

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223
Minutes of the
Board of Directors Meeting
July 20, 2015

Directors Present: John Jeter, President
 Bill Dickson, Vice President
 Mary Ann Melleby, Treasurer
 Blair Ball, Director (arrived at 1:34 p.m.)
 Ron Duncan, Director
 Lenny Stephenson, Director

Staff Present: Jeff Davis, General Manager
 Jeff Ferre, Legal 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., July 20, 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 a roll call.*

<u>Roll Call:</u>	Present	Absent
Director Stephenson	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Ball	<input type="checkbox"/>	<input checked="" 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. **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 published.*
3. **Public Comment:** *President Jeter requested comments from the public. No members of the public requested to speak at this time.*
4. **Consent Calendar:** *President Jeter requested approval of the Consent Calendar.*
 - A. Approval of the Minutes of the Regular Board Meeting, July 6, 2015
 - B. Approval of the Minutes of the Engineering Workshop, July 13, 2015

Director Melleby moved, seconded by Director Dickson, to approve the consent calendar as presented. Motion passed 5-0, with Director Ball absent.

5. **Reports:**
 - A. **General Manager's Report:**
 - (1) **Operations Report:** General Manager Davis reported on the following: **SWP Deliveries:** a) General Manager Davis reported that the Agency delivered 174 acre-feet to the Noble Creek connection so far this month. **b) Precipitation:** Southern California received some precipitation over the weekend.

(2) General Agency Updates: a) **State of the Supply:** The State of the Supply event was phase one of a two phase effort. Phase 2 consists of arranging a meeting or series of meetings with the retail water agencies. General Manager Davis is working on some ideas and will provide recommendations to the Board in the near future. b) **Board Vacancy:** General Manager Davis announced that the Agency has received seventeen letters of interest for the at large position. He asked the Board their preferred date and time to schedule the meeting to interview the candidates. After discussion, it was the consensus of the Board to hold a Special Board Meeting at the Agency's Administrative office on August 6th at 6:00 p.m.

B. General Counsel Report: General Counsel Ferré reported to the Board on the following items: a) **State Water Resources Control Board:** The State Board had previously issued water curtailment orders to those that have pre-1914 water rights. Since that time there have been a number of lawsuits. The State Board has now come out with a revised notice stating that they didn't mean to curtail or order people to stop using their pre-1914 water rights; however, it may be mandated in the future. b) **Model Landscape Ordinance:** The California Water Commission voted Wednesday to adopt more stringent water rules for new lawns. The new rules would essentially eliminate grass from new office and commercial buildings and reduce turf at new homes to a quarter of landscaping. The revised ordinance will limit grass to about 25% of a home's combined front, back and side yards in all new construction. Owners of existing homes who initiate significant renovations of outdoor areas with more than 2,500 square feet of landscaping also face cutbacks. State law requires all land-use agencies to adopt a water-efficient landscape ordinance that is at least as stringent as the one approved Wednesday.

C. Directors Reports: (1) **Director Duncan** reported on the following: Director Duncan attended the Banning Chamber of Commerce meeting on July 9th and the Beaumont Cherry Valley Water District meeting on July 8th. Director Duncan read a statement pertaining to the July 8, 2015 BCVWD Board meeting in which he stated his opinion that statements made at the BCVWD Board meeting about the Agency were without merit and relayed information that was incomplete or not true. (2) **Director Dickson** reported that he too attended the BCVWD Board meeting and that, in his opinion, the statements made by the BCVWD General Manager placed the BCVWD board members in a difficult position. He also stated his opinion that such statements included untruths. (3) **Director Ball** reported that he had attended the BCVWD Board meeting on July 8th. He reported that BCVWD, along with the Riverside County Flood Control and Water Conservation District, are working together on the Grand Avenue Storm Drain Project for water recapture. He stated that he had a different opinion on the statements made at that meeting and that in his opinion, BCVWD's General Manager was updating the new board members on some of the frustrations that have occurred between BCVWD and SGPWA. (4) **President Jeter** stated that unless there were any objection from the Board, he would request that a transcript or recording of the BCVWD meeting be obtained and provided to counsel. Counsel would then review it to see if there is any further action that the Agency should take. It was the general consensus of the Board that staff and legal counsel should proceed on that basis.

6. New Business: (Discussion and Possible Action)

A. Consideration of CSDA Board Election: A staff report and related materials were included in the agenda packet. General Manager Davis stated that this item was tabled from the last board meeting. As mentioned at the last Board meeting this Agency is a member of CSDA. There are two candidates to choose from, Jo MacKenzie and Gloria Dizmang. The Board has the option to support one of these candidates, or to not support either one of them. Director Melleby made a motion, seconded by Director Duncan, to support Jo MacKenzie as the Agency's representative for the CSDA Board of Directors Southern Network Seat A position. Motion passed 6-0.

B. Consideration of Audit Engagement Letter: A staff report and a copy of Ahern Adcock Devlin (AAD) engagement letter were included in the agenda packet. General Manager Davis stated that the auditor works for the Board of Directors and only the Board can hire the auditor. Each year the Agency hires an accounting firm to audit its books. The hiring of the same auditing firm cannot exceed five years in succession. AAD has audited the Agency's books for the past three years. After discussion, Director Ball made a motion, seconded by Director Duncan, authorizing the President to sign the engagement letter with AAD, thus engaging ADD to perform the fiscal year 2014-2015 Agency audit. *President Jeter requested a roll call.*

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

Motion passed 6-0.

C. Discussion on Potential Radio Show – KMET 1490: A staff report and related material were included in the agenda packet. General Manager Davis gave a briefing on how the request for the Agency to buy into a radio show on KMET came about. He expressed that although there is a small fee it would involve a lot of time on his behalf, which would not be cost effective. After discussion, it was the consensus of the Board to not engage in a radio show at this time.

D. Consideration of Revised MOU for SGPRWA: General Manager Davis referred to Director Melleby for information on the topic. Director Melleby reviewed the minimal changes that occurred in the MOU. An invoice for the SGPRWA membership will be forthcoming in the amount of \$500. The Board directed the General Manager to pay the invoice upon receipt. Director Dickson made a motion, seconded by Director Duncan, to approve the revised MOU for the SGPRWA. Motion passed 6-0.

7. Topics for Future Agendas: There were no topics given for future agendas at this time.

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

- A. San Gorgonio Pass Regional Water Alliance, July 22, 2015
 - 1. Technical Committee at 4:30 p.m. – Banning City Hall Conference Room
 - 2. Regular Board Meeting at 6:00 p.m. – Banning City Council Chambers
- B. Finance and Budget Workshop, **Thursday**, July 23, 2015 at 1:30 p.m.
- C. Special Board Meeting – Public Hearing, Facility Capacity Fee
 - Date:** Monday, July 27, 2015
 - Location:** SGPWA Board Meeting Room
1210 Beaumont Avenue, Beaumont
 - Time:** 7:00 p.m.

John Halliwill (Beaumont resident) commented on the meetings that take place through the CSDA. *President Jeter announced that the Board will now convene to closed session. Legal Counsel Ferré stated that he would presume that there will be no reportable action from the Closed Session.*

9. Closed Session (1 Item)

Time: 2:04 pm

- A. Public Employee Performance Evaluation (Government Code Section 54957)
Title: General Manager

The meeting reconvened to open session at **Time:** 3:28 pm

President Jeter asked Chairman Dickson (General Manager's Performance Evaluation Ad Hoc Committee) if there is anything to report. Chairman Dickson stated that there is nothing to report. President Jeter adjourned the meeting.

10. Adjournment

Time: 3:28 pm



Jeffrey W. Davis, Secretary of the Board