

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223
Minutes of the
Board of Directors Meeting
February 16, 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 16, 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. 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 Fenn	<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. **Adoption and Adjustment of the Agenda:** *President Jeter asked if there were any adjustments to the agenda.* Director Fenn made a motion, seconded by Director Ball, to table item 6A. Legal Counsel Jeff Ferre instructed the Board that a motion can take place at this time or to make a motion at the time item 6A is being discussed. After discussion, the motion was amended by Director Fenn, seconded by Director Ball, to table item 6A for 90 days. Motion passed 6-1, with Director Melleby opposed. The Agenda was adopted as amended.
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.* Banning Council Member Deborah Franklin suggested that the San Gorgonio Pass Water Alliance be a forum to discuss

a number of differences that BCVWD and YVWD have with the Agency. The discussion would include all local water agency representatives and would be open to the public.

4. Consent Calendar:

- A. Approval of the Minutes of the Regular Board Meeting, February 1, 2016
- B. Approval of the Minutes of the Engineering Workshop, February 8, 2016

Director Melleby moved, seconded by Director Dickson, to approve the Consent Calendar as presented. Director Duncan abstained from voting on the February 8, 2016 Minutes, as he was not in attendance. Motion carried 7-0 on Consent Item 4A. Motion carried 6-0-1 on Consent Item 4B, with Director Duncan abstaining.

5. Reports:

A. General Manager's Report:

(1) Operations Report: General Manager Davis reported on the following: **a) El Nino:** General Manager Davis related that California has not received rain for the past couple of weeks and that Southern California has been experiencing record breaking high temperatures in the 80s and 90s. **b) California Snow Water Content:** General Manager Davis referenced graphs located on pages 9 and 10 of the agenda package. Page 9 provided graphs on the snow water content as of February 12 – percent of April 1st average for Northern, Central and Southern California. As of February 12, the statewide percentage of April 1 was 73%. The statewide percent of average for the date is at 100%. Page 10 provided a graph on the Lake Oroville Storage conditions as of February 11, 2016; 47% of total capacity and 71% of historical average for February 11, 2016.

(2) ACWA Groundwater Management Committee Meeting: General Manager Davis reported on the first committee meeting that took place on February 10. Topics of discussion included: SGMA, Groundwater Sustainability Plan Emergency Regulations, Basin Boundary Revisions and Prop 1 funding. The next meeting will be held at the 2016 Spring ACWA conference in Monterey.

(3) General Agency Updates: **1)** General Manager Davis provided an explanation as to why there is an item on the agenda (6B) pertaining to appointing an Ad Hoc Committee for a facilitated process with local retail water agencies. He informed the Board that San Bernardino Valley Water Municipal District has offered to fund a facilitator to help resolve differences between the Agency and some water retailers. More discussion on this topic will take place during item 6B of the agenda. **2) Cabazon Model:** USGS was contracted by the Agency to provide a report on the Cabazon Model. USGS has authored a Scientific Investigation report titled: Estimating Natural Recharge in San

Gorgonio Pass Watersheds, California, 1913-2012, which includes the Cabazon model. This report will be helpful in implementing SGMA.

B. General Counsel Report: General Counsel Jeff Ferré stated that the process that the Agency uses at the Finance and Budget workshop meetings is not in violation of the Brown Act. He recommended that the agenda item – New Business (Discussion only) be written as, New Business (Discussion and possible recommendations for action at a future regular Board meeting). This wording would make it clear to the public that there will be discussion with possible actions on recommendations, but no final action. He also recommended that the regular Board agenda include (either under Consent Item or New Business): Approval of the Recommendations made at the Board Finance and Budget Workshop, as set forth in the Finance and Budget Workshop Report. General Counsel Ferré addressed the issue of what constitutes a workshop. He stated that the Brown Act does not address the term workshop; it only addresses “Board meetings” and “Special meetings”. He stated that a workshop would fall under “Special meeting” and would need to follow the guidelines for a “Special meeting”, which the Agency abides by.

C. Directors Reports: (1) **Director Ball** reported on YVWD and BCVWD meetings that he attended; both had an agenda item to consider a resolution pertaining to changing the governance structure of the SGPWA. He was appreciative of the number of attendees that came to the meeting to comment. He emphasized that Board meetings are to be administered by the Board and not by staff. He was displeased and concerned that the actions taken by YVWD and BCVWD has hindered the Agency’s legislative efforts to reduce the Agency’s Board members from seven to five. He stated that he would hope that both YVWD and BCVWD Board members would no longer consider such an action. In addition, that they contact Senator Morrell’s office informing them that they are no longer seeking to restructure the Agency’s Board, thereby allowing the Agency to move forward with its intent to reduce the Board from seven to five members. (2) **Director Duncan** reported that he also attended the same meetings and was in agreement with most of what Director Ball stated. He expressed that it was apparent that some YVWD and BCVWD board members were not given adequate notice that this item was coming up. He stated that a number of individuals within the local water industry were not made aware of YVWD and BCVWD intent to consider a resolution to restructure the Agency’s Board until it was posted. He recommended that in the future YVWD’s and BCVWD’s general managers be instructed to include all water retailers in future meetings of this manner. Director Duncan noted that Senator Morrell has stated that he will not consider either proposed bill, as he has stipulated that this issue needs to be resolved. (3) **Director Stevenson** stated that he echoed the sentiments of Director Duncan and Director Ball. He is hopeful that this issue will be resolved so that the Agency can move forward with its intent to reduce the number of board members from seven to five. Director Stevenson then read a statement pertaining to what a fellow Board member perceived as a potential violation of the Brown Act at the Finance and Budget Workshop of January 25th. He stated that in the future

should any Board member, during the course of a Board meeting or workshop, question whether there is a potential Brown Act violation during a meeting, to make it known at that time, and to not wait to bring the matter before the board after-the-fact. He emphasized that it is a common goal of all of the Agency's board members to abide by the Brown Act.

6. New Business: (Discussion and Possible Action)

A. Consideration of Authorizing General Manager to Advertise for Beaumont Avenue Recharge Facility for Construction: This item was tabled for 90 days during the Adoption and Adjustment of the Agenda.

B. Consideration of Authorizing Legislative Advocacy Services: A staff report from General Counsel and a copy of a Legislative Services Agreement were included in the agenda package. Legal Counsel Jeff Ferre recommended authorizing lobbying advocacy services. He explained the endeavors that have taken place thus far to reduce the Board from seven to five members by BB&K's Director of Governmental Affairs Syrus Devers, including providing the necessary language needed to be added to an existing bill. Those efforts were unsuccessful due to the nature and pace of bill. Since then, Mr. Devers has (at no charge) been instrumental in setting up meetings between local legislators and Agency representatives. The meetings were to start the process of networking outreach, providing the Agency's message, and the goal for the proposed bill. Due to those networking efforts Mr. Devers obtained information about a competing bill presented by YVWD to change the board size and the governance structure. Both YVWD and BCVWD had on their most recent Board meeting agendas resolutions supporting changes to the governance structure of the SGPWA. The outcome at both Board meetings was to table the resolutions. BB&K would recommend having some level of advocacy services. BB&K's service would be \$5000 per month through January 2017 and is part of the services contemplated under the agreement for legal services which is already in effect with the Agency. Since these services would be paid in a different manner, the proposed letter agreement is recommended to document that fact. In addition, such services may be revoked at any time. Legal Counsel Ferre stated that the Agency could certainly seek out another lobbying firm. After discussion, Director Melleby made a motion, seconded by Director Duncan, to contract with BB&K for legislative services in the amount of \$5,000 per month. Motion passed 7-0.

C. Consideration of Participation in Bunker Hill Conjunctive Use Program Memorandum of Understanding MOU: General Manager Davis reminded the Board that this item was discussed at the February 8th Engineering workshop. The purpose of this proposed Board action is to consider whether the Board wishes to be a signatory to the MOU. The MOU is to figure out the cost allocation and does not commit anyone to participate nor does it commit them to the entire MOU process. The MOU expires at the end of 2016, with the anticipation that a cost allocation structure will have been agreed to by that time. After discussion, Director Dickson made a motion, seconded by Director Melleby, to authorize the

General Manager to sign the MOU, subject to the approval of the General Counsel. Motion passed 7-0.

D. Appointment of Ad Hoc Committee for Facilitated Process with Retail Water Agencies on its Recharge Facility: General Manager Davis stated that he is essentially asking for the appointment of an Ad Hoc Committee, but that the exact task is not known at this point-in-time. It was placed on the agenda to send a strong message to other parties that the Agency wants to participate in such a process. President Mark Bulot (SBVMWD) recommended this process and has identified a professional facilitator and SBVMWD is evidently willing to pay for the first phase of this process. General Manager Davis gave a general idea of how this process would work. Legal Counsel Ferre asked for input from the other water agencies. A number of suggestions were made by members of the public. Legal Counsel Ferre reminded the Board that the item on the agenda is to appoint an ad hoc committee for the facilitated process with retail water agencies. If it is a general consensus not to set-up an ad hoc committee for a facilitated process then there is no need to take action on this item. The Board can direct staff to work with BCVWD and YVWD to set-up a joint meeting; board action is not required. He stated that should the board wish to discuss this matter further it would need to be added to a future board meeting agenda, or one of the water districts can add it to its board meeting agenda and the Agency would respond to it. After discussion, no action was taken on this item.

E. Consideration of Authorizing Letter to BCVWD inviting BCVWD to make a Presentation on its Recharge Facility: A copy of an email submitted by Directors Ball, Duncan and Fenn to the General Manager was included in the agenda package. Director Ball met with Director Duncan and Director Fenn and they were in consensus of proposing this item and the next two agenda items. Director Ball requested that a BCVWD representative be invited to make a presentation (preferably around 20 minutes with Mr. Jagers) of its recharge facility on Beaumont Ave., at the March 21, 2016 Board meeting at 7pm. The presentation by BCVWD is to hear what is available from their point of view, in order for the Board to make an educated decision pertaining to the Beaumont Avenue Recharge Facility; this item is in relationship with the 2012 Strategic Plan. Director Ball stated that he would also like to know if there are other recharge facilities within the Agency's boundaries. Director Ball made a motion, seconded by Director Duncan, authorizing a letter inviting BCVWD to make a presentation of its recharge facility on Beaumont Avenue, to the members of this Board, general public and interested elected water officials, with a flexible date of March 21st. After discussion, the Board requested that notification be sent out to all of the elected water officials. Motion passed 6-1, with Director Dickson opposed.

F. Consideration of Requesting a Presentation of Historic Sales and Expenses of the Water Rate Fee of \$317 from February 2009 through December 2015: Director Ball stated that he has met with Finance Director Thomas Todd concerning the water rate fee of \$317. He stated that a presentation of historic sales and expensed would give the Board an opportunity

to see where we are in our expenditures from 2009 through 2015. The presentation could be based on a fiscal year or calendar year. General Manager stated that they have been working on this presentation prior to this request. General Manager Davis stated that Finance Manager Thomas Todd will be present at this meeting. The Board was in consensus of having the presentation at the April 4th Board meeting. Director Ball made a motion, seconded by Director Dickson, to hear the historic sales and expenses of the water rate fee of \$317. Motion passed 7-0.

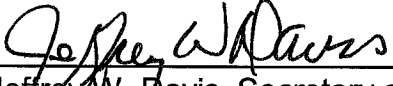
G. Consideration of Resuming Monthly Managers' Meetings: Director Ball stated that this item falls in line with the Strategic Plan and sees these meetings as a positive. He suggested that these meetings resume under the direction of the Board, whereby a member of the Board would be at the meetings as a moderator. All seven of the general managers should be invited, in the hopes of better communication and dialogue. General Counsel Ferre stated that the Board may appoint a Board moderator; however the meetings need to be open to all seven Board members if they wish to attend. After discussion, Director Duncan made a motion, seconded by Director Stephenson, to table this item. Motion passed 5-2, with Directors Ball and Fenn opposed.

7. Topics for Future Agendas: Director Ball requested staff to seek out contact information for local water agencies Board members.

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

- A. San Geronio Pass Regional Water Alliance, February 24, 2016
 - 1. Technical Committee at 4:30 p.m. – Banning City Hall Conference Room
 - 2. Regular Board Meeting at 6:30 p.m. – Banning City Council Chambers
- B. Regular Board Meeting, March 7, 2016 at 7:00 p.m.
- C. Engineering Workshop, March 14, 2016 at 4:00 p.m.

9. Adjournment: *President Jeter adjourned the meeting at 8:57 p.m.*



Jeffrey W. Davis, Secretary of the Board