kyle Crowther</th>
<th>Dr. Michael Taylor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interim General Manager</td>
<td>Director</td>
<td>Director</td>
</tr>
</tbody>
</table>

Section 2. That said Resolution shall be effective January 4, 2018 and shall remain in full force and effect until rescinded by Board of Directors by resolution and a copy of the resolution rescinding this resolution id filed with the State Treasurer’s Office

ADOPTED, SIGNED, AND APPROVED THIS 4TH DAY OF JANUARY, 2018 BY THE FOLLOWING VOTE:

AYES: DIRECTORS:
NOES: DIRECTORS:
ABSENT: DIRECTORS:
ABSTAIN: DIRECTORS:

_____________________________
Dr. Clifford O. Young, Sr., President of the Board of Directors of the West Valley Water District
ATTEST:

Patricia Romero
Assistant Board Secretary
RESOLUTION NO. 2018-3
A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE WEST VALLEY WATER DISTRICT,
AUTHORIZING SIGNATURE CARD CHANGES FOR CALTRUST FUND

WHEREAS, The CalTrust Fund is established in the State Treasury under Government Code section 16429.1 et. Seq. for the deposit of money of a local agency for purposes of investment by CalTrust; and for the purpose of Authorizing signature card changes to the successors in office as provided therein.

WHEREAS, the West Valley Water District (“District”) Board of Directors hereby finds that the deposit and withdrawal of money in the CalTrust Fund in accordance with Government Code section 16429.1 et. Seq. for the purpose of investment as provided therein is in the best interests of the District.

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors hereby authorizes the deposits and withdrawals of District monies in the CalTrust Fund in the State Treasury in accordance with Government Code section 16429.1 et. Seq. for the purpose of investment as provided therein.

BE IT FURTHER RESOLVED, as follows: Section 1 the following District officers holding the title(s) Director Linda Gonzalez, Director Robert J. Bourland, General Manager Matthew H. Litchfield, P.E. and Chief Financial Officer Marie Ricci be removed from the CalTrust and their successors in office Interim General Manager Robert Christman, Director Kyle Crowther, and Director Dr. Michael Taylor are each hereby authorized to order the deposit or withdrawal of monies in CalTrust Fund and may execute and deliver any and all documents necessary or advisable in order to effectuate the purpose of this resolution and the purposes of the resolution and the transaction contemplated hereby:

<table>
<thead>
<tr>
<th>Robert Christman</th>
<th>Kyle Crowther</th>
<th>Dr. Michael Taylor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interim General Manager</td>
<td>Director</td>
<td>Director</td>
</tr>
</tbody>
</table>

Section 2. That said Resolution shall be effective January 4, 2018 and shall remain in full force and effect until rescinded by Board of Directors by resolution and a copy of the resolution rescinding this resolution id filed with the State Treasurer’s Office.
ADOPTED, SIGNED, AND APPROVED THIS 4TH DAY OF JANUARY, 2018 BY THE FOLLOWING VOTE:

AYES: DIRECTORS:
NOES: DIRECTORS:
ABSENT: DIRECTORS:
ABSTAIN: DIRECTORS:

______________________________
Dr. Clifford O. Young, Sr., President of the Board of Directors of the West Valley Water District

ATTEST:

_____________________________________
Patricia Romero
Assistant Board Secretary
RESOLUTION NO. 2018-4
A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE WEST VALLEY WATER DISTRICT,
AUTHORIZING SIGNATURE CARD CHANGES FOR BANK OF HOPE

WHEREAS, the West Valley Water District ("District") Board of Directors hereby finds that the deposit and withdrawal of money in the Bank of Hope in accordance with Government Code section 16429.1 et. Seq. for the purpose of Authorizing signature card changes to the successors in office as provided therein is in the best interests of the District.

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors hereby authorizes signature card changes to the Bank of Hope for the purpose of deposits and withdrawals of District monies in the Bank of Hope in accordance with Government Code section 16429.1 et. Seq. for the purpose of investment as provided therein.

BE I FURTHER RESOLVED, as follows: Section 1 the following District officers holding the title(s) General Manager Matthew H. Litchfield, P.E. and Chief Financial Officer Marie Ricci be removed from the Bank of Hope Account and their successors in office Interim General Manager Robert Christman and President, Board of Directors Dr. Clifford O. Young, Sr. and be added to the Bank of Hope Account are each hereby authorized to order the deposit or withdrawal of monies in Bank of Hope and may execute and deliver any and all documents necessary or advisable in order to effectuate the purpose of this resolution and the purposes of the resolution and the transaction contemplated hereby:

Robert Christman
Interim General Manager

Dr. Clifford O. Young, Sr.
President, Board of Directors

Don Olinger
Director

Section 2. That said Resolution shall be effective January 4, 2018 and shall remain in full force and effect until rescinded by Board of Directors by resolution and a copy of the resolution rescinding this resolution id filed with the State Treasurer’s Office

ADOPTED, SIGNED, AND APPROVED THIS 4TH DAY OF JANUARY, 2018 BY THE FOLLOWING VOTE:

AYES: DIRECTORS:
NOES: DIRECTORS:
ABSENT: DIRECTORS:
ABSTAIN: DIRECTORS:

Dr. Clifford O. Young, Sr., President of the Board of Directors of the West Valley Water District
ATTEST:

Patricia Romero
Assistant Board Secretary