

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223
Minutes of the
Board of Directors Meeting
April 21, 2014

Directors Present: John Jeter, President
Bill Dickson, Vice President
Mary Ann Melleby, Treasurer
Ron Duncan, Director (Arrived at 1:46 p.m.)
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
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., April 21, 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:** President Jeter called upon Eric Fraser (General Manager of Beaumont Cherry Valley Water District). Mr. Fraser commented on the Draft Water Delivery policy.
4. **Consent Calendar:**
 - A. Approval of the Minutes of the Regular Board Meeting, April 7, 2014
 - B. Approval of the Minutes of the Engineering Workshop, April 14, 2014

Director Dickson moved, seconded by Director Duncan, to approve the consent calendar as presented. Motion passed 5-0, with Director Morris and Duncan 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 at BCVWD ponds from April 26 – 27. SWP water conveyance was accomplished by using the Crafton Hills bypass line at 20 cfs for three weeks, and is now flowing at 10 cfs. The Agency has delivered a total of approximately 700 acre-feet to BCVWD so far this month.

(2) Water Supply Update: a) SWP Allocation: A Notice to State Water Project Contractors, dated April 18, 2014 was included in the agenda packet. General Manager Davis reported that the Department of Water Resources (DWR) is increasing the 2014 Table A water allocation from 0% to 5%. A condition of this allocation is that SWP contractors take delivery of Table A water after September 1, 2014. DWR wants to maintain about one million AF of SWP water in Lake Oroville through the end of September; this being a prudent step should the drought conditions persist into 2015.

(3) General Agency Updates: a) Water Bonds: There are a total of ten water bond bills in Sacramento, ranging from \$5.8 to \$9.5 billion. Governor Brown has not stated his position on a water bond. **b) Cap & Trade:** According to state law cap-and-trade "fees" are to fund programs that reduce greenhouse gas emissions. Governor Brown wants to use the revenues for the bullet train, whereas others wish to use the revenues for other projects. Any such action would have to be passed by the legislature. It is possible that some of the revenue could be set aside for the water industry to make improvements in energy efficiency, but this would only be a small portion of the total cap and trade revenues. **c) San Geronio Pass Regional Water Alliance Tour (SGPRWA):** General Manager Davis is working with Phil Rosentrator and DWR on the upcoming SGPRWA tour that will be held on April 23, 2014 from 10:00 a.m. until 4:00 p.m. Director Melleby commented on item 3a, stating that ACWA recently changed its position and is now supporting Senator Hueso for SB1250 water bond language. ACWA is asking members for letters of support. The Board was in agreement to discuss sending a letter of support for Senator Hueso's bill and to place this item on a future agenda.

B. Directors Reports: (1) Director Melleby reported that she attended the BCVWD Board meeting on April 9th and the Beaumont Chamber of Commerce Breakfast on April 11th – topic of discussion was on the Sun Cal project. Director Melleby also attended the State of the Region luncheon - Research Economist Dr. John Husing was the guest speaker. Director Melleby provided Dr. Husing's analysis of economic trends, statistical data and job forecasting. She stated that Dr. Husing's outlook for the Inland Empire is that it is shaping up economically for 2014. **(2) Director Voigt** stated that she attended the BCVWD's Board meeting and YVWD's Board meeting. **(3) Director Duncan** stated that he attended the Banning Chamber of Commerce Member Appreciation dinner. He informed the Board that Cabazon Water District has canceled its upcoming board meeting, due to lack of a quorum. **(4) Director Dickson** announced that Banning Replier Park is hosting a Disaster Preparedness event this coming Saturday.

6. New Business: (Discussion and Possible Action)

A. Consideration of Resolution No. 2014-03 Urging Heightened Water Conservation by Customers in Response to Drought Conditions: A staff report and a copy of Resolution No. 2014-03 were included in the agenda packet. General Manager Davis stated that ACWA is requesting its members to pass resolutions urging heightened water conservation throughout the state this year. Should the Board approve the Resolution a copy would be sent to ACWA. Director Dickson made a motion, seconded by Director Melleby, to approve Resolution No. 2014-03 Urging Heightened Water Conservation by Customer in Response to Drought Conditions. Motion passed 6 –

0, with Director Morris absent. Director Melleby requested that Resolution No. 2014-03 be posted to the website and that there be a press release on the Resolution.

B. Consideration of Drought Update Meeting for the Region: A staff report and a copy of a letter from the Local Agency Formation Commission (LAFCO), dated April 14, 2014 were included in the agenda packet. General Manager Davis briefed the Board on the many activities that is processed through the LAFCO board. Every two years, special districts in Riverside County elect a member of the LAFCO board. Phil Williams will be running for LAFCO's board once again. He stated that no action needs to be taken, unless a board member wishes to be considered as a candidate. President Jeter suggested that if there is no objection this item will be tabled until a board member comes forth stating that they wish to be nominated as a candidate. The Board did not object to President Jeter's suggestion.

C. Consideration of Drought Update Meeting for the Region: A staff report was included in the agenda packet. General Manager Davis stated that he has been approached by a number of people asking how the drought is impacting the region. He suggested that the Agency host an event that would be held for elected officials, SGPRWA members, service organizations, planning commissioners, HOAs, media representatives, etc. Speakers would include drought experts from DWR, Rich Atwater of Southern California Water Committee and other drought experts. This would provide an opportunity for attendees to ask questions first-hand on the drought situation and relay the information to their constituents/members. Mayor Franklin (City of Banning) suggested that the event be held during a SGPRWA meeting, as the venue (Banning City Hall) would accommodate a large crowd. Director Melleby suggested that the event be co-sponsored with SGPRWA and that it would include food and refreshments. The Board supported the concept and asked staff to coordinate the event with SGPRWA.

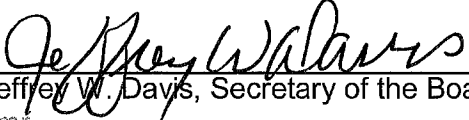
7. **Topics for Future Agendas:** President Jeter requested continued updates on the water bond and EBX II.
8. **Announcements:** *President Jeter reviewed the following announcements:*
 - A. San Gorgonio Pass Regional Water Alliance Group Tour – April 23, 2014 at 10:00 a.m. – 4:00 p.m. (Tour begins and ends at the SGPWA Parking Lot)
 - B. Finance and Budget Workshop, April 28, 2014 at 1:30 p.m.
 - C. Regular Board Meeting, May 5, 2014 at 1:30 p.m. (*General Manager Davis informed the Board that the time for this meeting is subject to change, due to a scheduling conflict*).
9. **Closed Session (2 Items) Time: 2:09**
 - A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION – Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9 (one potential case)

B. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Consideration of Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9 (one potential case).

The meeting reconvened to open session at: Time: 3:10

Legal Counsel Russ Behrens reported that the Board met on both items listed on the agenda. No action was taken on either item that is reportable under the Brown Act.

10. Adjournment: President Jeter adjourned the meeting at 3:12 p.m.



Jeffrey W. Davis, Secretary of the Board
cmf

RESOLUTION NO. 2014-03

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN GORGONIO PASS WATER AGENCY URGING HEIGHTENED WATER CONSERVATION BY CUSTOMERS IN RESPONSE TO DROUGHT

WHEREAS, California is experiencing one of the most severe droughts on record; and

WHEREAS, the 2014 water year has been one of the driest in decades and follows two consecutive dry years throughout the state; and

WHEREAS, even after recent rain and snowfall, the state's major reservoirs remain well below average levels for the date and the statewide snowpack is less than a third of normal, with little time remaining to recover in 2014; and

WHEREAS, many areas of the state will face water shortages this year; and

WHEREAS, the State Water Project has announced an initial allocation of zero for its customers in 2014 while the federal Central Valley Project has announced the lowest-ever allocations for its contractors, creating a real possibility that 25 million Californians and more than a million acres of farmland will receive no water from the projects this year; and

WHEREAS, Governor Brown declared a drought state of emergency on January 17, 2014, and called on all Californians to do their part to reduce their water use; and

WHEREAS, though local water supply conditions vary around the state, California is nevertheless in a statewide drought, and it is critical that all residents do what they can to use water wisely to maximize supplies and protect water reserves in case next year is dry, too; and

WHEREAS, San Gorgonio Pass Water Agency has made significant investments in local programs to improve water supply reliability, including [LIST ALL THAT APPLY] water conservation, water recycling and other strategies to stretch supplies, and will continue to do so; and

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the San Gorgonio Pass Water Agency recognizes that California is in a statewide drought and there is a critical need for all Californians to use water wisely on an ongoing basis and heighten their conservation efforts now as the state continues to face drought conditions; and

BE IT FURTHER RESOLVED, that the Board of Directors thanks its customers for their ongoing water efficiency efforts and asks that they re-double those efforts wherever possible at this time in response to the drought;

I certify that this is a true copy of Resolution No. 2014-03 as passed by the Board of Directors of the San Geronio Pass Water Agency at its meeting on April 21, 2014 in Beaumont, California.

Date: April 21, 2014



Board President



General Manager