

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223
Minutes of the
Board of Directors Meeting
August 18, 2014

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

Directors Absent: Ray Morris, Director

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 President John Jeter at 1:30 p.m., August 18, 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, August 4, 2014
 - B. Approval of the Minutes of the Engineering Workshop, August 11, 2014

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

5. Reports:

A. General Manager's Report:

(1) Operations Report: General Manager Davis informed the Board that Operations and Maintenance Manager Ken Falls was on vacation last week and is operating the EBX this week, therefore an updated operations report will be provided at the next Board meeting.

- (2) Construction Update:** General Manager Davis reported on the following:
1. ProCraft's equipment operator hit a $\frac{3}{4}$ inch gas line; construction was instantly halted. The gas line had not been properly marked by Southern California Gas Company.
 2. Riverside County Fire Department and the Gas Company were immediately called out to the site.

3. The process of shutting off the gas line was time consuming and took much of the day.
4. ProCraft's construction crew was instructed to begin potholing (a process that ensures exactly where utility lines are located) before proceeding with any future digging with the heavy equipment; this process took two days to complete.

(3) EBX 2 Update: General Manager Davis referred the Board to an email that was included in the agenda packet from Paul Strusinski, supervising engineer for the California Department of Water Resources. He reported on the status and scheduling dates for the following:

- Citrus Reservoir & Pump Station
- Mentone Pipeline
- Crafton Hills Reservoir Expansion
- Switchgear Spec
- Pump Station Completion Spec
- Power Supply for Citrus Pump Station
- Pumps and Motors

General Manager Davis informed the Board that startup testing will likely begin in late 2015.

(4) Whitewater Flume Update: General Manager Davis reported the following: **1. Federal Energy Regulatory Commission (FERC)** – A letter dated August 11, 2014 from Banning Heights Mutual Water Company to FERC was included in the agenda packet. General Manager Davis reviewed the letter in which it addresses the need for the Commission to enforce its standing orders of SCE proceeding with repairing the damaged section of canal located within the licensed P-344 right-of-way. **2. San Bernardino National Forest (SBNF):** A one year extension of the order to remove the Burnt Canyon Pipeline has been granted by SBNF. **3. Public Scoping Meetings:** Due to the extension, the September 2nd and 3rd Public Scoping meetings will be rescheduled; new meeting dates will be announced accordingly. **4. City of Banning:** A petition dated July 28, 2014 from the City of Banning to FERC requesting a rehearing on its application for a FERC license was included in the agenda packet. General Manager Davis reviewed the petition with the Board.

(5) General Agency Updates: **1.** General Manager Davis reviewed with the Board material that was included in the agenda packet relating to the water bond. The water bond measure for the November 4, 2014 General Election ballot specifics are as follow:

- Storage - \$2.7B
- Regional Water Reliability - \$810M
- Safe Drinking Water - \$520M
- Water Recycling - \$725M
- Groundwater Sustainability - \$900M
- Watershed Protection, Watershed Ecosystem Restoration, State Settlements - \$1.495M
- Statewide Flood Management - \$395M
- General Provisions

2. General Manager Davis stated that as a public agency we cannot be an advocate of the water bond; however, the Agency can pass a resolution in support of the water bond and also educate the public on the water bond in a fair and balanced manner. **3.** The

appraisal for the repairs to the Agency's vehicle that was involved in an accident a few weeks ago came in at \$6,000; repair work will begin this week. 4. An attempted break into the Agency's building took place the evening of August 8th however, due to the safety mechanisms in place an actual break-in did not occur.

B. Directors Reports: (1) **Director Voigt** gave a report on YVWD's Workshop that she attended on August 12th. Director Voigt stated that General Manager Joe Zoba (YVWD) has proposed building a recycled water pipeline to BCVWD; costing BCVWD an upfront amount of \$2 million, with no capacity rights in the pipeline. She also reported that Mr. Zoba had spoken to BCVWD about purchasing land that's available on Beaumont Avenue (located just west of the Agency's recharge facility property) for additional recharge ponds. Mr. Zoba also wants to approach a number of developments (Sharondale, Rancho Calimesa and Plantations on the Lakes) to discuss the possibility of YVWD providing water service to them, with the stipulation that the landowners would sign over their water rights to YVWD. General Manager Zoba is also seeking to run a 24-inch recycled water pipeline out to Banning. Director Voigt also reported on BCVWD's Board meeting that was held on August 13th. She reported that General Manager Eric Frasier (BCVWD) also provided a report to his board on the recycled water pipeline proposal by YVWD. 2) **Director Melleby** reported that she attended the Beaumont Basin Watermaster meeting and the Banning Chamber of Commerce dinner, stating that Director Duncan was sworn in as the Banning Chamber President. She also attended the Regional Public Policy Seminar that was held at YVWD on August 7th; the topic of discussion was on Science of Fire Management. 3) **Director Duncan** reported that he attended the Cabazon Water District Board meeting on August 18th. He also attended the Banning Chamber of Commerce Installation Dinner. He informed the Board that Director Dickson was sustained as a Banning Chamber of Commerce board member. 4) **Director Dickson** reported that he attended the Banning Chamber of Commerce Installation Dinner. He also attended the BCVWD Board meeting. 5) **Director Voigt** also reported that she attended the Beaumont Chamber of Commerce Breakfast and the Watermaster meeting.

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

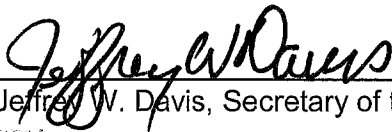
A. Consideration of Ordinance 11 Creating an Administrative Code: A staff report and a copy of the proposed Ordinance 11 with the Administrative Code were included in the agenda packet. General Manager Davis stated that over the years the Board has adopted a number of policies that govern activities by both the Board and staff. The Board has discussed the desire to house all policies, and other Board actions, in one location so that they may be easily referenced and more readily available. Staff will update and maintain the code as policies are revised and new policies are adopted. After discussion, Director Voigt made a motion, seconded by Director Melleby, that the Board adopt Ordinance 11 establishing an administrative code. President Jeter requested a roll call. Ayes: Haring, Voigt, Melleby, Duncan, Dickson & Jeter. Noes: None. Abstain: None. Absent: Morris. Motion carried unopposed 6-0, with Director Morris absent.

B. Consideration of Issues Related to Leasing Agency Facilities to Private Parties and Service Groups: A copy of a staff report was included in the agenda packet. General Manager Davis stated that staff has spoken to General Counsel on this issue and would like to know if the Board wishes to lease out any part of the Agency's building to private parties and/or service groups. Directors Dickson, Voigt, Duncan, Haring, Melleby and President Jeter all voiced their concerns. General Counsel Behrens

provided a number of issues that would be of concern when leasing out the property, including gifting of public funds. After discussion, it was the consensus of the Board to not allow private parties and/or service groups the use of the Agency's facility; and to continue with the Board's past use of allowing only government agencies use of the premises. President Jeter requested counsel to draft a policy (or resolution) on this matter and to present it to the Board at a future Board meeting.

C. Consideration of Proposal from Inland Empire Resource Conservation District (IERCD) for Water Conservation Public Outreach Programs: A staff report and a proposal from IERCD for Water Conservation Public Outreach Programs were included in the agenda packet. General Manager Davis stated that the Agency contracted with IERCD last year to perform water conservation public outreach programs in local schools and at the Banning Library; the programs were highly successful. This new proposal is for public and private schools, libraries and local residents. Changes to the existing contract being proposed include an increase in total number of programs performed, as well as increased in price to more accurately reflect costs incurred. Director Voigt made a motion, seconded by Director Melleby, recommending that the Board accepts the proposal from the IERCD to perform water conservation public outreach programs in the amount of \$10,000. Motion passed unopposed 6-0, with Director Morris absent.

7. **Topics for Future Agendas:** President Jeter requested EBX 2 pictures. No other topics for future agendas were requested.
8. **Announcements:** *President Jeter reviewed the following announcements:*
 - A. Finance and Budget Workshop, August 25, 2014 at 1:30 p.m.
 - B. San Geronio Pass Regional Water Alliance - Technical Committee Meeting, August 27, 2014 at 4:30 p.m. - Banning City Hall Conference Room
 - C. San Geronio Pass Regional Water Alliance – August 27, 2014 at 6:00 p.m. - Banning City Council Chambers
 - D. The office will be **closed Monday**, September 1, 2014 in observance of Labor Day
 - E. Regular Board Meeting, **Tuesday**, September 2, 2014 at 1:30 p.m.
9. **Adjournment:** *President Jeter adjourned the meeting at 2:33 p.m.*



Jeffrey W. Davis, Secretary of the Board