

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223
Minutes of the
Board of Directors Meeting
February 1, 2016

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

Staff Present: Jeff Davis, General Manager
Jeff Ferré, General Counsel
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 7:00 p.m., February 1, 2016 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:** *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 asked if there were any members of the public that wished to make a public comment on items that are within the jurisdiction of the Agency.* The following members of the public spoke on item 6C, in which they voiced their opinions opposing any change to the board meeting schedule: Lloyd White, Patsy Reeley, Nathan Douglass, and David Hoffman. General Manager Davis stated that the Agency received two emails via the Agency's website. Mr. Jeff Cottrell and Mr. John Carroll also opposed any change to Board meeting times
4. **Consent Calendar:**
 - A. Approval of the Minutes of the Regular Board Meeting, January 19, 2016
 - B. Approval of the Minutes of the Finance and Budget Workshop, January 25, 2016
 - C. Approval of the Finance and Budget Workshop Report, January 25, 2016
 - D. Approval of Continuing Monthly Finance and Budget Workshops

Director Ball requested items 4B and 4D be pulled for further discussion. Director Melleby made a motion, seconded by Director Dickson, to approve items A and C. Motion passed 7-0. After discussion, Director Duncan made a motion, seconded by Director Melleby, to adopt 4B as written. Motion passed 6-1, with Director Ball opposed. After discussion, the Board took no action on item 4D.

5. Reports:

A. General Manager's Report:

(1) Operations Report: General Manager Davis reported on the following: **a) SWP Water Supply – Lake Oroville:** General Manager Davis reported that the Agency's allocation of SWP water has been increased from 10% to 15% (a copy of the allocation letter from DWR was included in the agenda packet). He reviewed the storage levels for Lake Oroville Reservoir to date. As of January 31, Lake Oroville's water level is at 66% of normal. **b) Snowpack:** Statewide we have received 14 times as much snow as what was received statewide last year.

(2) Flume Update: General Manager Davis reviewed in detail a map of where the flume is located, how water flows, and what part of the flume is irreparable. He explained the various options of what could be done to fix the flume, and also spoke on water flow issues relating to Burnt Canyon. He reported on various matters that have taken place since the last flume update, including: BHMWC's letter to the Secretary of Agriculture pertaining to its ownership of the right-of-way located upstream of Raywood Flat, and Southern California Edison's draft report on biological and hydrological resources in support of the FERC surrender process. He informed the Board that the Agency has submitted a comment letter on the Draft Biological and Hydrological Resources Technical Report, in which the letter states that there is no science that demonstrates any harm or impacts; San Bernardino National Forest had stated during a meeting in December that it would not issue a permit unless the Burnt Canyon issue is resolved. BHMWC Board President Julie Hutchinson provided input on this subject.

(3) General Agency Updates: **1) SGRWA:** General Manager Davis reported that he updated the Alliance on the draft emergency conservation regulations during the January 27 meeting. SWRCB will be holding a public hearing on the emergency conservation regulations on February 2. **2) Delta Water Fix:** General Manager Davis will be speaking to the Board on a number of items pertaining to the BDCP. He stated that he will be bringing this to the Board at next week's Engineering workshop.

B. General Counsel Report: General Counsel Jeff Ferré stated that the Board had adopted a resolution to reduce the board from seven members to five, eliminating the two at-large positions. Board members, staff, he and a colleague have had meetings with local legislators, Assemblyman Chad Mayes, and Senator Mike Morrell, asking them to sponsor the bill. Language was submitted to Mike Morrell's office and was going through the legislative process. He informed the Board that Senator Morrell's Chief of Staff alerted his colleague that someone who is associated with Yucaipa Valley Water District had introduced to Senator Morrell's office competing legislation. General Counsel Ferré stated that as long as there is competing idea for the same legislation Senator Morrell will not sponsor a bill. The proposed competing bill language will remove elective officials and in its place have a full volunteer board, which would be appointed by water retailers. Because this happened this past Friday, General Counsel Ferré did not have a copy of the proposed competing bill, which would have the author's name. He stated that he will have more information later this week. At the next board meeting, General Counsel Ferré will provide to the Board a proposed BB&K Contract of Services for help on this matter going forward.

C. Directors Reports: 1) **Director Dickson** commented on the number of attendees at today's meeting, stating that he hopes it continues. 2) **Director Melleby** reported on the following meetings that she attended: January 21 – Beaumont Chamber of Commerce Government and Legislative Affairs Committee; January 27 – SGPRWA She stated that General Manager Davis gave a good presentation on the State Board Emergency Conservation Regulations. She commented that on February 24, General Manager Davis will be providing another presentation to the SGPRWA on the SWP, Tunnels, California Fix and EBX2. 3) **Director Ball** commented on the appointment of Dr. Della Condon to the Beaumont City Council.

6. New Business: (Discussion and Possible Action)

A. Consideration of Water Exchange with Crestline Lake Arrowhead Water Agency (CLAWA): A staff report and a draft copy of the SGPWA and Crestline-Lake Arrowhead Water Agency Water Exchange Agreement were included in the agenda packet. General Manager Davis reviewed the process of how water exchanges take place. He also explained the different kinds of water exchanges that take place between State Water Contractors. The proposed exchange is an unbalanced water exchange. CLAWA would exchange 1200 AF to the Agency in 2016. Depending on the final Table A allotment this year, the Agency would owe either 600 AF or 800 AF back to CLAWA by the end of 2026. General Manager Davis recommended that the Board authorize him to sign the contract in its final form. After discussion, Director Dickson made a motion, seconded by Director Fenn, approving the water exchange contract with CLAWA. *Motion passed 7-0.*

B. Consideration of Sponsorship of Inland Solar Challenge: A staff report and event materials were included in the agenda package. General Manager Davis introduced the Chair of the Inland Solar Challenge, Cecilia Griego. Cecilia thanked the Board for its past sponsorship and gave a brief description of what will take place at this year's event. The requested sponsorship amount is for \$5000. Staff recommended that the Agency sponsor the same amount as it has for a number of years of \$4000. The Agency has budgeted (under water education programs for students) \$4000 to be a sponsor of this year's event. After discussion, Director Melleby made a motion, seconded by Director Dickson, to approve sponsoring the Inland Solar Challenge event at the \$4000 level. *Motion passed 6-1, with Director Ball opposed.*

C. Consideration of Board Meeting Times: President Jeter turned this item over to Director Duncan. Director Duncan explained why he requested this item on the agenda. He thanked the members of the public for attending today's meeting and hopes that the attendance continues. No action was taken.

D. Appointment of Committees: President Jeter requested that Director Fenn be appointed to the Strategic Planning Ad Hoc Committee. Director Dickson made a motion, seconded by Director Duncan, to appoint Director Fenn to the Strategic Planning Ad Hoc Committee. *Motion carried 7-0.*

7. Topics for Future Agendas: 1) **Director Ball** requested that the Brown Act requirements, as it pertains to meetings and what constitutes action, be placed on an upcoming Board Agenda. He will consult with General Counsel Ferre. Director Ball also requested that staff provide pie charts of historical expenditures, since the rate of \$317

of February 2009 to December 2015. He requested information on the trends, i.e. flat lining, power charges, sales, etc., to get a better understanding of the rates. Lastly, he requested reports on what facilities are available within the Agency's geographical area for recharge. **2) Director Duncan** requested a follow-up to the water retailer agencies workshop. **3) Director Fenn** suggested that the explanation of the water rates be incorporated into the follow-up meeting requested by Director Duncan.

8. Announcements

- A. Engineering Workshop, February 8, 2016 at 4:00 p.m.
- B. The office will be closed February 15, 2016, in observance of President's Day.
- C. Regular Board Meeting, Tuesday, February 16, 2016 at 7:00 p.m.

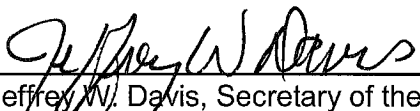
General Counsel Ferre stated that there will be no action taken during closed session that is reportable under the Brown Act.

10. Closed Session (One Item)

Time: 8:45 p.m.

- A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION – Significant exposure to litigation pursuant to paragraph (2) and initiation of litigation pursuant to paragraph (4) of subdivision (d) of Government Code Section 54956.9 (one potential case)

11. Adjournment: *President Jeter adjourned the meeting at 9:02 p.m.*



Jeffrey W. Davis, Secretary of the Board