

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223
Minutes of the
Board of Directors Meeting
August 15, 2016

Directors Present: John Jeter, President
Bill Dickson, Vice President
Blair Ball, Director
Ron Duncan, Director
Leonard Stephenson, Director

Directors Absent: Mary Ann Melleby, Treasurer
David Fenn, 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., August 15, 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 as published.

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, August 1, 2016

Director Dickson made a motion, seconded by Director Duncan, to adopt the consent calendar as presented. Motion passed 5-0, with Directors Melleby and Fenn absent.

5. **Reports:**

A. General Manager's Report:

(1) **Operations Report:** An operations report was not provided.

(2) **General Agency Updates: 1) Santa Ana Regional Water Quality Control Board (SARWQCB) Meeting:** General Manager Davis attended a SARWQCB meeting on August 10th; the meeting included the City of Beaumont, City of Banning, and Beaumont Cherry Valley Water District. The purpose of the meeting was to discuss the Maximum Benefit requirements and the 2014 commitments by local water agencies not being fulfilled. The outcome of the meeting resulted in the local water agencies agreeing to meet to discuss how to comply with the obligations. **2) California Water Fix Change In Point Of Diversion (CIPD) Hearings:** General

Manager Davis provided the latest information available on the hearings. **3) Cal WaterFix Audit:** General Manager Davis informed the Board that the legislature has called for an audit of the Cal WaterFix. **4) Sites Reservoir Update:** There has been no official update; however a spreadsheet was released that showed that south of the Delta there was requests from SWC and others that far exceeded what will be available.

B. General Counsel Report: General Counsel Jeff Ferré explained to the Board the challenges of acquiring property for the Cal WaterFix and how pre-condemnation works. He reported that the trial court and the court of appeals denied DWR's request to conduct geological testing on the grounds that the Department's authority to conduct the drilling could be obtained only through a classic condemnation action rather than through the statutory pre-condemnation procedure. However, the California Supreme Court came down with the ruling that there is already a process under California law for pre-condemnation investigations of property. The judgment of the Court of Appeal was reversed in its entirety.

C. Directors Reports: 1) Director Stephenson reported on the YVWD Board meeting that was held on August 3rd.

6. New Business: (Discussion and Possible Action)

A. Discussion and Possible Consideration of Cost of Integrated Regional Water Management Plan (Bruce Cash): General Manager Davis stated that Bruce Cash (representing Southwest Resources) spoke at the Agency's August 1st Board meeting pertaining to a funding offer to the San Geronio Pass Regional Water Alliance for the process of applying for an Integrated Regional Water Management Plan for the region; the purpose for this agenda item is related to the funding offer. Mr. Cash stated that at the September 27th Alliance meeting he offered financial backing to the Alliance so that the process of the IRWMP application could proceed. He stated that since that time a lot has transpired. He conveyed that the Alliance has not formally responded to his offer; additionally, he learned from a member of Riverside County that the Alliance was looking into receiving funding from Riverside County Flood Control. Mr. Cash expressed that he sought to reach out to the Alliance Chairperson, with no formal response as yet. He informed the Board that in the absence of a response his company is proceeding with a new 501 (c)(3) entity - Inland Desert Coalition, that will in fact represent the entirety of the Pass area; the intent is to prepare an application. He will continue to communicate with the Agency and other regional boards on the status of this action. Mr. Cash stated that he wanted to correct the record on the statements that he said at the Agency's August 1st Board meeting. The Coalition will provide the Agency with a copy of the application and the projects that the Coalition will be pursuing on behalf of the region.

B. Consideration of Adoption of Debt Service Budget for 2016-17: A staff report and related financial spreadsheets were included in the agenda packet. General Manager Davis stated that the Board passed the General Fund Fiscal Year 2016-2017 budget at the July 5 board meeting. The Board cannot adopt a debt service budget until it adopts a tax rate for the fiscal year. The purpose of this action is to adopt the debt service budget for the year. Director Duncan made a motion, seconded by Director Dickson, to adopt the Debt Service Budget for 2016-17. Motion passed 5-0, with Directors Melleby and Fenn absent.

C. Consideration of Contract with Inland Empire Resource Conservation District for Water Education Programs for 2016-2017. A staff report and a contract from IERCD were included in the agenda. General Manager Davis explained that the Agency has contracted with IERCD for the past three years to produce educational and outreach programs for the local schools in the Agency's service area. Three years ago the program was implemented on a trial basis at a cost of \$4000. The program has shown to be successful. The Agency purchased a tabletop groundwater model that the District uses as part of its program. Each program consists of a Prezi presentation for each age group. The last two years the Agency has contracted with IERCD at a cost of \$10,000. A similar amount was budgeted for this fiscal year, and the proposal from the District reflects this. Last year the District was only able to present 39 programs instead of the contracted 48. Director Duncan requested that staff check to see if the Agency was billed for the full 48 programs or for the 39 programs. Director Duncan made a motion, seconded by Director Dickson, authorizing staff to sign the contract with IERCD for the 2016-2017 water conservation outreach program, not to exceed to \$10,000. Motion passed 4-1, Director Ball voting no, and Directors Melleby and Fenn absent.

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

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

- A. Finance and Budget Workshop, August 22, 2016 at 4:00 p.m.
- B. San Geronio Pass Regional Water Alliance, August 24, 2016
 - 1. Regular Meeting at 5:00 p.m. – Banning City Hall Conference Room
- C. Office **closed Monday**, September 5, 2016 in observance of Labor Day
- D. Regular Board Meeting, **Tuesday**, September 6, 2016 at 7:00 p.m.

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.

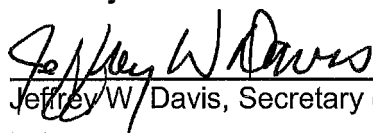
9. Closed Session (One Item) Time: 7:32 p.m.

- 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 at **Time: 7:54 pm**

President Jeter asked General Counsel Ferre if there is anything to report. General Counsel Ferre stated that there was no action taken during closed session that is reportable under the Brown Act. President Jeter adjourned the meeting.

10. Adjournment Time: 7:54 pm



Jeffrey W. Davis, Secretary of the Board