

**SAN GORGONIO PASS WATER AGENCY**  
**1210 Beaumont Avenue, Beaumont, California 92223**  
**Minutes of the**  
**Board of Directors Meeting**  
**May 6, 2013**

**Directors Present:** Bill Dickson, Vice President  
Mary Ann Melleby, Treasurer  
Ron Duncan, Director  
Ted Haring, Director  
Ray Morris, Director  
Barbara Voigt, Director

**Directors Absent:** John Jeter, President

**Staff Present:** Jeff Davis, General Manager  
Thomas Todd, Finance Manager  
Cheryle Rasmussen, Executive Assistant  
Russ Behrens, General Counsel

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 Vice President Bill Dickson at 1:30 p.m., May 6, 2013 in the Agency Boardroom at 1210 Beaumont Avenue, Beaumont, California. Director Duncan led the Pledge of Allegiance to the flag. A quorum was present.
2. **Adoption and Adjustment of the Agenda:** The agenda was adopted as presented.
3. **Public Comment:** Vice President Dickson requested comments from the public. Joe Zoba, General Manager of the Yucaipa Valley Water District requested to speak. He provided Board members and staff with a letter requesting that the following items be addressed in a workshop within the next 30 days: (1) Delivery of Imported Water to Little San Gorgonio Creek Spreading Basin; (2) Charges for Water Deliveries by Department of Water Resources; and (3) Cash Reconciliation and Reserve Allocation Reporting Requirements. General Manager Davis informed Mr. Zoba that item three had previously been discussed at the April 22, 2013 Finance and Budget workshop, which Mr. Zoba did not attend. General Manager Davis stated that he will schedule the workshop(s) within the next few of months addressing items one and two, and readdressing item three. Mr. Zoba requested an advance 7 -10 day notice of the workshop(s). General Manger Davis indicated he would provide such notice.
4. **Consent Calendar:**
  - A. Approval of the Minutes of the Regular Board Meeting, April 15, 2013
  - B. Approval of the Minutes of the Finance and Budget Workshop, April 22, 2013
  - C. Approval of the Finance and Budget Workshop Report, April 22, 2013

Director Morris 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) SWP Water Deliveries:** The Agency delivered a total of 77 acre-feet to Little San Geronio (LSG) Creek ponds and a total of 749 acre-feet to Beaumont Cherry Valley Water District ponds, for a total of 826 acre-feet for the month of April. The projected SWP water deliveries were below average due to EBX II being shut down for five days and April being a thirty-day month. **(b) State Water Project (SWP) Water Allocation and Table A Carry Over:** 1) Due to the SWP water allocation being 35% for this year an operational decision was made to cut back deliveries to LSG from 2 ½ cfs to 1-cfs; thereby delivering more water to the Agency's water retailers this year than was delivered last year. 2) The Agency has a carryover of 5,000 acre-feet of Table A water from last year, plus Table A and Yuba water, totaling approximately 11,500 acre-feet for this year. **(c) Potential Water Exchange Agreement:** Item 6b of the Agenda pertains to a potential 2000 acre-feet water exchange agreement with Crestline Lake Arrowhead Water Agency for this year, augmenting supplies even more.

**(2) General Agency Updates:** General Manager Davis reported on the following: **(a) Snowpack:** DWR snow surveyors reported on May 2<sup>nd</sup> that water content in California's snowpack is only 17 percent of normal. Lake Oroville's water storage level is adequate for this year; however due to this year's minimal snowpack the water storage level for next year is of concern. **(b) EBX II Pump & Motor Bid:** Six months ago the bidding process was opened for EBX II pumps and motors (the engineer's estimate came in at \$19 million); only one non-responsive bid was received for \$34 million. The Agency and SBVMWD Board members did not accept the bid and directed staff to meet with DWR in order to rewrite the contract specifications. The specifications were modified and new bids were opened this past Friday. Four bids were received with a low bid of \$17.8 million, thus resulting in a \$14-15 million cost savings. **(c) Sacramento Regional County Sanitation District (SRCSD) - Wastewater Treatment Plant:** A partial settlement has been reached, whereby SRCSD has agreed to move forward immediately with treating its municipal wastewater for removal of ammonia. It is the SWC contention (backed by scientific evidence) that ammonia creates stress on the smelt. **(d) ACWA Conference:** 1. General Manager Davis stated that ACWA's Board of Directors will be holding a town hall session at ACWA's conference this week in Sacramento to discuss its position on the 2014 water bond; it appears that ACWA board members are supporting modifications. 2. A special session for Contractor board members will take place on Tuesday, May 7<sup>th</sup> in Sacramento to specifically discuss Bay Delta Conservation Plan business related issues.

**B. Directors Report:** **(1)** Director Haring reported that he attended the Pass EDA City Managers Forum held on April 26<sup>th</sup>. **(2)** Director Voigt reported that she attended the Watermaster meeting and the Beaumont Cherry Valley Water District Board meeting. **(3)** Director Morris reported that he attended the Beaumont Cherry Valley Water District Finance and Audit meeting.

## 6. New Business:

### A. Consideration of Resolution No. 2013-09, Supporting Kathy Tiegs for ACWA

**Vice President:** Resolution No. 2013-09 was included in the agenda packet. General Manager Davis stated that this item had been presented to the Board at a previous Board meeting, at which time the Board decided to table this item for a period of time to allow for further requests of support. No other requests for support have been received to date. After discussion, Director Haring made a motion, seconded by Director Voigt, to support Resolution No. 2013-09, placing in nomination Kathy Tiegs for ACWA Vice President. Vice President Dickson requested a roll call vote. Ayes: Haring, Voigt, Morris, Melleby, Duncan and Dickson. Noes: none. Absent: Jeter. The motion carried 6-0.

### B. Consideration of Exchange with Crestline Lake Arrowhead Water Agency (CLAWA):

A staff report was included in the agenda packet. General Manager Davis informed the Board that staff has been in contact with CLAWA regarding an unbalanced exchange of Table A water for this year. The Agency would receive 2000 acre-feet this year while owing roughly 1300 acre-feet over the next ten years. Staff is seeking direction from the Board on whether to pursue this exchange in this dry year. After discussion, the Board agreed to move forward on negotiations, stipulating that there be a clause in the contract that states that the Agency can negotiate the terms in the event CLAWA requests the water in a dry year. Director Melleby moved, seconded by Director Duncan, to authorize staff to negotiate an exchange agreement with CLAWA and to bring such an agreement to the Board for its consideration. The motion passed unopposed.


**C. Report on Initial Contract Extension Negotiation Session:** The Department of Water Resources State Water Project Contract Extension Project Agenda and supporting materials were included in the agenda packet. General Manager Davis provided an extensive detailed report on the State Water Project Contract Extension meeting that took place on May 1, 2013 in Sacramento. This was the first of a series of meetings that is open to the public and will take place every other Wednesday in Sacramento. General Manager Davis answered Board questions. He stated that he will be attending future meetings and will report back to the Board on the negotiation talks.

## 7. Topics for Future Agendas:

1. Delivery of Imported Water to Little San Geronio Creek Spreading Basin
2. Charges for Water Deliveries by Department of Water Resources
3. Cash Reconciliation and Reserve Allocation Reporting Requirements

Director Voigt suggested that the SWP contract extension negotiation updates be discussed in a Board workshop(s) forum.

8. **Announcements:** Vice President Dickson reviewed the following announcements:
- A. Engineering Workshop, May 13, 2013 at 1:30 p.m. - General Manager Davis requested that the Board cancel the Engineering Workshop scheduled for May 13, 2013, as the Draft EIR is not complete. The Board was in agreement to cancel the meeting.
  - B. Regular Board Meeting, May 20, 2013 at 1:30 p.m.
  - C. Office Closed May 27<sup>th</sup>, 2013 in observance of Memorial Day
  - D. Finance and Budget Workshop, May 28, 2013 at 1:30 p.m. – General Manager Davis stated that he will be scheduling a special budget workshop to discuss the budget for next year.
9. **Adjournment:** Vice President Dickson adjourned the meeting at 2:25 p.m.

  
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Jeffrey W. Davis, Secretary of the Board  
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**RESOLUTION NO. 2013-09**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
SAN GORGONIO PASS WATER AGENCY  
SUPPORTING THE NOMINATION OF DIRECTOR KATHLEEN TIEGS  
AS THE ASSOCIATION OF  
CALIFORNIA WATER AGENCIES VICE-PRESIDENT**

**WHEREAS**, the San Gorgonio Pass Water Agency Board of Directors are active participants in the Association of California Water Agencies (ACWA); and

**WHEREAS**, Director Kathleen Tiegs has expressed her interest in serving as the ACWA Vice-President for the 2014 – 2015 term; and

**WHEREAS**, Director Kathleen Tiegs has served in a variety of leadership positions in ACWA, including the Local Government Committee, the Groundwater Committee, Vice-Chair of the Federal Affairs Committee, Region 9 Board of Directors, and as a member of ACWA/JPIA.

**WHEREAS**, Director Kathleen Tiegs is committed to advancing ACWA's Policy Principles and finding common ties between members to develop a long-term strategy that provides a sustainable water future for all members and their constituents.

**NOW, THEREFORE, BE IT RESOLVED THAT THE SAN GORGONIO PASS WATER AGENCY BOARD OF DIRECTORS** does hereby place its full and unreserved support in the nomination of Cucamonga Valley Water District Director Kathleen Tiegs as Vice-President of the Association of California Water Agencies for the 2014-2015 term.

Adopted and approved this 6<sup>th</sup> day of May, 2013.

ATTEST



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John Jeter, Board President  
San Gorgonio Pass Water Agency

(SEAL)


I, Jeffrey W. Davis, Secretary to the Board of Directors of San Gorgonio 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 6<sup>th</sup> day of May 2013, and was adopted at that meeting by the following roll call vote:

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

NOES:

ABSENT: Jeter

ATTEST:

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