

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223
Minutes of the
Board of Directors Meeting
October 20, 2014

Directors Present: John Jeter, President
Bill Dickson, Vice President
Mary Ann Melleby, Treasurer
Ron Duncan, Director (left at 2:30 p.m.)
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
Jeff Ferré, 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., October 20, 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:** General Manager Davis recommended moving item 6A to a position on the agenda prior to 5A, in order to accommodate Ms. Devlin of Ahern Adcock & Devlin (AAD), as she will be presenting the Agency's 2013-2014 Audit Report. President Jeter requested that item 6A be moved after item 3. Without objection the agenda was adopted as amended.
3. **Public Comment:** No members of the public requested to speak at this time.
- 6A. **Consideration of 2013-2014 Agency Audit (Linda Devlin, AAD):** A staff report and a copy of the 2013-2014 Audit Report were included in the agenda. General Manager Davis provided an overview of financial oversight activities that the Board provides to the Agency. General Manager Davis introduced Ms. Linda Devlin of Ahern Adcock & Devlin to the Board. GASB (Governmental Accounting Standards Board) changed the term Fund Balance to Statements of Net Position; the term Net Position is assets minus liabilities. The Total Net Position (Assets less Liabilities) for FY 2013-14 is \$146.37 million, a net increase of \$6.88 million. Ms. Devlin reported on the Significant Audit Findings and reviewed the Management's Discussion and Analysis, Financial Statements, Notes to Financial Statements, and Supplementary Information with the Board. She commented that the Agency has done well in diversification of its investments. She also congratulated the Board on the funding of OPBC (Other Postemployment Benefit Costs). After discussion, a motion was made by Director Melleby, seconded by Director Duncan, to accept the Fiscal Year 2013-2014 Agency Audit as presented. The motion carried unopposed 6-0, with Director Morris absent.

4. Consent Calendar:

- A. Approval of the Minutes of the Regular Board Meeting, October 6, 2014
- B. Approval of the Minutes of the Engineering Workshop, October 13, 2014

Director Dickson moved, seconded by Director Melleby, 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: a) General Manager Davis informed the board that the current water delivery figures are not available at this time, however water deliveries are continuing at about the same rate as last month.

(2) General Agency Updates: General Manager Davis reported to the Board on the following: 1) Beaumont Avenue Recharge Facility Pipeline: The pipeline construction is essentially complete and passed all inspections. 2) Verizon Cell Tower: Construction has begun and should be completed in 50-60 days, at which point wiring will begin and should be completed 30 days thereafter. 3) Santa Ana Watershed Conference: The Santa Ana Watershed 2014 Conference was held on October 14th at the Riverside Convention Center. The conference was attended by both Director Melleby and General Manager Davis. General Manager Davis reported on the topics that were provided by the attending speakers. 4) Beaumont Chamber Breakfast: Economist John Husing was the guest speaker. Mr. Husing spoke on the Inland Empire economy and the recovery of jobs that were lost during the recession. He also spoke on poverty, real estate, construction, public health and health care. 5) BDCP: Negotiations between DWR and SWC on the BDCP amendments to the Contract are set to begin. The first formal session is scheduled for December 10th.

B. Directors Reports: (1) Director Melleby reported on the Beaumont Cherry Valley Water District (BCVWD) Board meeting that she attended on October 8th. Director Melleby reported on the Beaumont Chamber Breakfast that she attended on October 10th. Director Melleby reported on the Santa Ana Watershed conference that she attended on October 14th. **(2) Director Duncan** reported on a Candidates Meeting that he attended in Banning. **(3) Director Dickson** reported that he attended the YVWD's Board meeting on October 14th. Director Dickson reported on the BCVWD Board meeting that he attended on October 8th.

6. New Business: (Discussion and Possible Action)

A. Item 6A was moved for discussion after item 3.

B. Consideration of USGS 2014-2015 Proposed Work Plan: A copy of a staff report and a copy of the draft proposed work plan letter from USGS were included in the agenda packet. General Manager Davis reminded the Board that this item was reviewed at the October 13th Engineering workshop. He stated that a budget revision would be required; however fiscal impact will be minimal or zero. The total cost of the proposed cooperative water-resources program is \$183,750. Of this total, SGPWA will contribute \$141,550 and, subject to the availability of Federal Matching Funds, the USGS will contribute \$42,200. Not all these funds will be expended in this fiscal year. The Work Plan is comprised of three tasks. 1. Continue supporting the Agency in its groundwater monitoring. 2. Continue supporting data gathering for the Whitewater flume. 3. Perform

some modeling of the Beaumont Basin. General Counsel Jeff Ferré recommended that should the Board approve the proposed work plan that the final agreement be subject to review by staff and counsel. After discussion, Director Melleby made a motion, seconded by Director Duncan, for the board to approve the proposed work plan and authorize the General Manager to sign the joint funding agreement. The final agreement is subject to review by staff and General Counsel. Motion passed unopposed 6-0, with Director Morris absent.

C. Review of State Water Contractors Delta Water Diversions Fact Sheet: A copy of the State Water Contractors Delta Water Diversions Fact Sheet was included in the agenda packet. General Manager Davis reviewed with the Board the fact sheet titled *Delta Water Diversions: Unmeasured. Unmanaged*. The fact sheet provides information on where Delta water goes, who measures monthly water usage, mandated monthly Delta water measurement and water rights. SWC supports the request by state and federal agencies for the SWRCB to seek more and better information on actual water diversions in the South Delta and throughout the estuary.

D. Review of California Urban Water Conservation Council (CUWCC) Landscape Symposia Report: A copy of the 2014 Landscape Symposia Report was included in the agenda packet. General Manager Davis provided an overview of the California Urban Water Conservation Council report titled *Achieving A New Normal in California Landscape*. The report's objective is to accelerate the pace of change toward more sustainable landscapes in California. The CUWCC tasked its Landscape Committee with developing a long-term vision for sustainable urban landscapes. What emerged from the process was a holistic and integrated vision for landscape sustainability that transcends beyond water-use efficiency to also address a multitude of related benefits, including:

- Abatement of dry-season runoff
- Onsite retention of stormwater
- Embedded energy savings
- Reduced green waste generation
- Reduced greenhouse gas emissions
- Enhanced wildlife habitat in urban settings

General Manager Davis encouraged the board members to review the report at their leisure.

7. **Topics for Future Agendas:** There were no topics for future agendas requested at this time.
8. **Announcements:** *President Jeter reviewed the following announcements:*
 - A. San Geronio Pass Regional Water Alliance – Technical Committee Meeting, October 22, 2014 at 4:30 p.m. - Banning City Hall Conference Room
 - B. San Geronio Pass Regional Water Alliance – Committee Meeting October 22, 2014 at 6:00 p.m. - Banning City Council Chambers
 - C. Finance and Budget Workshop, **Tuesday**, October 28, 2014 at 1:30 p.m.
 - D. Regular Board Meeting, November 3, 2014 at 1:30 p.m.

9. **Adjournment:** *President Jeter adjourned the meeting at 2:41 p.m.*



Jeffrey W. Davis, Secretary of the Board
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