

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223
Minutes of the
Board of Directors Meeting
June 1, 2015

Teleconference Location: 10213 Overland Trail
Cherry Valley, CA 92223

Directors Present: John Jeter, President
Bill Dickson, Vice President
Mary Ann Melleby, Treasurer
Blair Ball, Director
Ron Duncan, Director (Arrived at 1:35 pm)
Ray Morris, Director (via teleconference)

Directors Absent: Leonard Stephenson, Director

Staff Present: Jeff Davis, General Manager
Jeff Ferré, General Counsel
Tom Todd, Finance 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., June 1, 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.
2. **Statement Regarding Teleconferencing:** General Counsel Jeff Ferré made the following statement: "This Board meeting is conducted pursuant to California Government Code Section 54953, in that one member of the Board will be participating in this Board meeting by speaker phone. In accordance with the Brown Act, the teleconference location has been identified in the notice and agenda for this meeting. I will now ask the Board Secretary to conduct roll call, after which I will confirm certain matters for the record".

3. **Roll Call:**

<u>Roll Call:</u>	<i>Present</i>	<i>Absent</i>
Director Stephenson	<input type="checkbox"/>	<input checked="" 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"/>

4. **Procedures for holding Meeting at the Teleconference Location:** General Counsel Ferré confirmed with Director Morris that he in fact was able to hear the proceedings; that he had a copy of the June 1, 2015 Board Meeting Agenda; that the agenda was posted at his location, and that the location was accessible to the public. Director Morris responded in the affirmative to all such questions. General Counsel Ferré asked the attending board members if they had any questions. There being none General Counsel Ferré turned the meeting over to President Jeter.
5. **Adoption and Adjustment of the Agenda:** *President Jeter asked if there were any adjustments to the agenda.* There being none the agenda was adopted as presented.
6. **Public Comment:** *President Jeter asked the members of the public for comments.* No members of the public requested to speak at this time.
7. **Consent Calendar:**
 - A. Approval of the Minutes of the Regular Board Meeting, May 4, 2015
 - B. Approval of the Minutes of the Engineering Workshop, May 11, 2015
 - C. Approval of the Minutes of the Finance and Budget Workshop, May 26, 2015
 - D. Approval of the Finance and Budget Workshop Report, May 26, 2015

Director Dickson moved, seconded by Director Melleby, to approve the consent calendar as presented with the noted abstentions.

President Jeter requested a roll call:

<u>Roll Call:</u>	Aye	Noes	Absent	Abstain
Director Stephenson	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Ball	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	7A & 7B			7C & 7D
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 checked="" type="checkbox"/>
	7B,7C, 7D			7A
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"/>

Motion carried 6-0 with Director Stephenson absent.

8. 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 566 acre-feet to the Noble Creek connection, for the month of May. Current operations consist of one 10-hour shift per day. **(b) Cherry Valley Pump Station (CVPS):** Last week there was a minor communication problem at CVPS for a couple of days and has since been resolved.

(c) Media Reports: Recent news articles concerning the current El Niño weather pattern have indicated that California may see a wet year for 2015/2016, however El Niños have been known to not have much of an impact during the rainy season.

(2) General Agency Updates:

(a) ACT - SBVMWD: General Manager Davis reported that he attended SBVMWD's news conference that was held at its headquarters this morning. The event was to rollout SBVMWD's ACT (Achieving Conservation Together) program. The district showcased a pyramid stack of 15 55-gallon drums to illustrate the amount of water an average family of four uses every day. The intent is meant to show all water users that we need to work together to meet the state's emergency requirements during the unprecedented drought.

(b) Water Restrictions: Today marks the official start date of monitoring water cutbacks as ordered by Gov. Jerry Brown.

(c) Speaking Engagements: General Manger Davis spoke at numerous venues in the past two weeks, all of which focused on the current drought. He was also on the water panel for the 2015 San Geronio Pass Summit that was hosted by Riverside County Supervisor Marion Ashley on May 14th.

(d) Turf Removal Programs: Metropolitan Water District of Southern California is spending an additional \$350 million of its reserves for turf removal. Met's residential customers may apply to receive \$2 per square foot, up to a maximum of \$6,000 per property. Currently there are no funding opportunities within the pass area for turf removal. The Agency is waiting for a Proposal Solicitation Package (PSP) to be released in order to apply for Prop 1 grant funding that has been set aside for water programs and projects.

(e) Delta Water Rights: Farmers with senior riparian rights in the Sacramento-San Joaquin River Delta are proposing to voluntarily reduce their water usage by 25 percent in exchange for assurances of no further limit on diversions.

(f) AB 654: General Manager Davis stated that discussion took place at the May 4th Board meeting on this item, whereby General Manager Doug Headrick (SBVMWD) introduced AB 654 to ensure that property tax revenues formerly passed through RDAs will be distributed in the ways that California voters decided upon. General Manager Davis provided a status report of the bill; ultimately the bill was included in the budget trailer bills and is almost certain to pass which would help revenues next year and in succeeding years. It is unclear at this time how much of a positive fiscal impact it will have on the Agency.

(g) State of the Regional Water Supply: This event that is being hosted by SGPWA will take place Friday, June 26th at 8:00 a.m. (continental breakfast – 7:30 a.m.) at the Holiday Inn at Oak Valley. Information will be sent to the local chambers and invitations will be sent out to public officials. In addition, CV Strategies is in charge of submitting ads to the local newspapers. Director Duncan requested that an electronic version of the ad be sent directly to the Banning Chamber for posting to its website.

(g) Inland Empire Resource Conservation District Update: The Agency funded a total of 56 water conservation programs for grades K-6 located in Beaumont, Banning, and Cabazon schools, with a total of 1626 students in attendance through May.

B. General Counsel Report: General Counsel Ferré reported to the Board on the following: **The Clean Water Act:** Last week the EPA came out with the new regulations on the Clean Water Act. The Clean Water Ace ensures that waters protected under the Clean Water Act are more precisely defined, more predictably determined, and easier for businesses and industry to understand. BB&K attorneys are looking into the new regulation. General Counsel Ferré will continue to keep the board updated on this issue.

C. Directors Reports: (1) Director Melleby reported on the following meetings. a) BCVWD Board meeting on May 13th. b) San Gorgonio Pass Summit on May 14th, which was hosted by Riverside County Supervisor Marion Ashley c) SGPRWA meetings that were held on May 27th. d) Director Melleby announced that the city of Banning adopted new water use restrictions. A town hall meeting will take place at Sun Lakes on June 4th on the new restrictions. **(2) Director Dickson** reported that he attended BCVWD Board meeting, the YVWD Finance and Budget workshop and the City of Beaumont's State of the City Address. **(3) Director Duncan** stated that he concurred with the report given by Director Melleby on the SGP Summit. **(4) Director Ball** reported that he also attended the City of Beaumont's State of the City Address.

9. New Business: (Discussion and Possible Action)

A. Consideration of Adoption of Updated CEQA Guidelines: A copy of the staff report and a memorandum from Best Best & Krieger pertaining to the 2015 Summary of Changes to Local CEQA Guidelines were included in the agenda packet. General Manager Davis stated that Resolution No. 2015-02 was not included in the agenda packet; however, each board member has been provided with a copy of the resolution for today's meeting; copies are also available to the public. General Manager Davis provided background information on CEQA guidelines. He turned the discussion over to General Counsel Ferré to update the board on the revisions. General Counsel Ferré stated that BB&K does the CEQA Guidelines update for all its clients. The CEQA Guidelines are an update based on the state's guidelines; included are formats for negative declarations, exemptions, and items of that nature. Because there were a number of changes this year, not necessarily relative to this Agency, General Counsel Ferré recommended that the Board approve Resolution 2015-02, which would adopt the local CEQA Guidelines as the Agency's own. Director Dickson made a motion, seconded by Director Melleby, approving Resolution No. 2015-02, a Resolution of the San Gorgonio Pass Water Agency amending and adopting local guidelines for implementing the California Environmental Quality Act – (Public Resources Code §§ 21000 ET SEQ). Director Melleby questioned the intent of the provisions to the tribes. General Counsel Ferré stated that it was an effort to provide consultation to the Tribe pertaining to discoveries that may impact tribal history and/or artifacts.

<u>Roll Call:</u>	<i>Aye</i>	<i>Noes</i>	<i>Absent</i>	<i>Abstain</i>
Director Stephenson	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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"/>

Motion carried 6-0 with Director Stephenson absent.

B. Consideration of ACWA Region 9 Board Nomination: A staff report and ACWA materials pertaining to AWCA's 2016/2017 Board nominations were included in the agenda packet. General Manager Davis stated that ACWA is requesting nominations by

June 20th for the 2016/2017 term for ACWA Region 9 Board. He asked if the Board wishes to nominate one of its own board members. Director Dickson and Director Duncan nominated Director Melleby. Director Melleby accepted the nomination. General Manager Davis will present a resolution officially naming Director Melleby as a nominee at the next board meeting.

C. Overview of State Budget Trailer Bills Related to Drought Response: A staff report and material related to the drought budget trailer bills were included in the agenda packet. General Manager Davis reviewed the list of trailer bills with the board for informational purposes. He stated that all of these bills are located on the Department of Finance's website, which will give the viewer the latest up-to-date information. Director Ball inquired when the bills would go into effect. General Manager Davis stated that assuming these bills pass they would go into effect July 1, 2015.

D. Presentation on State Water Contractors Objectives: A PowerPoint presentation on the SWC FY 2014-15 Accomplishments and FY 2015-16 Draft Objectives was provided in the agenda packet. General Manager Davis reviewed with the Board which entities encompass the SWC Inc., of which the Agency is a member. General Manager Davis attends the SWC Inc. Board meetings in Sacramento on a monthly basis. Staff members are also active on the Energy Committee and the Finance and Audit Committee. He reviewed with the Board the 2014-2015 accomplishments and the 2015-16 draft objectives. Director Melleby inquired the status of the state water contract extension between DWR and SWP contractors. General Manager Davis responded that an "Agreement in Principle" was signed and has been turned over to attorneys for contract language. This item will likely be presented to the Board for review in detail in 2016.

10. Topics for Future Agendas: Director Melleby stated that she would like to provide a presentation on the SGPRWA website. President Jeter requested information on desalination and environmental impacts. There were no other topics for future agendas given at this time.

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

- A. Engineering Workshop, June 8, 2015 at 1:30 p.m.
- B Regular Board Meeting, June 15, 2015 at 1:30 p.m.
- C. Finance and Budget Workshop, June 22, 2015 at 1:30 p.m.

12. Adjournment: *President Jeter adjourned the meeting at 2:35 p.m.*



Jeffrey W. Davis, Secretary of the Board