

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223

**Minutes of the
Board of Directors Meeting
September 19, 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
Cheryle Rasmussen, Executive Assistant
Jeff Ferre, General Counsel

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., September 19, 2016 in the Agency Boardroom at 1210 Beaumont Avenue, Beaumont, California. Director Dickson led the Pledge of Allegiance to the flag. *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 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"/>

A quorum was present.

2. **Adoption and Adjustment of Agenda:** *President Jeter asked if there were any adjustments to the agenda.* General Counsel Jeff Ferre recommended that after Item 6A the Board go into closed session to address Closed Session Item 9A; thereby determining if item 6A needs to be addressed depending upon the outcome of item 9A. President Jeter asked the Board if there were any objections; there being none 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.* There were no members of the public that wished to comment at this time.
4. **Consent Calendar:**
- A. Approval of the Minutes of the Regular Board Meeting, September 6, 2016
 - B. Approval of the Minutes of the Engineering Workshop, September 12, 2016

Director Duncan made a motion, seconded by Director Dickson, to adopt the consent calendar as presented. Motion passed 7-0.

5. Reports:

A. General Manager's Report:

(1) Operations Report: (a) SWP Water Deliveries: The Agency delivered a total of 772 acre-feet to the Noble Creek Connection, so far this month.

(2) General Agency Updates: (a) Audit: Ahern Adcock & Devlin has initiated the 2014-2015 Audit of the Agency's financials. The audit report will be delivered to the Board once the audit is complete. **(b) Whitewater Flume Update:** 1) The Participating Entities (PE) are preparing a negotiation document to be presented to FERC and the U.S. Forest Service. 2) The U.S. Forest Service has approved a one year extension of the Burnt Canyon pipeline with several conditions, including that a special use permit application be submitted by January 3, and that there are Flume releases at the diversion points; this request was put in writing. **(c) Sites Reservoir:** The general manager of the Sites Joint Powers Authority confirmed last week in Sacramento that agencies south of the Delta had requested 134,000 acre-feet of water. The estimated cost is \$444 per acre-feet without the Cal Water fix and \$333 per acre-feet with the Cal Water fix. **(d) SWP Table A Water Quality:** SBVMWD and SGPWA are in the process of requesting from DWR to implement a new water sample point location at Craffton Hills Reservoir.

B. General Counsel Report: General Counsel Jeff Ferré deferred reporting due to the amount of items in closed session.

C. Directors Reports: 1) Director Fenn reported on the BCVWD Board meeting that he attended along with Director Ball and President Jeter. He shared his concern regarding Pardee's development for North Sundance and BCVWD's conditions for Pardee's extension Will Serve letter. **2) Director Ball** also reported on the BCVWD Board meeting. He shared that there was talk that BCVWD and the developers will be addressing the Agency on their concerns. **3) Director Duncan** reported on the recent Banning Chamber of Commerce meeting stating that a number of groups have endorsed the Rancho San Geronio housing development. Discussion included water availability for the project.

6. New Business: (Discussion and Possible Action)

A. Consideration of Riverside County State of the County Sponsorship: A staff report and related material were included in the agenda packet. General Manager Davis informed the Board that for the past two years the Agency has been a sponsor of the event. He reviewed with the Board various sponsorship options. Director Dickson made a motion, seconded by Director Melleby, to provide a \$1000 sponsorship. It was noted that there is \$8000 budgeted for sponsorships. After discussion, President Jeter requested roll a call.

<u>Roll Call:</u>	<u>Aye</u>	<u>Noes</u>	<u>Absent</u>	<u>Abstain</u>
Director Stephenson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Ball	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Fenn	<input type="checkbox"/>	<input checked="" 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 5-2.

General Counsel Ferre recommended to not address item 6b at this time, as there may or may not be a need to discuss item 6b based on the direction of 9A. He further recommended going into closed session to take up item 9A and then reconvening to open session to provide any reportable action on item 9A and to continue with the additional agenda items. The Board was in agreement of Counsel's recommendation.

Closed Session (1 item) Time: 7:30 pm

9. A. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Government Code Section 54956.8

Property: APN 311-360-008 and 311-360-009

Agency negotiator: Jeff Davis, General Manager

Negotiating party: Carlo Wilcox

Under negotiation: price and terms of payment

The meeting reconvened to open session - Time: 7:50 p.m.

General Counsel Ferre stated that the Board met in closed session on item 9A to give direction to the real property negotiator in regards to price and terms of payment for the properties listed. The Board gave some direction to the real property negotiators. There was no other reportable action.

6. New Business: (Discussion and Possible Action) was continued.

B. Consideration of Contracting with Consultant to Perform CEQA Services for Procurement of Long-Term Water Rights: A staff report was included in the agenda packet. General Manager Davis stated that at the time the agenda was published proposals to provide CEQA documentation for the Wilcox property permanent Table A Water transfer had not been received; however, ECORP sent a proposal after the agenda was sent out. (A copy of the proposal was provided to the Board and to members of the public). General Manager Davis explained his process of requesting proposals for the CEQA documentation which is required to procure the Wilcox property water rights. General Manager Davis provided background information on ECORP and reviewed ECORP's proposal and cost options, as well as CEQA requirements. General Counsel Ferre explained in detail the purpose for hiring a CEQA consultant for the Wilcox property stating that there is nothing binding the Agency to do the initial study which would have to be done (as well as all of the CEQA) prior to any commitment by this Agency. The recommendation is to retain the CEQA consultant to do the initial study, or at least have the consultant on board to do the initial study. After discussion,

the Board came to a consensus that more proposals would be ideal and directed staff to submit requests for additional proposals. Director Duncan made a motion, seconded by Director Ball, to table 6B pending an attempt to get additional proposals. Motion carried 7-0.

General Counsel Ferre stated that he did not anticipate that there would be any action taken during closed session that is reportable under the Brown Act.

9. Closed Session (4 items) Time: 8:15 p.m.

A. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
(This item was discussed after agenda item 6A at 7:50 p.m.)

B. Public Employee Performance Evaluation
Pursuant to Government Code Section 54957
Title: General Manager

C. Conference with Labor Negotiators
Pursuant to Government Code Section 54957.6
Agency designated representatives: Board President John Jeter;
Legal Counsel Jeff Ferre
Unrepresented employee: General Manager

D. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Pursuant to Government Code Section 54956.8
Property: Water Right Lease – CV Communities
Agency negotiator: Jeff Davis, General Manager
Negotiating party: Antelope Valley-East Kern Water Agency
Under negotiation: price and terms of payment

The meeting reconvened to open session at: Time: 9:12 pm


General Counsel Ferre reported that the Board considered the matters listed on the agenda. There were no action(s) taken on items 9B, 9C or 9D that is reportable under the Brown Act.

7. Topics for Future Agendas: None

8. Announcements

- A. Finance and Budget Workshop, September 26, 2016 at 4:00 p.m.
- B. San Gorgonio Pass Regional Water Alliance, September 28, 2016
 - 1. Regular Meeting at 5:30 p.m. – Banning City Hall Conference Room
- C. SGPWA – State of the Regional Water Supply, September 30, 2016 at 8:00 a.m.

10. Adjournment Time: 9:17 pm



Jeffrey W. Davis, Secretary of the Board