

**SAN GORGONIO PASS WATER AGENCY**  
**1210 Beaumont Avenue, Beaumont, California 92223**  
**Minutes of the**  
**Board of Directors Meeting**  
**November 3, 2014**

**Directors Present:** John Jeter, President  
Bill Dickson, Vice President  
Ron Duncan, Director (arrived at 1:43 p.m.)  
Mary Ann Melleby, Director  
Ray Morris, Director  
Barbara Voigt, Director

**Directors Absent:** Ted Haring, Director

**Staff Present:** Jeff Davis, General Manager  
Thomas Todd, Finance Manager  
Cheryle Rasmussen, Executive Assistant  
Jeff Ferré, 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., November 3, 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 requested comments from the public.* No members of the public requested to speak at this time.
4. **Consent Calendar:**
  - A. Approval of the Minutes of the Regular Board Meeting, October 20, 2014
  - B. Approval of the Minutes of the Finance and Budget Workshop, October 28, 2014
  - C. Approval of the Finance and Budget Workshop Report, October 28, 2014

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

**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 360 acre-feet to Beaumont Cherry Valley Water District ponds for the month of October; 4250 acre-feet so far this year. Water deliveries for the year will be complete by mid-December, with approximately 700 acre-feet of carryover water. **(c) Cherry Valley Pump Station:** DWR has resolved the CVPS operations/maintenance issues that were reported on during the last Board meeting.

**(2) General Agency Updates:** **(a) Operations & Maintenance Agreement:** General Manager Davis reminded the Board that the Operations and Maintenance Agreement between DWR, SBVMWD and the Agency had been discussed at the September 8<sup>th</sup>

Engineering workshop. (The current agreement expires December 31<sup>st</sup>). He informed the Board that a conference call between DWR, SBVMWD, and the Agency took place last week to discuss the revisions to the agreement that were made by DWR's attorneys and that there were no substantive changes. SBVMWD and the Agency's attorneys are in the process of reviewing the agreement. The agreement will be presented to the Board for approval in December. **(b) Other Agreements:** Two other agreements between SBVMWD and the Agency that are related to EBX Phase 2 facilities will most likely be presented to the Board in December. **(c) Dealing in Drought:** General Manager Davis reported on a one-day seminar that he attended in Los Angeles on October 30<sup>th</sup>; the seminar was sponsored by Best Best & Krieger. The topic of the seminar was: Dealing in Drought: Development, Legislation and Litigation. **(d) SGPWA Water Conservation Seminars:** Susan Savolainen has been issued the appropriate liability insurance in order to proceed with the Agency's water conservation landscaping presentations. The next step is to contact homeowner associations for scheduling. **(e) Semi-Annual Well Monitoring:** A representative from USGS and Operations and Maintenance Manager Ken Falls will be monitoring wells this week. **(f) Pat Milligan – Retirement Dinner:** SBVMWD is honoring the public service career of outgoing long-term President Pat Milligan. The Board has been invited to attend the retirement dinner, which will be held at Redlands Country Club on December 8<sup>th</sup>. **(g) Election Day:** The Agency is a designated voting precinct for tomorrow's general election.

#### **B. Directors Report:**

1) **Director Melleby** reported that she attended the San Geronio Pass Regional Water Alliance Technical Committee meeting, and the SGPRWA Board meeting on October 22<sup>nd</sup>. Director Melleby attended ACWA Regions 8, 9 and 10 Joint Program and Tour that took place in Del Mar, of which she was on the planning committee. She provided a detailed report on the two-day event.

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

**A. Consideration of Contracting with Atkins Global for Final and Post Design Work for Mt. View Connection:** A staff report and a copy of Atkins Global's Proposal for Professional Engineering Services were included in the agenda packet. General Manager Davis stated that the purpose of this proposed Board action is to contract with Atkins Global to perform the final and post design engineering for the service connection to EBX, which is required in order to convey water to the Beaumont Avenue Recharge Facility. The work will be completed in two separate fiscal years; estimated cost is \$181,300. Tasks 1 through 4 will take place during fiscal year 2014-2015, Task 5 (post-design) will take place during fiscal year 2015-2016. Legal Counsel Jeff Ferré stated that staff and legal counsel will ensure that the contract is flexible. After discussion, Director Melleby moved, seconded by Director Voigt, to approve staff's recommendation awarding the contract to Atkins Global for final design and post design work on the Mountain View service connection. Work will be completed in two separate fiscal years as part of the same contract. Motion passed 6-0, with Director Haring absent.

**B. Consideration of Amendment 5 to Yuba Accord Dry Year Water Purchase Program Agreement and Participation in Down Payment:** A staff report and materials related to the Yuba River Accord, including payment options and Amendment No. 5, were included in the agenda packet. General Manager Davis provided a presentation to the Board giving detailed explanation on Amendment 5 and the benefit of participation of the down payment option. Information included:

- Current Water Purchase Agreement pricing terms expire September 30, 2015

- Renegotiation over past year
- Several changes
  - Pricing terms
  - Water supply component definitions and volumes
  - Sales to third parties
  - Initial deposit: \$20 million
- Opportunity for participating contractors to opt-out or non-participating contractors to opt-in
- Amendment 5 Timeline

Director Dickson moved, seconded by Director Melleby, to approve staff's recommendation to approve Amendment 5 to the Yuba Accord Water Purchase Agreement and to formally approve participation in the \$20 million down payment; approximate cost to the Agency will be \$63,000. Motion passed 6-0, with Director Haring absent.

7. **Topics for Future Agendas:** Director Melleby requested a presentation sometime in the future on groundwater legislation implementation. President Jeter requested that the Director Melleby's request include the Central Valley. No other topics were requested for future agendas.

8. **Announcements:**

- A. Engineering Workshop, November 10, 2014 at 1:30 p.m.
- B. The office will be closed **Tuesday**, November 11, 2014 in observance of Veterans Day
- C. Regular Board Meeting, November 17, 2014 at 1:30 p.m.
- D. Finance and Budget Workshop, November 24, 2014 at 1:30 p.m.

President Jeter announced that there will be a closed session. Legal Counsel Ferré stated that he does not anticipate any report out of the closed session under Government Code Section 54956.9, one potential case, paragraph (4) and paragraph (2) of subdivision (d).

***President Jeter adjourned the meeting to closed session at 2:25 p.m.***

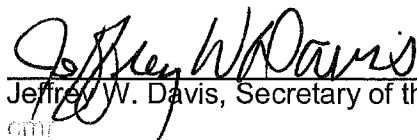
9. **Closed Session (1 Item)**

- A. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**  
Initiation of Litigation Pursuant to Paragraph (4) of Subdivision (d) of Government Code Section 54956.9 (one potential case)

***President Jeter reconvened the meeting to open session at 3:14 p.m.***

Legal Counsel Jeff Ferré reported that the Board met in closed session and discussed the matter listed. No action was taken that is reportable under the Brown Act.

10. **Adjournment:** ***President Jeter adjourned the meeting at 3:15 p.m.***



Jeffrey W. Davis, Secretary of the Board

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