

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223
Minutes of the
Board of Directors Meeting
March 17, 2014

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

Director Absent: Ray Morris, Director

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

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., March 17, 2014 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:** No members of the public requested to speak at this time.
4. **Consent Calendar:**
 - A. Approval of the Minutes of the Regular Board Meeting, March 3, 2014
 - B. Approval of the Minutes of the Engineering Workshop, March 10, 2014

Director Dickson moved, seconded by Director Duncan, to approve the consent calendar as presented. Motion passed 6-0, with Director Morris absent.

5. Reports:

A. General Manager's Report:

(1) Operations Report: General Manager Davis reported on the following: **SWP Deliveries:** (a) Beaumont Cherry Valley Recreation & Parks Department's Annual Fishing Derby event will be held next month at BCVWD ponds from April 26 – 27. SWP water deliveries will commence April 2nd to ensure that there is enough water (approximately 10 cfs) for the event. The conveyance of the water will be accomplished by using the Crafton Hills bypass line, as Crafton Hills Reservoir is currently shut down for the construction of the Crafton Hills Reservoir enlargement project. (b) SBVMWD has agreed to swap carryover water with Metropolitan Water District on or about May 1st. General Manager Davis will contact Metropolitan Water District to inquire if it would consider negotiating the same type of exchange with the Agency. (c) An unofficial

estimate of the amount of carryover water that the Agency will have access to this year is at least 85%, equating to about 4500 acre-feet.

(2) General Agency Updates: **a) Litigation Matters – 1) Delta Smelt:** In 2011, the United States District Court ruled in favor of public water agencies, overturning what the court deemed to be arbitrary and harmful federal regulations on State Water Project operations. On March 13, 2014, the United States Court of Appeals for the Ninth Circuit reversed the 2011 ruling. It is likely that a petition will be filed with the Supreme Court for review. **2) Monterey Amendment Environmental Impact Report (EIR):** A portion of the EIR known as the Monterey Plus Agreement was overturned by Sacramento Superior Court Judge Timothy Frawley on March 6th. Judge Frawley stated that the Department of Water Resources did an acceptable job on the EIR, with the exception of the portion of it relating to the Kern Water Bank, stating that DWR didn't properly analyze the environmental impacts. Judge Frawley will be holding a hearing to determine the next step in this case. The remainder of the Monterey Amendment EIR was upheld. **b) EBX 2 Bonds:** General Manager Davis reminded the Board that all but \$25 million in EBX 2 bonds were sold last year, as the funds were not immediately needed and it was believed that interest rates would not increase for another year. These remaining bonds were sold this past February at the same interest rate as last year, resulting in a savings to the Agency. **c) Water Conservation and Education:** General Manager Davis reported on the ongoing water conservation education sessions that the Agency, along with the Inland Empire Resource Conservation District, has been conducting at local schools. He stated that topics of discussion have included the current drought crisis, a PowerPoint presentation on the water cycle, and presentations utilizing the groundwater model. There will be eleven presentations this week and additional presentations to follow next month. Director Melleby requested a report on how many students and teachers are attending each session, stating that this information could be conveyed in the Agency's Urban Water Management Plan pertaining to education.

B. Directors Reports:

(1) Director Haring reported that he attended the Region 9 Water Bond Briefing that was held at Eastern Municipal Water District on March 6th. He also attended the Calimesa Chamber breakfast meeting on March 11th. The topic of discussion was the proposed Mesa Verde housing project. **(2) Director Melleby** reported that she attended the California Utilities Executive Management Association - Elected Officials Summit on March 5th. She explained that this is a new group that focuses on professional education and seminars for general managers and elected officials. She also attended the ACWA Region 9 Water Bond Briefing, YVWD Board Workshop, BCVWD Board Meeting, Beaumont Chamber Breakfast – General Manager Jeff Davis was the guest speaker and he gave a presentation that was well received. **(3) Director Duncan** reported that he attended the Banning Chamber of Commerce meeting. He stated that the Chamber would like to have General Manager Davis provide another presentation. General Manager Davis stated that he will follow-up with the request. **(4) Director Voigt** reported that she attended the BCVWD Board meeting. She stated that General Manager Davis provided a presentation to its board.

6. New Business: (Discussion and Possible Action)

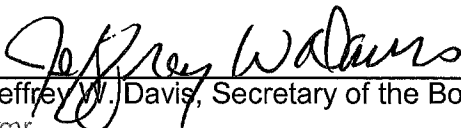
A. Status of Water Bond Issue: 1) A copy of the Association of California Water Agencies *Overview of 2014 Water Bond Bills – March 3, 2014* was included in the agenda packet. General Manager Davis reviewed with the Board the various water bond bills, estimated costs range from \$5.1 billion - \$9.25 billion. ACWA's Board of Directors has taken a strong position in supporting modifications to the current water bond to protect key statewide priority areas and aid its passage this year at a cost of \$8.2 billion. ACWA is supporting Assemblyman Anthony Rendon's water bond - AB 1331, and is working with Assemblyman Rendon to add additional monies for water storage. Ultimately, it is the governor who will decide if the water bond issue will be on this year's ballot. 2) General Manager Davis reported on the ACWA Region 9 Water Bond Briefing that he and some of the Agency's board members attended on March 6th. He stated that due to the drought both Sacramento and the agricultural community are being most affected and that there is genuine concern that the Delta may be overtaken by saltwater this year. Southern California has spent \$12 billion on water storage since the 1988-1992 droughts, thereby effectively providing Southern Californians with water during this drought year. ACWA's Executive Director Tim Quinn is requesting funding to conduct a water bond poll which would be submitted to the governor in April.

7. Topics for Future Agendas: President Jeter requested continued updates on the water bond.

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

- A. Finance and Budget Workshop, March 24, 2014 at 1:30 p.m.
- B. San Geronio Pass Regional Water Alliance – Technical Committee Meeting, March 26, 2014 at 4:00 p.m. - Banning City Hall Conference Room
- C. San Geronio Pass Regional Water Alliance – Committee Meeting, March 26, 2014 at 6:00 p.m. - Banning City Council Chambers
- D. Regular Board Meeting, April 7, 2014 at 1:30 p.m.

9. Adjournment: President Jeter adjourned the meeting at 2:13 p.m.



Jeffrey W. Davis, Secretary of the Board
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