

**SAN GORGONIO PASS WATER AGENCY**  
**1210 Beaumont Avenue, Beaumont, California 92223**  
**Minutes of the**  
**Board of Directors Meeting**  
**September 16, 2013**

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

**Staff Present:** Jeff Davis, General Manager  
Thomas Todd, Finance Manager  
Ken Falls, Operations and Maintenance Manager  
Cheryle Rasmussen, Executive Assistant  
Russ Behrens, Legal 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 President John Jeter at 1:30 p.m., September 16, 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:** The agenda was adopted as presented.
3. **Public Comment:** Banning Mayor Deborah Franklin commended General Manager Davis for his input at the Federal Energy Regulatory Commission (FERC) meeting pertaining to the flume. She stated that General Manager Davis made some very valid points and that she hoped that the U.S. Forest Service (USFS) would take them into consideration. Banning Bench resident John Benfield also thanked General Manager Davis, stating that he was very appreciative of his comments. No other members of the public requested to speak at this time.
4. **Consent Calendar:**
  - A. Approval of the Minutes of the Regular Board Meeting, September 3, 2013
  - B. Approval of the Minutes of the Engineering Workshop, September 9, 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) SWP Water Deliveries:** The Agency delivered a total of 50 acre-feet to Little San Gorgonio (LSG) Creek ponds and a total of 513 acre-feet to Beaumont Cherry Valley Water District ponds, for a total of 563 acre-feet so far this month.

**(2) General Agency Updates:** **(a) FERC Hearing:** General Manager Davis informed the Board that FERC held its hearing on September 12<sup>th</sup>, regarding the flume and the USFS reissuing a special use permit to the City of Banning; the hearing was well attended by the public. FERC is charged with facilitating a settlement between the participating entities (Banning Heights Water Company, City of Banning, San Geronio Pass Water Agency and USFS). (The 1913 flume carries snow melt from just above Raywood Flat to a turnout where Banning Heights Mutual Water Company has a reservoir; water is piped to shareholders and the excess percolates into ponds in the Banning Water Canyon for city use.) The USFS contends that the flume is inconsistent with the USFS Resource Management Plan for the San Bernardino Forest. General Manager Davis stated that the flume has been in use prior to the development of USFS and its Resource Management Plan, which would indicate that the flume could be grandfathered in. He also stated that "if" the end result of this process is that the city of Banning and the residents of Banning Heights were to be cut-off from a water source, USFS will have in fact eliminated an adjudicated water right from these entities. If this were to happen it would put every adjudicated water right in the state of California under a microscope. At the public meeting the USFS had indicated that there is room for compromise on Alternative #2 from the FERC Environmental Assessment, which would allow the continuance of the operation of the flume, but with the stipulation of diverting some water to the forest trees. **(b) Beaumont Chamber Breakfast:** General Manager Davis attended the Beaumont Chamber breakfast on September 13<sup>th</sup>; Economist John Husing was the guest speaker. Mr. Husing stated that last year countywide property tax revenue was up 3%, however the recovery in this area is stalling, therefore Riverside County may or may not receive a 3% property tax increase this year. **(c) Legislative Report:** The Legislature adjourned the first year of the 2013-14 session without passing bills that would have modified the 2014 water bond. The Legislature will be out of session until January 2014. It is anticipated that one of the two water bond bills would be on the ballot for next November. **(d) EBX 2:** A meeting to discuss shared operations of the pump rotation between San Bernardino Municipal Water District and the Agency took place on September 11<sup>th</sup>. Operations and Maintenance Manager Ken Falls will begin his part-time duties with the pump rotation this November. **(e) Banning State of the City Address:** General Manager Davis reminded the Board that the State of the City Address will take place on October 15<sup>th</sup>.

## **B. Directors Report:**

**(1) Director Voigt** reported on the Beaumont Cherry Valley Water District Board meeting that was held on September 11<sup>th</sup>. An announcement was made that the next San Geronio Pass Regional Water Task Force Technical Committee meeting will be held September 18<sup>th</sup>, at 4:00 p.m., the next Administrative Committee meeting will be held on September 25<sup>th</sup>, at 5:30 p.m., and the next regular meeting will be October 14<sup>th</sup> at 6:00 p.m. Director Voigt stated that she attended the ACWA Region 9 Tour of Seven Oaks Dam that was held on September 13<sup>th</sup>, and she also attended the FERC Hearing. **(2) Director Melleby** reported on the ACWA Region 9 Tour of Seven Oaks Dam. She reminded the Board that the upcoming City of Banning's Bi-Centennial Lecture Series featuring Duane Burk will be held on September 21<sup>st</sup>, at 7:00 p.m. at the Dorothy Ramon Center. Mr. Burk will be speaking on "Banning Water: From the Flume Forward."

**6. New Business: (Discussion and Possible Action)**

**A. Consideration of Riverside County Grand Jury Response Letter:** A staff report and a copy of the response letter were included in the agenda packet. The Board and the public were provided with a copy of the Grand Jury letter. Also provided was a revised response letter, as there were changes and additions made to the Grand Jury Recommendation One response, these changes took place after the agenda had been distributed. General Manager Davis explained the changes that were made to the letter, which also included an added paragraph. He emphasized that the Board has a history of keeping compensation down and that the added paragraph provides examples of how this has been accomplished. Staff is requesting that the Board authorize a substantially similar letter to be signed by President Jeter. General Manager Davis noted that the California Special Districts Association created the District Transparency Certificate of Excellence and that the times of a meeting was not recognized as a transparency issue. He explained that transparency means how easy is it to get information from a public agency, not what time a meeting is being held. This Agency holds public meetings at least four times a month and is open five days a week, with the exception of legal holidays. In addition, the Agency has a website for public view and sends out agendas to 52 people; affirming that the Agency is extremely transparent. Director Dickson made a motion, seconded by Director Duncan, to approve the Grand Jury response letter with warranted changes and to any typographical error(s), if needed. President Jeter requested a roll call vote. Ayes: Haring, Voigt, Morris, Melleby, Duncan, Dickson and Jeter. Noes: none. Absent: none. The motion carried 7-0

**B. Consideration of Appointments to California Special Districts Association Committees:** A staff report, a copy of CSDA's memorandum regarding the 2014 CSDA Committee & Expert Feedback Team Participation, and a copy of the Interest form were included in the agenda packet. General Manager Davis stated that board members and staff are invited to volunteer to participate in one or more committees. Committee members would be asked to travel to Sacramento a couple times a year, with the exception of the Expert Feedback Teams. After discussion, it was decided by the board that interested parties contact the general manager. This item is to be revisited at the next board meeting.

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

**8. Announcements:** President Jeter reviewed the following announcements:

- A. Special Joint Board Meeting with San Bernardino Valley Municipal Water District, September 17, 2013 at 2:30 p.m. – SBVMWD 380 E Vanderbilt Way, San Bernardino
- B. Finance and Budget Workshop, September 23, 2013 at 1:30 p.m.
- C. Water Conservation and Education Workshop, September 30, 2013 at 1:30 p.m.
- D. Regular Board Meeting, October 7, 2013 at 1:30 p.m.

**9. Closed Session (2 Items)** The meeting adjourned to closed session at 2:06 p.m.

- B. Conference with Legal Counsel – Potential Litigation -  
(Government Code Section 54956.9 (d)(4) (one case)
- A. General Manager Performance Evaluation – (Government Code Section  
54957 (b))

President Jeter excused himself from Closed Session at 3:35 pm.

The meeting reconvened to open session at 3:58 p.m.

Vice President Dickson reported that the Board met in closed session and discussed the matters listed. Pertaining to Item 9.a, General Manager Davis was awarded a 3% cost of living adjustment. Pertaining to item 9.b, no action was taken that is reportable under the Brown Act.

**10. Adjournment:** Vice President Dickson adjourned the meeting at 3:59 p.m.

  
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Jeffrey W. Davis, Secretary of the Board  
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