

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223
Minutes of the
Board of Directors Meeting
March 19, 2018

Directors Present: David Fenn, President
Ron Duncan, Vice President
Lenny Stephenson, Treasurer
Blair Ball, Director
David Castaldo, Director
Stephen Lehtonen, Director
Michael Thompson, 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., March 19, 2018 in the Agency Boardroom at 1210 Beaumont Avenue, Beaumont, California. President Fenn led the Pledge of Allegiance to the flag. Director Stephenson 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 Water Rate Workshop, March 1, 2018
 - B. Approval of the Minutes of the Regular Board Meeting, March 5, 2018
 - C. Approval of the Minutes of the Engineering Workshop, March 12, 2018

President Fenn asked for a motion on the Consent Calendar. Director Ball made a motion, seconded by Director Duncan, 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:** 1) No deliveries during the month of March due to maintenance. (b) **Precipitation:** Winter of 2018 is the State's third driest winter on record, even with recent rains.

(2) General Agency Updates: General Manager Davis reported on the following: **(a). California WaterFix Update:** A lot of positive things are happening pertaining to the CWF. Hearings continue on CIPD. It is conceivable that a permit will be issued by the end of the year. There is progress on funding and backstopping. More updates will take place in April and May, and possible action items. **(b) Water Tax (public goods charge):** Two hearings took place last week; one in the Assembly and the other in the State Senate, both of which were Budget Committees. Some members of the public spoke on the importance of passing the bill. ACWA, California Special Districts Association, California League of Cities and a number of individual water agencies around the state spoke against the water tax as written. ACWA is recommending some combination of funding by Federal funds, Proposition 1 fund and state general funds; instead of placing a state tax on public goods. Both committees decided to leave the issue open. **(d) Sites Reservoir Update:** General Manager Davis reviewed financing on the different phases.

B. General Counsel Report:

General Counsel Jeff Ferre provided a written report on SB 100.

C. Directors Reports:

1) Director Stephenson reported that he attended the Calimesa City Council meeting and the YVWD workshop as well as their Board meeting. **2) Director Castaldo** reported that he attended the Beaumont Chamber Breakfast. **3) Director Lehtonen** reported that he attended the Banning City Council. He informed the Board that the Banning's acting City Manager (and also police chief) resigned. The City Council appointed Deputy City Manager Rochelle Clayton as the interim city manager. **4) Director Ball** reported that he attended the BCVWD meeting on Wednesday, March 13th. He stated that there were a couple of items on the agenda that referred to our Agency. The first item pertained to a letter discussing the Noble Creek Recharge Facility, which was sent to staff. He requested that staff provide the board with a copy of said letter. The other item was regarding the Agency's rate structure increase workshop. **5) Director Duncan** reported that he attended the YVWD meeting. **6) President Fenn** reported that the Board Handbook Committee met and that the meeting was productive.

6. New Business:

A. Consideration and Possible Action of Cost Sharing for the Stream Gaging Program Associated with the San Geronio Flume: A staff report and a copy of a letter from the City of Banning were included in the agenda packet. General Manager Davis stated that the Agency received a letter from the City of Banning last November requesting funds for a new agreement with the USGS in the amount of \$92,500. This agreement is to continue the stream gaging program as it relates to the San Geronio Flume. The letter was discussed with President Fenn and a response letter was sent. The purpose of this proposed Board action is to determine if the Board wishes to contribute \$30,000 towards the stream gaging, as requested by the City of Banning. This year's budget did not include any funds for the Flume project. The gaging activities help to support the case involving Southern California Edison. President Fenn stated that support of the flume project is consistent with the

Agency's mission statement to "protect and enhance local water supplies." Councilwoman Debbie Franklin provided a cost breakdown on what the different Participating Entitles would be paying. After discussion, Director Ball made a motion to table this item until a more comprehensive breakdown of who is paying what percentage of the \$92,500 can be provided. The motion was not seconded. Director Castaldo made a motion, seconded by Director Lehtonen, to participate in the cost sharing in the amount of \$30,000. Motion passed 6-1, with Director Ball opposed. Director Ball stated that he is in favor of contributing to the stream gaging program, but needed to know what the correct figures are. He requested that a breakdown of the numbers be provided. Councilwoman Franklin stated that she would provide to the Board a breakdown of the numbers.

B. Consideration and Possible Action to an Addendum to the Inland Empire Resources Conservation District (IERCD): A staff report and a proposal from IERCD were included in the agenda packet. General Manager Davis stated there are two items (Agenda items B and C) that the Water Conservation and Education Committee have been discussing for months. The Committee is proposing to add to the scope of work training of high school teachers in using a tabletop groundwater model to understand groundwater principles so that they can teach this to their students. The first action is to amend or sign a new agreement adding to the scope of work as proposed. The approximate cost for four models would be \$6750. The models would be distributed to Yucaipa High School, Beaumont High School, Banning High School and the IERCD. Committee Chair Michael Thompson stated that the initial cost is high because of the training involved; future cost would go down. Each model will be owned by the Agency. The Water Conservation and Education Committee is recommending that the Board approve the amendment to the current IERCD agreement, or alternatively a new agreement for this work. Director Castaldo made a motion, seconded by Director Duncan, approving the amendment to the current IERCD agreement. Motion passed 7-0.

C. Consideration and Possible Action of Purchasing Four Groundwater Models: A staff report and an estimate from Creative Labworks were included in the agenda packet. Chairman Michael Thompson stated that staff contacted Creative Labworks, which is the same company that made the model that the Agency currently has in its possession, and was able to get a reduced price of \$7066.60 for four groundwater models. General Manager Davis stated that with the additional costs of accessories and parts the total cost would be less than \$8000. The Water Conservation and Education Committee recommended that the Board authorize the purchase of four groundwater models for a cost not to exceed \$8000. Director Castaldo made a motion, seconded by Director Duncan, to approve the purchase. Motion passed 7-0.

7. Topics for Future Agendas: Director Ball remarked that BCVWD sent the Agency a letter on March 1st pertaining to water quality. He requested that staff provide a written staff report on its response to said letter. There were no other items requested for future agendas.

8. Announcements:

- A. Finance and Budget Workshop, March 26, 2018 at 1:30 p.m.
- B. San Geronio Pass Regional Water Alliance, March 28, 2018 at 5:00 p.m. – Banning City Hall
- C. Regular Board Meeting, April 2, 2018 at 1:30 p.m.

9. Closed Session (3 Items) Time: 2:34 p.m.

A. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Pursuant to Government Code Section 54956.8
Property: Potential transfer of State Water Project rights/supplies among State Water Project Contractors
Agency negotiator: Jeff Davis, General Manager
Negotiating parties: Dudley Ridge Water District, Dale Melville, Manager-Engineer
Under negotiation: price and terms of payment

B. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Pursuant to Government Code Section 54956.8
Property: Potential water exchange with Casitas Municipal Water District
Agency negotiator: Jeff Davis, General Manager
Negotiating parties: Casitas Municipal Water District, Mike Flood, General Manager
Under negotiation: price and terms of payment

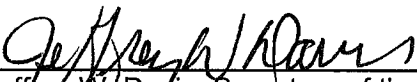
C. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Pursuant to Government Code Section 54956.8
Property: Potential transfer of State Water Project rights/supplies among State Water Project Contractors
Agency negotiator: Jeff Davis, General Manager
Negotiating parties: Kern County Water Agency, Curtis Creel, General Manager
Under negotiation: price and terms of payment

The meeting reconvened to open session at: Time: 3:26 pm

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

10. Adjournment

Time: 3:26 pm



Jeffrey W. Davis, Secretary of the Board