

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, CA 92223
Minutes of the
Board of Directors Engineering Workshop
December 11, 2017

Directors Present: David Fenn, President
Blair Ball, Director
David Castaldo, Director (arrived at 1:35)
Ron Duncan, Director
Steve Lehtonen, Director
Leonard Stephenson, Director
Michael Thompson, Director

Staff Present: Jeff Davis, General Manager
Tom Todd, Finance Manager

1. Call to Order, Flag Salute and Roll Call. The Engineering workshop of the San Gorgonio Pass Water Agency Board of Directors was called to order by Director Duncan at 1:30 p.m., December 11, 2017 in the Agency Board room at 1210 Beaumont Avenue, Beaumont, California. Director Stephenson led the Pledge of Allegiance to the flag. A quorum was present.

2. Public Comment. No members of the public wished to speak at this time.

3. Review of 2016 Draft Water Conditions Report. A copy of the draft report was included in the agenda package. General Manager Davis reviewed the history of the report, why the Agency publishes it every year, and a brief summary of its intent. He then reviewed most of the tables and figures with the Board, discussing the meaning of the data. He encouraged Board members to read the text at their leisure to gain the insight on the data provided by the report. The Board made some comments and asked questions. General Manager Davis indicated that he would bring this back to the Board for final approval in January.

4. Review of Current Water Rates and Future Needs. A summary of what costs the Agency's current water rate is intended to cover and a list of potential costs that a future water rate may cover was included in the agenda package, along with some excerpts from the 2009 water rate nexus study. General Manager Davis reviewed the summary with the Board and then reviewed the excerpts, summarizing how the nexus study was prepared and what costs were included and not included, along with the reasons why. After discussion, it was the consensus of the Board that staff ask for a proposal for a new nexus study and bring a recommendation to the Board regarding who to contract with to perform the study. The Board recognized that a number of new water deals that the Agency has entered into require additional revenues and expressed a desire to explore the possibility of including those costs in a new water rate.

5. Report on 2017 Committee Activities from Committee Chairs. President Fenn had previously requested a written report from each committee chair on their committees' activities in 2017. A number of these written reports had already been received by President Fenn prior to the workshop. Directors Duncan, Castaldo, and Ball gave oral reports on the Capacity Fee ad hoc committee, the General Manger's Performance Evaluation committee, and the Board Handbook committee,

respectively. Each agreed to provide a written report to President Fenn as well. President Fenn indicated that he wanted to be assured that the committees were working toward their respective goals and that if there were any problems, he wanted to be aware of them.

6. Announcements

- A. Regular Board Meeting, December 18, 2017 at 1:30 pm. – Canceled.
- B. Finance and Budget Workshop, December 18, 2017 at 1:30 pm
- C. Office closed December 22nd and 20th in observance of the Christmas holiday.
- D. Office closed December 29th and January 1st in observance of the New Year's Holiday
- E. Regular Board Meeting, January 2, 2018 at 1:30 pm.

7. Adjournment

Director Duncan adjourned the meeting at 2:50 pm.



Jeff Davis, Secretary to the Board
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