

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223
Minutes of the
Board of Directors Meeting
June 20, 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., June 20, 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.
2. **Adoption and Adjustment of the Agenda:** *President Jeter asked if there were any adjustments to the agenda.* There being none the agenda was adopted.
3. **Public Comment:** *President Jeter asked if there were members of the public that wished to make a public comment.* No members of the public spoke at this time.
4. **Consent Calendar:**
 - A. Approval of the Minutes of the Employee Guide Workshop, June 2, 2016.
 - B. Approval of the Minutes of the Regular Board Meeting, June 6, 2016
 - C. Approval of the Minutes of the Engineering Workshop, June 13, 2016

Director Stephenson noted that the Minutes for the Regular Board Meeting on June 6th did not reflect his name as being present; he was in fact present during this meeting. Director Melleby stated that her name was listed as being present and also absent; she was in fact absent. Director Ball stated that he is abstaining from item 4A, as he was not present. Director Dickson moved, seconded by Director Stephenson, to approve the Consent Calendar as amended. General Counsel Jeff Ferre clarified that it is not a requirement to abstain if you are not present at a board meeting. Motion carried 7-0.

5. Reports:

A. General Manager's Report:

(1) Operations Report: (a) As of June 20th the Agency delivered 802 acre-feet to the Noble Creek Recharge Facility. (b) SWP Storage and Operations: General Manager Davis provided a slide presentation relating to water supply, precipitation, and storage.

(2) General Agency Updates: (a) General Manager Davis reported to the Board that the City of Calimesa has agreed to authorize staff to enter into negotiations for a cooperative agreement to collect the Agency's capacity fee. (b) Assembly Bill 1713 requiring a vote of the people to approve the Cal Water Fix is dead for the year. Also, another initiative will be on the ballot in November that if it were to pass would require any public works project that used over two-billion dollars in revenue bonds to be approved by the people. (c) Beaumont Landscape Ordinance: The Agency has been receiving a number of inquiries pertaining to the Beaumont Landscape Ordinance. Some Beaumont residents have taken steps to conserve water on their landscaping and have received code violation notices; these residences are upset. General Manager Davis spoke to the code enforcement officer and was told that they have been receiving complaints from neighbors and that the City has to enforce the code. (d) Flume Field Trip: General Manager Davis will be scheduling a Flume field trip for the Agency's board members; contact General Manager Davis if you are interested in attending. (e) The Agency has uploaded the State Water Resources Control Board Emergency Conservation Regulations three year projections to its website (located under Public Documents – Other Documents) and it is also located on the SWRCB website.

C. General Counsel Report: General Counsel Jeff Ferré reported that on May 31st, DWR filed its testimony to begin the process to seek permission from the State Board to change the point of diversion of the Delta into the Twin Tunnels. The hearing is set to begin on July 26th. A number of letters have been sent in opposition.

D. Directors Reports: **(1) Director Stephenson** reported on the City of Calimesa Council meeting that he attended today in which City approved the draft agreement. He commented on the collaborative meeting that was held between the City, YVWD, and the Agency, stating that this meeting was the turning point. **(2) Director Fenn** reported on the YVWD Board meeting on June 15th. An item on the agenda was the approval of the Memorandum of Understanding for the SGPRWA; stating that the board voted to table this item. **(3) Director Melleby** reported on the Government Legislative Affairs Committee (GLAC) meeting that she attended. She stated that the GLAC is a subcommittee of the Beaumont Chamber of Commerce. Director Melleby is a member.

6. New Business: (Discussion and Possible Action)

A. Consideration of Cost of Living Adjustment (COLA) for Staff: A staff report was included in the agenda packet. General Manager Davis reported that during the Employee Guide workshop held on June 2nd the Board voted to recommend granting staff a 2.5% cost of living adjustment, effective July 1st; should the Board vote to approve the COLA, it would be incorporated in the General Fund Budget. Director Dickson made a motion, seconded by Director Duncan, approving the recommendation of the 2.5% cost of living adjustment to staff. After discussion, the motion passed 7-0.

B. Consideration of California Special Districts Association Board (CSDA) Elections: CSDA 2016 Board Elections materials were included in the agenda package. General Manager Davis informed the Board that CSDA is requesting that the Board vote to elect a representative to the CSDA Board of Director for that Agency's region. Three people have filed of which biographical information is included in the agenda packet. After discussion, Director Melleby made a motion, seconded by Director Duncan, recommending that the Board vote for Ronald Coats of East Valley Water District. Motion passed 7-0.

C. Consideration of Sites Reservoir and Proposal to Participate: A staff report and additional Sites Reservoir material were included in the agenda packet. General Manager Davis stated that this item has been discussed at three different board meetings at length. This is a water supply project that has a built-in environmental component, a site that has been studied for decades, and is very likely to receive Prop 1 grant funding. Water managers throughout the State see the advantages and are talking about possible participation. A Joint Powers Authority has been formed to be the owner and operator of the reservoir. The advantages listed present solid reasons as to why the Agency should consider participation in Phase I of the proposed project. Staff recommended that the Board apply for participation and complete a participation agreement for an amount of a maximum of \$300,000 for 10,000 acre-feet of yield. Staff also recommends that these costs be funded from the New Water reserve, which currently has approximately \$5.7 million. Director Ball suggested that staff contacts the local water retailers and to inquire if they would like to partner with the Agency to purchase additional water (over the Agency's 10,000 acre-feet) which they would pay for; Legal Counsel Ferre will then draw-up documents should any water retailer wish to buy in. After discussion, Director Ball made a motion, seconded by Director Dickson, authorizing the General Manager to develop an agreement or agreements with the Sites Reservoir Authority for the Agency's participation in Phase 1 of the proposed project for up to 10,000 acre-feet of annual water supply. General Manager Davis is to reach out to retail customers to find out their level of interest. General Manager Davis is to report back to the Board on their decisions. Motion passed 7-0.

D. Consideration of Payment of Cost of Candidates' Statements: General Manager Davis stated that the Board must decide who will pay for candidate's statement. The Board's decision is then relayed to the Registrar of Voters. Director Dickson made a motion, seconded by Director Duncan, to follow the Agency's past practice of having individuals fund their own candidate statements for the November election. After discussion, motion passed 7-0.

7. Topics for Future Agendas: Director Duncan requested an item of discussion during the next regular board meeting a review of the reduction of the Board from seven to five members be included.

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

- A. San Geronio Pass Regional Water Alliance, June 22, 2016
 - 1. Regular Meeting at 5:00 p.m. – Banning City Hall Conference Room
- B. Finance and Budget Workshop, June 27, 2016 at 4:00 p.m.
- C. Office closed July 4, 2016 in observance of Independence Day
- D. Regular Board Meeting, **Tuesday**, July 5, 2016 at 7:00 p.m.

9. Adjournment: *President Jeter adjourned the meeting at 8:13 p.m.*



Jeffrey W. Davis, Secretary of the Board