

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223
Minutes of the
Board of Directors Meeting
February 20, 2018

Directors Present: David Fenn, President
Lenny Stephenson, Treasurer
Blair Ball, Director
Stephen Lehtonen, Director
Michael Thompson, Director

Directors Absent: Ron Duncan, Vice President
David Castaldo, Director

Staff Present: Jeff Davis, General Manager
Jeff Ferre, General Counsel
Thomas Todd, Finance Manager
Cheryle Stiff, Executive Assistant

1. **Call to Order, Flag Salute, Invocation, and Roll Call:** The meeting of the San Gorgonio Pass Water Agency Board of Directors was called to order by Board President Fenn at 1:30 p.m., February 20, 2018 in the Agency Boardroom at 1210 Beaumont Avenue, Beaumont, California. President Fenn led the Pledge of Allegiance to the flag. Director Lehtonen gave the invocation. A quorum was present.
2. **Adoption and Adjustment of Agenda:** *President Fenn asked if there were any adjustments to the agenda.* There were no adjustments to the agenda. The agenda was adopted as published.
3. **Public Comment:** *President Fenn 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 that are not on today's agenda.* 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, February 5, 2018
 - B. Approval of the Minutes of the Engineering Workshop, February 12, 2018

President Fenn asked for a motion on the Consent Calendar. Director Stephenson made a motion, seconded by Director Thompson, to adopt the consent calendar as presented. Motion passed 5-0, with Directors Duncan and Castaldo absent.

5. Reports:

A. General Manager's Report:

(1) Operations Report: (a) SWP Water Deliveries: The Agency has delivered a total of 765 acre-feet to the Noble Creek Connection, so far this month. General Manager Davis informed the Board that the East Branch

Extension will be shutting down on February 28th for approximately 30+ days for maintenance. **(b) SWC Water Operations Committee:** The committee discussed precipitation for the state of California, the outlook does not look favorable.

(2) General Agency Updates: General Manager Davis reported on the following: **(a) Sustainable Groundwater Planning (SGWP) Grants:** DWR is administering the SGWP Grant Program that support the Sustainable Groundwater Management Act (SGMA). The Agency was awarded two \$1 million dollar grants (no matching funds). One of the grants will be used to purchase and install monitoring wells at the east end of the San Geronio Pass Sub-basin. The other grant will be used to offset the cost of the Groundwater Sustainability Plan. A grant was also awarded for the Yucaipa Basin in the amount of \$800k. **(b) SWP Contract Extension:** A few years ago SWC negotiated a contract extension with DWR. The language for the contract extension has been finalized. The extension is for an additional fifty years – through 2085. It now has to go through a legislative hearing. It is anticipated that the final amendment language will be presented to the Board by June. **(c) Cal Water Fix Contract Amendment:** The first public negotiation took place last week. Starting February 28th, SWC will meet every week in Sacramento with DWR for about three months. **(d) Water Conservation Regulations:** The State Water Resources Control Board (State Board) will be meeting today to discuss water conservation regulations pertaining to water retailers. The proposed regulation includes some revised language and said regulation would enact permanent prohibitions. Legal concerns that have been raised regarding this proposed regulation include the State Board's use of the designation of "waste and unreasonable use". **(e) Water Tax:** The public goods charge appears to be making its way to the legislature via a budget trailer bill. **(f) Proposition 68:** There is no announced opposition to Proposition 68. **(g) 2018 Water Bond:** The Water Supply and Water Quality Act of 2018 is a water bond that will appear on the November 2018 statewide California ballot. There will be organized opposition to this bond from environmental. **(h) Sites Reservoir:** The deadline for the appeal of the initial public benefit ratios is February 23, 2018. **(i) EBX Completion Event:** Please relay to staff if you will be attending the event on February 22, 2018.

B. General Counsel Report:

General Counsel Jeff Ferre provided a written report on State Water Resources Control Board changes to the proposed regulation, prohibiting wasteful water use practices.

C. Directors Reports:

(1) President Fenn reported on the Beaumont Basin Watermaster meeting that he attended on February 7th. He stated that the Watermaster voted to approve the Groundwater Storage application and Groundwater Storage Agreement in the Beaumont Basin for the SGPWA in the amount of 10,000 acre-feet. The Watermaster had some minor clerical errors on the agreement, which have been corrected. President Fenn also reported on the Watermaster's preliminary report on water loss in the basin.

6. New Business:

A. Consideration of Nominees for Local Formation Commission (LAFCO) Special District Board Member Election and Countywide Oversight Board Member: A staff report and a copy of a letter from LAFCO to the Special District Selection Committee were included in the agenda packet. General Manager Davis stated that LAFCO is commencing the selection process for special district member and the Countywide Redevelopment Oversight Board. The purpose of this proposed action is to determine if the Board wishes to nominate a member of the Board to either one or both of these bodies. Staff has no recommendation. The Board discussed the matter and a unanimous decision was to not make a nomination.

B. Update on California WaterFix: General Manager Davis presented to the Board a State Water Contractors PowerPoint presentation on the California WaterFix. General Manager Davis mentioned that at the last board meeting he reported that the SWC were working on a cost benefit analysis for the Cal WaterFix. General Manager Davis provided information from the benefit analysis summary sheet that compares the Cal WaterFix costs to other costs, such as desalination, and water recycling.

7. Topics for Future Agendas: There were no items for future agendas.

8. Announcements:

- A. EBX II Grand Opening, **Thursday**, February 22, 2018
 - Citrus Reservoir and Pump Station, 10:00 a.m. – 12:00 p.m.
 - (Shuttle Parking: Redlands Sports Park – Soccer Complex*
 - *Do not park at Citrus Reservoir)
- B. Water Conservation and Education Committee meeting, **Thursday**, February 22, 2018 at 1:30 p.m.
- C. Finance and Budget Workshop, February 26, 2018 at 1:30 p.m.
- D. San Geronio Pass Regional Water Alliance, February 28, 2018 at 5:00 p.m. – Banning City Hall
- E. Water Rate Workshop, **Thursday**, March 1, 2018 at 6:00 p.m.
- F. Regular Board Meeting, March 5, 2018 at 1:30 p.m.

9. Closed Session (Two Items)

Time: 2:22 p.m.

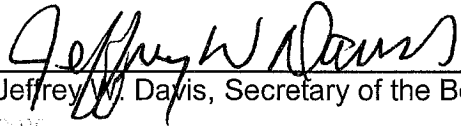
- A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
(Paragraph (1) of subdivision (d) of Government Code
Section 54956.9
Name of case: San Geronio Pass Water Agency vs.
Beaumont Basin Watermaster
Case No. RIC 1716346
- B. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Pursuant to Government Code section 54956.8
Property: Potential water rights/supplies offers from the
City of Ventura
Agency negotiator: Jeff Davis, General Manager
Negotiating parties: Lynn Takaichi
Under negotiation: price and terms of payment

The meeting reconvened to open session at: Time: 2:45 pm

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

10. Adjournment

Time: 2:45 pm



Jeffrey W. Davis, Secretary of the Board

OUT