

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223
Minutes of the Board of Directors Meeting
January 5, 2015

Directors Present: John Jeter, President
 Bill Dickson, Vice President
 Mary Ann Melleby, Treasurer
 Blair Ball, Director
 Ron Duncan, Director
 Ray Morris, Director
 Leonard Stephenson, Director

Staff Present: Jeff Davis, General Manager
 Jeff Ferré, General Counsel
 Kenneth Falls, Operations and Maintenance Manager
 Cheryle Rasmussen, Executive Assistant

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., January 5, 2015 in the Agency Boardroom at 1210 Beaumont Avenue, Beaumont, California. Director Dickson led the Pledge of Allegiance to the flag. A quorum was present. President Jeter requested roll call.

<u>Roll Call:</u>	Present	Absent
Director Stephenson	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Ball	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Morris	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Melleby	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Duncan	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Dickson	<input checked="" type="checkbox"/>	<input type="checkbox"/>
President Jeter	<input checked="" type="checkbox"/>	<input type="checkbox"/>

2. **Election of Board Officers:** General Counsel Jeff Ferré facilitated the election process for Board President. President Jeter facilitated the election process for Vice President and Treasurer.

a. Nominations for Board President -

General Counsel Ferré called for nominations for Board President. Director Dickson nominated John Jeter for Board President. Hearing no other nominations, General Counsel Ferré requested a vote for the position of Board President.

<u>Roll Call:</u>	Aye	Noes	Absent	Abstain
Director Stephenson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Ball	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Morris	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Melleby	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Duncan	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Dickson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
President Jeter	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

John Jeter was elected President by unanimous vote, 7-0.

b. Nominations for Vice President -

President Jeter called for nominations for Board Vice President. Director Morris nominated Bill Dickson for Board Vice President. Hearing no other nominations, President Jeter requested a vote for the position of Vice President.

<u>Roll Call:</u>	Aye	Noes	Absent	Abstain
Director Stephenson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Ball	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Morris	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Melleby	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Duncan	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Dickson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
President Jeter	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Bill Dickson was elected Vice President by unanimous vote, 7-0.

c. Nominations for Treasurer -

President Jeter called for nominations for Board Treasurer. Director Morris nominated Mary Ann Melleby for Board Treasurer. Hearing no other nominations, President Jeter requested a vote for the position of Treasurer.

<u>Roll Call:</u>	Aye	Noes	Absent	Abstain
Director Stephenson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Ball	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Morris	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Melleby	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Duncan	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Dickson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
President Jeter	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Mary Ann Melleby was elected Board Treasurer by unanimous vote, 7-0.

d. Nominations for Secretary/Assistant Treasurer -

President Jeter called for nominations for Board Secretary/Assistant Treasurer. Director Dickson nominated Jeff Davis for Board Secretary and Assistant Treasurer. Hearing no other nominations, President Jeter requested a vote for the position of Secretary/Assistant Treasurer.

<u>Roll Call:</u>	Aye	Noes	Absent	Abstain
Director Stephenson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Ball	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Morris	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Melleby	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Duncan	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Dickson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
President Jeter	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

General Manager Jeff Davis was elected Board Secretary and Assistant Treasurer by unanimous vote, 7-0.

3. **Adoption and Adjustment of the Agenda:** The agenda was adopted as presented.
4. **Public Comment:** *President Jeter requested comments from the public.* Eric Fraser (General Manager - BCVWD) requested to speak during item 7B. No other members of the public requested to speak at this time.
5. **Consent Calendar:**
 - A. Approval of the Minutes of the Regular Board Meeting, December 15, 2014
 - B. Approval of the Minutes of the Special Board Meeting, December 19, 2014
 - C. Approval of the Finance and Budget Workshop, December 22, 2014
 - D. Approval of the Finance and Budget Workshop Report, December 22, 2014

Director Dickson moved, seconded by Director Melleby, to approve the consent calendar as presented. Motion passed 7-0.

6. **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 400 acre-feet to Beaumont Cherry Valley Water District ponds, for the month of December; Yearly totals are as follows:

- Noble Creek = 5012 acre-feet
- Overall total for the year = 5200 (total includes estimated water deliveries to YVWD)

(b) **SWP Table A water** allocation still remains at 10%. Due to the low percentage of the allocation, water will not be delivered in January. Due to annual maintenance there will be no water deliveries in February. (c) **CLAWA** will not be requesting repayment of water this year. (d) **Statewide Precipitation** – Snowpack is higher than it was last year at this time. Snowpack is twice what it was a year ago, but only 33% of average for January 1.

2. General Agency Updates: (a) **Beaumont Wastewater Treatment Plant:** General Manager Davis informed the Board that the city of Beaumont is conducting a tour of its Wastewater Treatment Plant. The tour will take place Friday, January 9th at 10:00 am; board members were invited to attend. (b) **SCWC Quarterly Meeting:** The next SCWC quarterly meeting will take place at the Pepsi Bottling plant in Riverside, on January 23rd at 12:00 p.m. (c) **Flume Update:** A meeting will take place on January 8th from 8 -10 a.m., at the Banning City Hall conference room, with the participating entities. General Manager Davis requested board members contact staff should they wish to attend the meeting, thereby ensuring that a majority of the Board does not attend the meeting. A conference between the Participating Entities and FERC dispute resolution staff took place on December 16th. General Manager Davis briefed the Board on what was said during the call.

B. Director Reports:

(1) **Director Dickson** welcomed Directors Blair Ball and Lenny Stephenson to the board. (2) **Director Melleby** announced that ACWA's Region 9 will be holding a board meeting at SGPWA on January 16th from 10 a.m. – 12:00 p.m.

7. New Business:

A. Consideration of Revision to Records Retention Policy: General Manager Davis gave a briefing on the adoption of the Records Retention Policy. Exhibit 1 to the current Policy summarizes the proposed revisions, which are in bold. Staff recommends that the Board approve the proposed revisions to the Records Retention Plan. The revisions will be included in the Exhibit to Resolution 2012-12, and do not require a new resolution. Director Dickson made a motion, seconded by Director Ball, to approve the revised revision of Exhibit 1. Director Melleby requested that the Exhibit 1 be dated. General Manager Davis stated that the date will be reflected in the Administrative Code. Motion passed unopposed 7-0.

B. Status of Discussions Related to Purchase of Water from SBVMWD: General Manager Davis provided background information on the discussions that have taken place between SBVMWD and the Agency, pertaining to the possibility of the Agency purchasing some of SBVMWD surplus Table A water. These discussions have been taking place for a number of years. Ten years ago Metropolitan Water District contracted with SBVMWD to purchase surplus Table A water, with the right of first refusal. The agreement expired on December 31st and a one-year extension was on and approved by SBVMWD Board last month. Should SWC amendments be implemented to ease the restrictions of exchanges and transfers, it will reopen negotiations between SBVMWD and Metropolitan Water District, thereby allowing other SWC the ability to purchase surplus water. Eric Fraser (General Manager – BCVWD) commented on the need to contract with SBVMWD. Director Ball suggested that a formal letter be submitted to SBVMWD regarding the Agency's interest in purchasing surplus water from SBVMWD. Joe Zoba (General Manager - YVWD) commented on holding a workshop between the Agency and its retailers. General Counsel Ferré stated that item 7B is for discussion only and not for board action. The implementation of a workshop by the board would need to be placed on a future agenda. He noted that staff could put together a workshop without it being a board motion. After discussion, it was the consensus of the Board that staff submit a formal letter to General Manager Doug

Headrick, pertaining to purchase of surplus Table A water. Director Dickson requested that the consideration of implementing a workshop be placed on a future board agenda.

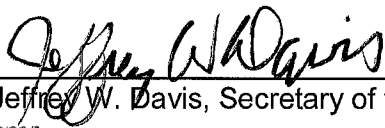
C. Discussion of Rescheduling or Cancellation of February 17th Board Meeting: General Manager Davis informed the Board that a BDCP negotiation meeting is being held on February 17th in Sacramento, of which he is a co-lead negotiator. He questioned the Board if they would like to proceed with the meeting on the 17th, reschedule, or cancel the board meeting. After discussion, Director Ball made a motion, seconded by Director Duncan, to cancel the February 17th board meeting. Motion passed 6-1, with Director Morris opposed.

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

- A. Engineering Workshop, January 12, 2015 at 1:30 p.m.
- B. Office closed Monday, January 19, 2015 in observance of Martin Luther King, Jr. Day
- C. Regular Board Meeting, Tuesday, January 20, 2015 at 1:30 p.m.
- D. Finance and Budget Workshop, January 26, 2015 at 1:30 p.m.

9. Topics for Future Agendas: General Counsel Ferré recommended that the board allow him to add to the board agenda (after General Manager Reports) a General Counsel Report, thereby allowing him to update the board on relatable water topics and also recent trends in water law.

10. Adjournment: The meeting adjourned at 2:37 p.m.



Jeffrey W. Davis, Secretary of the Board
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