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VVWRA and Fenner Gap Mutual Water Co. Launch "One Water" Plan

One Water plan will integrate High Desert infrastructure investments to improve water quality and increase reliability of local water supplies.

Victorville, CA—Victor Valley Wastewater Reclamation Authority has signed a Letter of Intent with Fenner Gap Mutual Water Company (FGMWC) for a "One Water" plan to develop a coordinated investment strategy for water infrastructure in San Bernardino County's Mojave Basin region. The ambitious plan to integrate public, private, and multi-agency financing resources for the design, construction and operation of water infrastructure will incorporate recycled water from VVWRA's wastewater treatment facilities with pipeline facilities and water supplies from Cadiz Inc. in the eastern Mojave to create a regional "one water" plan that benefits the whole region.

FGMWC is the non-profit corporation established by Cadiz, Inc to distribute water supplies from the Cadiz Conservation, Supply and Storage Project in the Eastern Mojave Desert. VVWRA is a Joint Powers Authority providing wastewater treatment, water recycling, and renewable green energy, whose members include the City of Victorville, City of Hesperia, Town of Apple Valley, and San Bernardino County Special Districts 42 and 64.

"We have many sources of water supply in the Mojave Basin: natural river flow, imported water, storm water and recycled water," said VVWRA's General Manager, Darron Poulsen. "But in the end, there is only one water, and we have to think regionally and programmatically to achieve our supply reliability and water quality goals. The "one water" concept is the foundation of regional planning that will allow us to achieve maximum benefits to the entire Mojave region and other areas of San Bernardino County."

"Regional planning of water infrastructure is the key to sustainable water management for the entire Southwest" said Susan Kennedy, Chief Executive Officer of Cadiz. "Coordinating the design and operation of pipelines, reclamation facilities, recharge basins and storage will not only increase water supplies through efficiency and conservation but will improve the health and quality of groundwater basins throughout the region."

VVWRA owns and operates three wastewater treatment and conveyance facilities in the western Mojave's Alto Basin and distributes 12,000 to 13,000 acre-feet of water resources per year to preserve the Mojave River ecosystem and facilitate groundwater replenishment in the Centro and Baja Basins. FGMWC and Cadiz own and manage groundwater resources in eastern Mojave watersheds including 220-miles of buried pipelines that can directly deliver water supplies to groundwater recharge basins in the Centro and Baja Basins.

VVWRA and FGMWC plan to collaborate with other local agencies on the expansion of pipeline and distribution facilities, advanced water treatment and collaborative recharge basins to cost-effectively capture storm water and manage imported water supplies. The agencies plan to look at merging or integrating financing powers to maximize grant and municipal financing opportunities.

About Victor Valley Wastewater Reclamation Authority

Founded in 1978, VVWRA serves a 279 square mile area that includes Apple Valley, Hesperia, Victorville, Spring Valley Lake, and Oro Grande. VVWRA treats about 12 million gallons of wastewater per day. Wastewater that comes to the VVWRA plant goes through an extensive cleaning and disinfection process before being returned to the Mojave River as recycled water through direct discharge to the river or through percolation ponds located on VVWRA property. Solid waste is treated in large anaerobic digesters, where the resulting methane gas is collected and scrubbed by VVWRA private partner Anaergia, Inc., who develops the gas into renewable natural gas (RNG). The finished RNG is injected into a Southwest Gas pipeline. Most of the RNG is being used by Toyota where it is converted into hydrogen for new vehicles being imported at their Port of Long Beach facility.

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Letter of Intent between Victor Valley Wastewater Reclamation Authority and Fenner Gap Mutual Water Company to Establish the Mojave-San Bernardino One Water Authority

This Letter of Intent (LOI) is entered into by and among Victor Valley Wastewater Reclamation Authority (VVWRA) and the Fenner Gap Mutual Water Company for purposes of developing, administering and implementing a regional, integrated One Water investment plan for Mojave Basin region of San Bernardino County.

RECITALS

Whereas, One Water is a holistic approach to water management founded on the principle that all water has value and should be maximized for beneficial use within a regional, integrated and sustainably-managed water system and requires looking at the water system on a regional basis in its entirety, considering the current and future needs of all its users, meeting human needs with environmental best practices and making cost-effective investments in infrastructure to preserve access and affordability for all.

Whereas, it is in the interests of the Parties and the region served by the Parties that the water resources the Parties share in common are responsibly managed, protected and conserved to the maximum extent feasible.

Whereas, it is in the interests of the Parties that the infrastructure necessary to manage, protect and conserve water resources in the region served by the Parties be designed and developed to utilize all potential sources of water to create water security, climate resiliency and equitable distribution of water resources in and among the Mojave Basin and other connected regions in San Bernardino County.

Whereas, VVWRA is a Joint Powers Authority providing wastewater treatment, water recycling, and renewable green energy, and treats about 12 million gallons of wastewater per day, whose members include the City of Victorville, City of Hesperia, Town of Apple Valley and San Bernardino County Special Districts 42 and 64.

Whereas, Fenner Gap Mutual Water Company ("Fenner Gap" or FGMWC) is a non-profit mutual benefit corporation formed in 2010 for purposes of managing and distributing 2.5 million acre-feet of groundwater resources from the Cadiz Water Conservation, Storage and Supply Project in the Cadiz Valley region of San Bernardino County ("Cadiz"), and is a member of Fenner Valley Water Authority, a Joint Powers Authority whose members include the County of San Bernardino and other public water agencies.

Whereas VVWRA owns and operates three wastewater water treatment and conveyance facilities in the Alto Basin and distributes 12,000 to 13,000 acre-feet of water resources per year to preserve the Mojave River ecosystem and facilitate groundwater replenishment in the Centro and Baja Basins.

Whereas, FGMWC and Cadiz own and manage groundwater resources in watersheds adjacent to the regions served by VVWRA and 220-miles of buried pipelines that can directly connect new waters supplies to groundwater recharge basins in the Centro and Baja Basins.

Whereas by integrating the design, construction and operation of water pipelines, recharge basins, storage, treatment and distribution facilities in and between the Mojave Basin and Cadiz Valley regions of San Bernardino County, we can provide water security and climate resiliency to the cities of Adelanto, Barstow, Hesperia, Victorville, the Town of Apple Valley, Hinkley, Daggett, Newberry Spring and other small, rural areas located in the unincorporated areas of the Mojave Basin region, and provide vital access to secure water supplies to other regions in San Bernadino County currently dependent upon importation of water resources from the State Water Project.

Whereas, it is the Parties intention to enter into a definitive agreement to design, develop and administer a regional, integrated plan for investment in critical water infrastructure for the treatment, storage and cost-effective delivery of water resources to communities in the Mojave Basin and San Bernardino County.

NOW THEREFORE, in consideration of the foregoing recitals, the Parties will exercise good faith and reasonable best efforts to convert this Letter of Intent ("LOI") into a final definitive public, private, partnership agreement ("Agreement") in collaboration with other participating agencies. The key terms of the Agreement are as follows:

Collaboration with Regional Entities

It is the intent of the Parties to collaborate with the cities of Victorville, Hesperia, Adelanto, Barstow, the Town of Apple Valley, Mojave Water Agency, San Bernardino County, the Mojave Desert Resource Conservation District in the design, development, construction and operation of water facilities necessary to utilize all potential sources of water to create water security, climate resiliency and equitable distribution of water resources in Mojave Basin and connected regions in San Bernardino County.

It is the intent of the Parties to coordinate the financial, technical and managerial resources of all entities participating in the Mojave-San Bernardino One Water project to optimize and access maximum available financial resources and implement a One Water plan in the shortest possible timeframe.

Long-Term Water Supply

Subject to the approval of and terms and conditions imposed upon the Parties by their respective governing boards, shareholders, member agencies and/or applicable law:

It is the intent of the Parties to coordinate the conservation and distribution of all potential water resources in the region including recycled water contributions from multiple wastewater treatment plants, storm water, and imported water from State Water Project and Cadiz, and the development of collaborative recharge basins for maximum beneficial use, conservation and storage of all potential water sources.

Fenner Gap will make available groundwater resources from the Cadiz Water Conservation, Supply and Storage Project in Cadiz Valley to participating entities for purposes of groundwater replenishment, water supply reliability and ecosystem preservation.

VVWRA will immediately convene a planning committee to identify optimal water conservation, treatment, recycling and distribution strategies benefitting the Mojave Basin and Mojave River ecosystem; and the distribution of water resources between Alto Basin and Baja, Centro Basin and between the Mojave Basin and other SWP-dependent regions of San Bernardino County.

FGMWC will immediately convene a financing committee to identify all potential sources of financing for an integrated, regional, multi-agency project financing plan including federal, state, local grant opportunities, municipal bonds, revenue bonds and other debt securities, low and zero interest loan programs and private sector and foundation grant opportunities.

1/24/24 Date

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Signatures

Darron Poulson, General Manager

Victor Valley Wastewater Reclamation Authority

Susan P Kennedy, President

Fenner Gap Mutual Water Company



One Water Concept Mojave Basin

The Mojave Basin is a vital resource in our region and protecting it to assure its beneficial use is all our responsibility. The basin has many sources of supply. Natural River Flow, State Project Water, Storm Water and Recycled Water. There is only One Water.

We need to think more programmatically and regionally to achieve our large water supply goals.



- Multiple recycled water contributions from multiple wastewater treatment plants.
- Collaborative recharge basins for storm water recycled water, and state project water
- Regional recycled water distribution system.
- Advanced water treatment at SCLA to mitigate Air Force contaminated water plume.
- Treatment of recycled water for direct potable reuse.

Victorville IWWTP - Recycled Wa County CS464 – Storm Water Apple Valiey – Storm Water tesperia - Storm Water









recharge basins, groundwater storage banks and water treatment facilities in Mojave River Basin, Fenner Valley and Morongo Basin. One Water concept would integrate pipelines, groundwater



