

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223
Minutes of the
Board of Directors Meeting
February 4, 2013

Directors Present: John Jeter, President
Bill Dickson, Vice President
Mary Ann Melleby, Treasurer
Ron Duncan, Director (arrived at 1:43 p.m.)
Ted Haring, Director
Ray Morris, Director
Barbara Voigt, Director

Staff Present: Jeff Davis, General Manager
Thomas Todd, Finance Manager
Kenneth Falls, Operations and Maintenance Manager
Cheryle Rasmussen, Executive Assistant

1. **Call to Order, Flag Salute and Roll Call:** The meeting of the San Gorgonio Pass Water Agency Board of Directors was called to order by Board President John Jeter at 1:30 p.m., February 4, 2013 in the Agency Boardroom at 1210 Beaumont Avenue, Beaumont, California. Director Dickson led the Pledge of Allegiance to the flag. A quorum was present.
2. **Adoption and Adjustment of the Agenda:** President Jeter stated that Counsel Russ Behrens will not be able to attend today's Board meeting. He recommended that item 9 be removed from the agenda due to his absence. The agenda was adopted as amended.
3. **Public Comment:** No members of the public requested to speak at this time.
4. **Consent Calendar:**
 - A. Approval of the Minutes of the Regular Board Meeting, January 22, 2013
 - B. Approval of the Minutes of the Finance and Budget Workshop, January 28, 2013
 - C. Approval of the of the Finance and Budget Workshop Report, January 28, 2013

Director Dickson moved, seconded by Director Melleby to approve the consent calendar as presented. Motion passed unopposed.

5. Reports:

A. General Manager's Report:

1. **Operations Report:** General Manager Davis reported on the following: (a) The Agency delivered a total of 39 acre-feet to Little San Gorgonio Creek ponds and a total of 687 acre-feet to Beaumont Cherry Valley Water District ponds, for a total of 726 acre-feet for the month of January. Several ponds were shut down and a reduction of flow took place in late December. (b) **EBX II** was shut down as of February 3rd for planned maintenance and improvements (tie-ins in Mentone and install a new suction header at Crafton Hills pump station); approximate online date 04/01. (c) A tour to view the construction progress of **EBX II** will likely take place

next month during the Engineering workshop. **(d) Snowpack** is at 93% of normal for the end of January. **(e) SWP:** There is a concern of how many smelt have been taken and this is being closely monitored. The State Water Project and the Central Valley Project had to reduce flow because of the smelt take, resulting in a decrease of 700,000 acre-feet of water thus far.

B. General Agency Updates: General Manager Davis updated the Board on the following items: **(a) Contract Extension:** **(1)** General Manager Davis informed the Board that he and Finance Manager Thomas Todd had a conversation with Dave Paulson with the State Water Project Analysis Office, Department of Water Resources. The conversation was related to the bonds that have already been sold for EBX II and EBX I improvements and when bonds will be sold in the future. Staff was informed by DWR that typically bonds are sold in March and September, if warranted. **(2)** General Manager Davis stated that a meeting took place on 01/29 with DWR upper management, including Carl Torgerson (Deputy Director State Water Project), to specifically discuss the joint letter that was sent to DWR in December pertaining to the Article 2 contract extension. Deputy Director Torgerson contacted General Manager Doug Headrick (SBVMWD) to discuss the letter. He requested that a meeting between himself, General Manager Doug Headrick (SBVMWD) and General Manager Davis take place as soon as next week in Sacramento. **(3)** General Manager Davis spoke to Director Mark Cowin (DWR) at the Southern California Water Committee (SCWC) meeting on January 25, regarding the contract extension. Director Cowin stated that he would like to meet with a delegation from our Agency on this issue. General Manager Davis will schedule a meeting to take place soon. **(3)** Staff is in the process of preparing a spreadsheet for the board that will demonstrate what the Agency's expenditures and tax rate might look like with 30-year bonds vs. bonds being paid off in 2035. **(4)** General Manager Davis stated that other SWC extension deadlines will take place mid-2014, whereas the Agency's deadline is March 2014. **(b) State of the State Speech:** Governor Brown spoke about water issues as one of his key points during his State of the State speech; the main focus was on the BDCP. **(c) Santa Ana Sucker:** General Manager Davis stated that this case is going to the Ninth Circuit Court of Appeals by the end of this year. Assuming the Ninth Court finds in favor of the U.S. Fish and Wildlife the case would be brought before the Supreme Court (if accepted) in late 2014 or early 2015 on appeal. **(d) Banning Bench Flume:** The City of Banning has taken the lead on the permitting for the flume. The Agency has had limited involvement on this issue. The U.S. Forest Service has stated that the project does not meet the standard for a special use permit. General Manager Davis stated that he may attend a meeting with the U.S. Forest Service on this issue. He also stated that a possible option for Banning is obtaining a FERC license.

C. Director's Reports: There were no directors who wished to report at this time.

6. New Business:

- A. Appointment of Committees:** President Jeter announced the following Committee and Ad Hoc Committee appointments:
- Conservation & Education:** Director Haring, Chair; Director Melleby, Vice-Chair; Director Duncan, member
- Employee Guide:** Director Morris, Chair; Director Duncan, Vice-Chair; Director Voigt, member
- Engineering:** Director Dickson, Chair; Director Melleby, Vice-Chair; Director Voigt, member
- Finance & Budget:** Director Voigt, Chair; Director Dickson, Vice-Chair; Director Melleby, member
- Legal Issues:** President Jeter, Chair; Director Haring, Vice-Chair; Director Duncan, member
- Appointment of Ad Hoc Committees:**
- Capacity Fee:** President Jeter, Chair; Director Dickson and Director Morris members
- Strategic Planning:** Director Melleby, Chair; Director Morris and Director Voigt members
- B. Consideration of Board Compensation Adjustment (Director Voigt):** Director Voigt suggested that the directors receive the same annual percentage increase that staff receives as a cost of living adjustment, with the option of declining the adjustment entirely; staff received a 3% COLA for fiscal year 2012-2013. After discussion, it was the consensus of the Board that staff prepare a resolution stating that the Board of Directors receive an annual compensation adjustment to equal the same as that of the Agency's employees cost of living adjustment, not to exceed 5%. In addition, the Board of Directors may opt out of an annual compensation adjustment entirely. This resolution is to be presented at the next board meeting.
- C. Consideration of Support of Nomination of Melody McDonald for ACWA JPIA Executive Committee:** Director Voigt moved, seconded by Director Morris, to support Resolution No. 2013-01, supporting the nomination to the Executive Committee of the Association of California Water Agencies Joint Powers Insurance Authority, Melody McDonald of the San Bernardino Valley Water Conservation District. The motion passed unopposed.
- D. Consideration of Nomination of Board Member for ACWA Region 9 Board:** Director Voigt nominated Director Melleby. After discussion, Director Voigt made a motion, seconded by Director Duncan, to support Resolution No. 2013-02, placing in nomination Director Mary Ann Melleby as a member of the Association of California Water Agencies Region 9 Board Member; roll was called. Ayes: Haring, Voigt, Morris, Melleby, Duncan, Dickson and Jeter. Noes: none. Absent: none. The motion carried 7-0.

E. Report on Discussions with San Bernardino Valley Municipal Water District on Potential Purchase of Supplemental Water: General Manager Davis updated the board on verbal discussions that he has been having with General Manager Headrick (SBVMWD) pertaining to supplemental water and a conjunctive use deal. He explained potential costs involved in the purchasing of the supplemental water and contract wording preferences. Should a contract be imminent it would be effective in 2015; a CEQA document would be required. General Manager Davis spoke to the Board about Valley's proposed conjunctive use project of storing water in the Bunker Hill Basin. A number of other water agencies are showing interest in the project, discussions are ongoing. General Manager Davis stated that once he receives communication in writing that he will bring it to the board for further discussion.

7. Topics for Future Agendas: No topics were requested for future agendas.

8. Announcements: President Jeter reviewed the following announcements:

- A. Employee Guide Workshop, February 7, 2013 at 1:30 p.m.
- B. Engineering Workshop, February 11, 2013 at 1:30 p.m.
- C. Water Conservation & Education Workshop, February 13, 2013 at 1:30 p.m.
- D. Office closed Monday, February 18, 2013 in observance of Presidents' Day
- E. Regular Board Meeting, **Tuesday**, February 19, 2013 at 1:30 p.m.

9. Closed Session – (one Item)

1. Anticipated Litigation, Subdivision (c) of Section 54956.9 (one case).
This item was removed from the agenda during adoption and adjustment of the agenda by unanimous consent of the Board.

10. Adjournment: President Jeter adjourned the meeting at 2:43 p.m.



Jeffrey W. Davis, Secretary of the Board
cmr

RESOLUTION NO. 2013-01

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN GORGONIO PASS WATER AGENCY CONCURRING IN NOMINATION TO THE EXECUTIVE COMMITTEE OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES JOINT POWERS INSURANCE AUTHORITY ("ACWA/JPIA")

WHEREAS, the San Gorgonio Pass Water Agency is a member of the ACWA/JPIA; and


WHEREAS, the Bylaws of ACWA/JPIA provide that in order for a nomination to be made to the ACWA/JPIA's Executive Committee, three member districts must concur with the nominating district; and

WHEREAS, another ACWA/JPIA member district, the San Bernardino Valley Water Conservation District, has requested that this agency concur in its nomination of its member of the ACWA/JPIA Board of Directors to the Executive Committee of ACWA/JPIA.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Gorgonio Pass Water Agency, that this agency concurs with the nomination of Melody McDonald of the San Bernardino Valley Water Conservation District to the Executive Committee of the ACWA/JPIA.

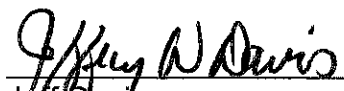
BE IT FURTHER RESOLVED that the Agency Secretary is hereby directed to transmit a certified copy of this resolution to the ACWA/JPIA at P.O. Box 619082, Roseville, CA 95661-9082, forthwith.

I certify that the foregoing is a true, full and correct copy of Resolution NO. 2013-01, unanimously adopted by the Board of Directors of the San Gorgonio Pass Water Agency at its Regular Meeting held on February 4, 2013.



John Jeter
President

Attest:



Jeff Davis
Secretary

(SEAL)

RESOLUTION NO. 2013-02

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE SAN GORGONIO PASS WATER AGENCY
PLACING IN NOMINATION MARY ANN MELLEBY
AS A MEMBER OF THE ASSOCIATION OF CALIFORNIA
WATER AGENCIES REGION 9 BOARD MEMBER**

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SAN GORGONIO PASS WATER AGENCY AS FOLLOWS:

A. Recitals


- (i) The Board of Directors (Board) of the San Gorgonio Pass Water Agency does encourage and support the participation of its members in the affairs of the Association of California Water Agencies (ACWA).
- (ii) Mary Ann Melleby has indicated a desire to serve as a Board Member of ACWA Region 9.

B. Resolves

NOW, THEREFORE, BE IT RESOLVED THAT THE BOARD OF DIRECTORS OF THE SAN GORGONIO PASS WATER AGENCY,

- (i) Does place its full and unreserved support in the nomination of Mary Ann Melleby for the Board Member position of ACWA Region 9.
- (ii) Does hereby determine that the expenses attendant with the service of Mary Ann Melleby in ACWA Region 9 shall be borne by the San Gorgonio Pass Water Agency.

Adopted and approved this 4th day of February, 2013.


Mary Ann Melleby, Director
San Gorgonio Pass Water Agency

(SEAL)

ATTEST



Jeffrey W. Davis, Secretary


I, Jeffrey W. Davis, Secretary to the Board of Directors of San Geronio Pass Water Agency, hereby certify that the foregoing Resolution was introduced at a regular meeting of the Board of Directors of said District, held on the 4th day of February 2013, and was adopted at that meeting by the following roll call vote:

AYES: Haring, Voigt, Morris, Melleby, Duncan, Dickson and Jeter

NOES:

ABSENT:

ATTEST:



Jeffrey W. Davis, Secretary to the
Board of Directors of
San Geronio Pass Water Agency