

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223
Minutes of the
Board of Directors Meeting
October 7, 2019

Directors Present: Ron Duncan, President
Lenny Stephenson, Vice President
Stephen Lehtonen, Treasurer
Blair Ball, Director
David Fenn, Director (arrived 1:37 pm)
David Castaldo, 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 Duncan at 1:30 p.m., October 7, 2019 in the Agency Boardroom at 1210 Beaumont Avenue, Beaumont, California. President Duncan led the Pledge of Allegiance to the flag. Director Ball gave the invocation. A quorum was present.
2. **Adoption and Adjustment of Agenda:** *President Duncan asked if there were any adjustments to the agenda.* General Manager Davis requested withdrawing item 6B, as this item will be brought back to the Board at a future date.
3. **Public Comment:** *President Duncan 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, August 19, 2019
 - B. Approval of the Minutes of the Finance and Budget Workshop, August 26, 2019
 - C. Approval of the Finance and Budget Workshop Report, August 26, 2019

President Duncan asked for a motion on the Consent Calendar. Director Stephenson made a motion, seconded by Director Ball, to adopt the consent calendar. Motion passed 6-0, with Director Fenn absent.

5. Reports:

A. General Manager's Report:

(1) Operations Report: General Manager Davis provided a written report on the Agency's Operations and General Updates. He reviewed with the Board a number of graphs related to Sites Reservoir projected costs using different scenarios. He stated that the estimated cost at this time is between \$825 - \$900 per acre-foot; this does not include operations, maintenance and pumping costs or carriage losses. He informed the Board that they will need to make a decision between now and February on whether or not the Agency participates in Phase 2 of Sites Reservoir, and if they do, at what level. General Manager Davis also provided additional information on the Delta Conveyance

Facility. The key issue is having more water in the system in average years and in wet years, and how do participants and non-participants manage their storage in San Luis Reservoir. Director Ball inquired about the legislature passing SB 1 with objectionable language opposed by the water industry and that the Governor vetoed it; he asked for clarification. General Manager Davis explained that the water industry lobbying effort on the legislative level to take out two sentences was not successful. The Governor supports the voluntary agreements and using science to implement regulations. Passing SB1 would have precluded using science in the regulatory process.

B. General Counsel Report: A written report was provided by General Counsel Jeff Ferre.

C. Directors Reports: **Director Lehtonen** mentioned that a local newspaper had an article about West Valley Water District and ethical problems. He urged the Board members to read the article. **Director Stephenson** reported on the Yucaipa Sustainable Groundwater Management Agency meeting on September 25th. He mentioned that a public meeting will take place in February and he encouraged his fellow Board members to attend. **Director Fenn** reported on the Beaumont Basin Watermaster meeting that was held on October 2nd. In addition, Director Fenn announced that starting in January 2020 he will not be able to continue attending the San Gorgonio Pass Water Alliance meetings, due to personal commitments. He is seeking someone to replace his position as the co-chair, preferably a Director from the Agency. Director Fenn requested that this item be agendaized for a future meeting. **Director Thompson** reported on the BCWWD Engineering workshop that he attended on September 26th.

D. Committee Reports: **Director Thompson** reported that the Conservation and Education workshop will take place this Thursday at 1:30 pm. **Director Ball** reported that the Capacity Fee Ad-Hoc Committee will be meeting on October 14th at 12:30 pm. **Director Castaldo** stated that the Board Handbook Ad-Hoc Committee plans on meeting with General Counsel Ferre at the end of this meeting.

6. New Business:

A. Consideration of Adoption of Resolution 2019-08, Publicly Available Pay Schedules for Applicable Fiscal Years as Part of CalPERS Requirements. A staff report, a draft copy of Resolution 2019-08, and related materials were included in the agenda package. General Counsel Ferre summarized the staff report stating that CalPERS requires that at the time of any particular retirement that there be a publically available pay schedule that meets certain requirements: Resolution 2019-08 has been appropriately drafted that meets all of the requirements. Staff recommends the approval of the adoption of Resolution 2019-08. After discussion, Director Thompson made a motion, seconded by Director Castaldo, to adopt Resolution 2019-08 to adopt 2011/2012 through 2018/2019 publicly available pay schedules as required under CalPERS rules. Motion passed 7-0.

B. Consideration and Possible Action of an Agreement to Facilitate Water Deliveries to the Calimesa Area by San Bernardino Valley Municipal Water District for the San Gorgonio Pass Water Agency. This item was withdrawn during Item 2 of the Agenda.

C. Consideration and Possible Action on Authorizing Hire of Part Time Employee. A staff report was included in the agenda package. General Manager Davis stated that Casmir Joy Olaivar was initially hired as a student intern through Cal State, San Bernardino – Water Resource Institute for approximately one year. During Finance and Budget workshop discussions it was decided by the Board to budget funds for a temporary part time employee to continue its efforts in the social media arena. Staff is recommending hiring a temporary part time employee with a maximum of 20 hours per week; this is for a commitment through June 30, 2020. The new hire would not be eligible for benefits. General Counsel Ferre clarified that the Board is not hiring the new employee, but is authorizing the General Manager to move forward in hiring a temporary part time employee. Director Ball made a motion, seconded by Director Thompson, to fund up to \$9000, up to 600 hours, for a temporary part time employee at \$15 per hour, starting October 16th and ending June 30, 2020. Motion passed 7-0.

D. Appointment of Ad Hoc Committee on Facilitation of Water Deliveries to Calimesa. General Manager Davis stated that this is a follow-up to the Joint Board meeting with SBVMWD and YVWD. General Manager Davis was contacted by Tim Moore (Facilitator) asking that all of three Board Presidents appoint ad-hoc committees so that he can meet with them to review talking points for an agreement. President Duncan appointed Director Stephenson (Chair), Director Ball (Member), and Director Lehtonen (Member) to the Facilitation of Water Deliveries to Calimesa Ad-Hoc Committee.

7. Topics for Future Agendas: Director Thompson requested details on the WRI student intern program. **President Duncan** requested a report on the USGS monitoring wells. **Director Ball** asked to revisit the water rates in November or December.

8. Announcements:

- A. Water Conservation and Education Committee Meeting, October 10, 2019 at 1:30 p.m.
- B. Engineering Workshop, September 9, 2019 at 1:30 p.m.
- C. Regular Board Meeting, October 21, 2019 at 1:30 p.m.

9. Closed Session (2 Items)

Time: 2:25 p.m.

- A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code Section 54956.9
Receipt of claim: Claimant – Beaumont-Cherry Valley Water District
- B. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Government Code Section 54956.9
One potential case

The meeting reconvened to open session at: Time: 3:00 pm

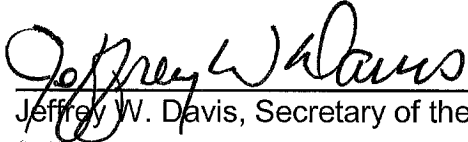
The Board reconvened at 3:00 pm and legal counsel Jeff Ferre made the following report:

In regard to Item 9(A), it was moved by Director Castaldo, seconded by Director Lehtonen, to reject the claim submitted by the Beaumont-Cherry Valley Water District and to direct that the appropriate notice be submitted to the claimant along with a statement that the Agency hopes representatives of both parties can meet in an attempt to resolve this matter. The motion passed 7-0.

There was no reportable action in regard to item 9(B).

10. Adjournment

Time: 3:01 pm



Jeffrey W. Davis, Secretary of the Board

CHT