

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223

Minutes of the
Board of Directors Meeting
September 18, 2017

Directors Present: David Fenn, President
Ron Duncan, Vice President
Lenny Stephenson, Treasurer
David Castaldo, Director
Stephen Lehtonen, Director
Michael Thompson, Director

Director(s) Absent: Blair Ball, Director

Staff Present: Jeff Davis, General Manager
Jeff Ferre, General Counsel
Thomas Todd, Finance Manager
Cheryle Rasmussen, 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 David Fenn at 1:30 p.m., September 18, 2017 in the Agency Boardroom at 1210 Beaumont Avenue, Beaumont, California. President Fenn led the Pledge of Allegiance to the flag. President Fenn 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 being none the Agenda was adopted as presented.
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.* There were no members of the public that wished to comment at this time.
3. **Consent Calendar:**
 - A. Approval of the Minutes of the Regular Board Meeting, September 5, 2017
 - B. Approval of the Minutes of the Engineering Workshop, September 11, 2017

Director Stephenson made a motion, seconded by Director Castaldo, to adopt the consent calendar as presented. Motion passed 6-0, with Director Ball absent.

4. Reports:

A. General Manager's Report:

(1) Operations Report: (a) SWP Water Deliveries: The Agency has delivered 840 acre-feet of Table A water to the Noble Creek Connection, so far this month. The 2018 water orders have been received from our retail water agencies. Water orders are due to the Department of Water Resources by October 1st. All delivery requests for 2017 will be met.

(2) General Agency Updates: **(a) Cal Water Fix Update:** There are now a total of twenty-one filed lawsuits against the project; 18 on CEQA, 2 on the Biological Opinion, and one on a validation action. **(b) Sites Reservoir:** 1. Our application for funding under Prop 1 has been submitted; along with 11 others. 2. We are talking to California Department of Fish and Wildlife about mitigation. They have asked us to extend our comment period on the EIR. 3. An invoice has been submitted to BCVWD for their portion of Phase 1 costs; BCVWD signed the cost sharing agreement. **(c) Oroville Spillway:** Construction is on schedule and moving along well. It is probable DWR will make its November 1st deadline for work to be done this year. **(d) GM Quarterly Goals Update:**

1. Advertising for the Beaumont Avenue Recharge Facility will begin this week.
2. Working on a plan to get back to periodic manager meetings.
3. Discussion on financing of new water supplies will take place during today's meeting.
4. Vacation time for one week was taken in August.
5. Focusing on the really important items - obtaining and funding water supplies, meeting needs of retailers, construction of the recharge facility.

B. General Counsel Report: **(a)** General Counsel Jeff Ferre reported on a Board request pertaining to the use of the Agency's email accounts and personal email accounts; and whether or not they are subject to the Public Records Act. He relayed to the Board that the only emails that are subject to Public Records Act or those emails that pertain to Agency business. General Counsel Ferre provided four recommendations as follows:

1. Require employees/officials to use Agency email accounts and perhaps issue Agency owned devices;
2. If employees/officials have previously used their personal email to send/receive messages regarding Agency business, such employees/officials should begin to forward any emails related to Agency business from their personal accounts to an Agency email address so that such communication will be copied to the Agency server;
3. Previous emails that were sent to the Agency are already on the Agency's server so there is no need to send them again to the Agency;
4. Even if an employee/official does not wish to have an Agency-owned device, that employee/official should be required to only conduct Agency business through an Agency email account.

After discussion, it was the consensus of the Board for staff to move forward on setting up email addresses for all Board members. General Manager Davis will update the Board at future Board meetings on the progress of this task.

C. Directors Reports: **(1) Director Stephenson** reported that he attended the Calimesa Council meeting that took place on September 12th. He informed the Board that a local newspaper article reported that the Calimesa Planning Commission has adopted the Mesa Verde plan of 3650 homes. This will now need to be approved by the Calimesa City Council. Director Stephenson attended the Beaumont Chamber of

Commerce. He also reported on the YVWD Board meeting, stating that there will be a Public Hearing on September 19th at 6:00 pm to adopt its Capacity Fee. **(2) Director Duncan** provided some water conservation facts that were given during one of the Agency's sponsored Inland Empire Resource Conservation District classes that he attended at a local school. **(3) Director Thompson** reported that he attended the Beaumont Chamber of Commerce Breakfast with the County District Attorney as the speaker.

D. Ad Hoc Committee Report – Capacity Fee: Director Duncan, Chair for the committee, stated that a report was provided in the Agenda packet. He asked if any of the Board members had any questions. There were none.

6. New Business:

A. Further Discussion of Funding for Nickel Water and Other Potential Water Supply Acquisitions: A staff report and a "white paper" were included in the agenda packet. General Manager Davis stated that this issue is for discussion only and that there will be further discussion at future Board meetings prior to making a final decision. The Agency has procured additional water supplies in the past and recently, and is currently negotiating additional water deals. The discussion today will be on how to fund new water supplies and new infrastructure; should it be funded through existing users or future users? General Manager Davis reviewed with the Board background information, options, advantages and disadvantages on different funding sources for additional water supplies. General Manager Davis stated that he will at a future meeting make a request to hire a consultant to conduct a water rate Nexus Study. Discussion took place between the Board, General Manager Davis, General Counsel Ferre, and members of the public. After discussion, it was the consensus of the Board to bring this item up for further discussion at a future Board meeting.

B. Discussion of Possible Revisions and Updates to Resolution 2008-03 Defining a Day of Service: A staff report and a copy of Resolution 2008-03, and additional related material were included in the agenda packet. General Manager Davis clarified that there are two separate items related to a possible revision and updates to Resolution 2008-03. One is to change the number of days of service; the other is to define what a Day Service is. General Manager Davis stated that today's discussion will be on what actually constitutes a Day of Service (paid meeting). The Board had asked staff to check to see how other water agencies define a Day of Service. General Manager Davis reviewed with the Board Eastern Municipal Water District, Palmdale Water District, and Mojave Water District's definition of what a Day of Service is for their particular agency. It was the consensus of the Board to revise Resolution #2008-03 as follows:

1. Item 4d - Remove San Timoteo Watershed Management Authority Commission meetings and Regional Coordination Conferences of Pass Water Officials Serving Pass Area Communities.
2. Item 4d – Add San Geronio Pass Water Alliance.
3. Item 4e – Add City Council meetings within the Agency's boundaries.
4. Item 4e – Add Water District meetings within the Agency's boundaries.
5. Items 4f & 4g – Incorporate together.

President Fenn clarified with Counsel if the Board could or could not discuss the number of meetings under this item. General Counsel Ferre stated that the actual number of days is set forth in Ordinance 7. Resolution 2008-03 refers to the number of days that was set in Ordinance 7. Ordinance 7 and the number of days is not on this agenda.

Therefore, discussion of the number of days is to be tabled to a future meeting. Also, should the Board determine that Ordinance 7 stated number of days is to be changed it will require a notice in the newspaper and a public hearing. General Counsel Ferre stated discussion only will take place at the Finance and Budget workshop; no recommendations. At the next Board meeting should the Board decide to change the number of service days, then a public hearing would need to take place to change Ordinance 7 and revise Resolution No. 2008-03, accordingly. President Fenn stated that since he will not be in attendance at the Finance & Budget meeting he would like to submit a letter to be included in the agenda packet. General Counsel Ferre recommended against letters being submitted, as they may be interpreted incorrectly. Director Duncan stated that since this was a critical topic that a written letter from President Fenn would be justified. General Counsel Ferre stated if you are going to be absent from a meeting a reading of a letter into the record is not recommended; however, it is acceptable to include the letter in the agenda.

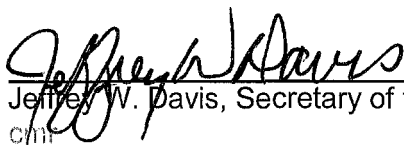
7. Topics for Future Agendas: It was requested by the Board to include committee meetings on the agenda announcements. General Manager Davis reminded the Board that should a board member attend a committee meeting, and is not on the committee, that board member is not allowed to participate in any of the meeting discussions.

8. Announcements:

- A. Finance and Budget Workshop, September 25, 2017 at 1:30 p.m.
- B. San Geronio Pass Regional Water Alliance, September 27, 2017
 - 1. Regular Meeting at 5:30 p.m. – Banning City Hall
- C. Regular Board Meeting, October 2, 2017 at 1:30 p.m.

9. Adjournment

Time: 3:33 pm



Jeffrey W. Davis, Secretary of the Board

cmf