

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, CA
Board of Directors Meeting
Agenda
April 4, 2016 at 7:00 p.m.

1. Call to Order, Flag Salute and Roll Call

2. Adoption and Adjustment of Agenda

3. Public Comment

Members of the public may address the Board at this time concerning items relating to any matter within the Agency's jurisdiction. To comment on specific agenda items, please complete a speaker's request form and hand it to the board secretary.

4. Consent Calendar:

If any board member requests that an item be removed from the Consent Calendar, it will be removed so that it may be acted upon separately.

- A. Approval of the Minutes of the Special Board Meeting, March 10, 2016*
(Page 2)
- B. Approval of the Minutes of the Regular Board Meeting, March 21, 2016*
(Page 5)
- C. Approval of the Minutes of the Finance and Budget Workshop, March 28, 2016,
2016* (Page 9)
- D. Approval of the Finance and Budget Workshop Report, March 28, 2016*
(Page 11)
- E. Approval of the Recommendations made at the Board Finance and Budget
Workshop, as set forth in the Finance and Budget Workshop Report, March 28,
2016

5. Reports (Discussion and Possible Action)

- A. General Manager's Report
 - 1. Operations Report
 - 2. Report on Water Supply Conditions* (Page 24)
 - 3. General Agency Updates
- B. General Counsel Report
- C. Directors' Reports

6. New Business (Discussion and Possible Action)

- A. Consideration of Budget Revision* (Page 35)
- B. Presentation on SGPWA's Water Rates
- C. Consideration of Canceling the May 2nd Board Meeting* (Page 38)
- D. Appointment of Ad Hoc Committee for Facilitated Process

7. Topics for Future Agendas

8. Announcements

- A. Engineering Workshop, April 11, 2016 at 4:00 p.m.
- B. Regular Board Meeting, April 18, 2016 at 7:00 p.m.
- C. Finance and Budget Workshop, April 25, 2016 at 4:00 pm

9. Adjournment

***Information included in Agenda Packet**

(1) Materials related to an item on this Agenda submitted to the Board of Directors after distribution of the agenda packet are available for public inspection in the Agency's office at 1210 Beaumont Avenue, Beaumont during normal business hours. (2) Pursuant to Government Code section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection at the Agency's office, local 1 / 3 8 Beaumont Avenue, Beaumont, California 92223, during regular business hours. When practical, these public records will also be made available on the Agency's Internet Web site, accessible at: www.sgpwa.com. Any person with a disability who requires accommodation in order to participate in this meeting should telephone the Agency (951 845-2577) at least 48 hours prior to the meeting in order to make a request for a disability-related modification or accommodation.

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, CA
Special Meeting of the Board of Directors
At the Beaumont Cherry Valley Water District
560 Magnolia Avenue, Beaumont, CA 92223
Minutes
March 10, 2016 - 6:00 p.m.

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
Cheryle Rasmussen, Executive Assistant

**Participating Entities
Present:**

Beaumont Cherry Valley Water District (BCVWD)
Cabazon Water District
City of Banning
City of Beaumont
City of Calimesa
Yucaipa Valley Water District

1. **Call to Order, Flag Salute and Roll Call:** The Special Meeting of the Board of Directors of the San Gorgonio Pass Water Agency, and special meetings of the participating entities set forth above, were called to order as a joint meeting. The presiding officer was BCVWD Board President Jeff Cottrell. The meeting was called to order at 6:00 p.m., March 10, 2016 in the BCVWD Boardroom at 560 Magnolia Avenue, Beaumont, California. President Cottrell of Beaumont Cherry Valley Water District (BCVWD) requested the audience to stand for the Pledge of Allegiance to the flag. Following the Pledge of Allegiance President Cottrell requested that a representative from each entity respond to roll call. The following representatives responded:

San Gorgonio Pass Water Agency – President John Jeter
Beaumont Cherry Valley Water District – President Jeff Cottrell
Cabazon Water District – Chairman Robert Lynk
City of Banning – Councilwoman Deborah Franklin
City of Beaumont – Councilwoman Della Condon
City of Calimesa – Mayor Jeff Hewitt
Yucaipa Valley Water District – President Lonni Granlund

2. **Welcome and Introductions:** President Cottrell (BCVWD) welcomed the participating entities and thanked them for their attendance. He stated that this is an informal meeting for which all participating entities will have an opportunity to provide comments and participate in dialogue on the issue of water in this area. He

requested that the participating attendees compose a flow chart for each of their organizations.

3. Public Comment: President Cottrell (BCVWD) invited members of the public to provide public comment at this time on items listed on the Special Meeting Agenda. The following members of the public spoke during Public Comment: **David Duron** (resident of Yucaipa); **Ernie Saldana** (resident of Cabazon); and **Ron Roy** (resident of Beaumont).

4. Discussion of Regional Water Supply Issues, Concepts, and Solutions: President Cottrell began the meeting by requesting that the attendees provide commentary of their flow charts. President Cottrell noted the commonalities of the flow charts. He opened the floor to discussion. Dialogue commenced on a number of topics regarding regional water supply issues, concepts and solution including, the following:

1. An Equitable Water Allocation Plan
2. State Water Supply
3. Cooperation among Agencies
4. Feeder to Cabazon Storage Basin
5. Debt Service Charge
6. Pipeline to Banning
7. Facilitated Process on the regional water supply issues
8. Attendance at SGPWA Board meetings
9. Beaumont Avenue Recharge Facility
10. SGPWA's Capacity Fee for New Construction

After discussion, President Cottrell stated that it seems to be the general consensus of the attendees to provide a draft of a water allocation and to present it at another joint meeting. Director Melleby explained that at the Agency's February 29th Board meeting the Board took action to take the approach to deal with the issues and look for solutions by using a facilitated process by way of ad hoc committees. She stated that there are other water agencies that are on board with the process.

Director Fenn stated that he plans to propose to the SGPWA Board that the Agency provide a presentation on the Agency's allocation plan and at that same meeting, allowing time to hear from each of the retail water agencies to get their individual feedback, with the mindset that there would be a regional plan that everyone can understand. He stated that he would propose that this matter be placed on a future agenda for discussion at an Agency Board meeting.

President Cottrell requested to move on to the subject of capital improvements in the region. Items that were discussed:

1. Beaumont Avenue Recharge Facility funding and Necessity
2. SGPWA's Capacity Fee
3. Invitation to SGPWA's Board Meeting on March 21st – Presentation by Dan Jagers on the BCVWD Recharge Facility

4. SGPWA's upcoming presentation on cost analysis comparison of Beaumont Avenue Recharge Facility vs. other regional groundwater storage opportunities
5. SGPWA's upcoming presentation on the cost analysis of SWP water at \$317 per acre-feet
6. Potential purchase of SWP Table A water from San Bernardino Valley Municipal Water District (SBVMWD)
7. Proposal to hold future meetings at SGPWA
8. Facilitated process

President Cottrell (BCVWD) announced a five minute break at 7:25 p.m. President Cottrell resumed the meeting at 7:33 p.m. President Cottrell proposed that BCVWD host another workshop that would be scheduled and noticed to everyone. The workshop subject matter will be on drafting a water allocation plan to be presented to the SGPWA after the workshop. He requested that the attendees come prepared with their thoughts and ideas on a water allocation plan. He noted that the Pass Agency is receptive to its customers. Case-in-point: The Pass Agency changed its regular board meeting hours from 1:30 pm to 7:00 pm, this in response to its customers not being able to make the 1:30 pm meeting times. Director Melleby questioned the structure of the proposed workshop by President Cottrell. President Cottrell stated that it was the intent to exclude the Agency, as this would be a workshop for the Agency's customers to draft a water allocation plan to be presented to the Agency at a future workshop; however, the Agency may attend. President Cottrell stated that he will have the BCVWD General Manager contact everyone with the scheduling of the upcoming workshop.

5. **Discussion of Opportunities to Work Together to Resolve Issues:** This item was not discussed.
6. **Discussion of a Facilitated Process to Resolve Issues:** This item was not discussed.
7. **Topics for Future Agendas:** Draft water allocation plan.
8. **Next Meeting Date and Time:** To be announced.
9. **Adjournment:** *President Cottrell adjourned the meeting at 7:46 pm*

Draft – Subject to Board Approval

Jeffrey W. Davis, Secretary of the Board

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223
Minutes of the
Board of Directors Meeting
March 21, 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., March 21, 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:** No members of the public wished to speak at this time.
4. **Consent Calendar:**
 - A. Approval of the Minutes of the Special Session Board Meeting, February 29, 2016
 - B. Approval of the Minutes of the Regular Board Meeting, March 7, 2016
 - C. Approval of the Minutes of the Engineering Workshop, March 14, 2016

Director Dickson moved, seconded by Director Duncan, to approve the Consent Calendar as presented. Director Ball requested a change for item 4B, stating that the minutes of March 7, 2016 item E should reflect a cost analysis, not a cost benefit. The motion was restated to approve the Consent Calendar as amended. Motion carried 7-0.

5. Reports:

A. General Manager's Report:

(1) Water Supply Report: General Manager Davis provided a PowerPoint presentation on the state's current water supply. The precipitation data as of

March 20th is as follows: N. Sierra – 126%, San Joaquin – 112%, and Tulare Basin – 104%; an average year for precipitation. The California Snow Water content as of March 21 is as follows: North – 96%, Central – 90%, and South – 75%; a below average year. Lake Oroville storage is at 109%. He spoke on how much water was lost to export due to the biological opinions, as well as insight on how much exported SWP water would be with the implementation of the California Water Fix.

(2) Operations Report: General Manager Davis stated it is anticipated that water deliveries will commence on April 4, 2016, pumping 24 hours - 7 days a week, until further notice. The goal is to deliver all of the available water by the end of November.

(3) Update on California Water Fix: General Manager Davis updated the Board on the current status of the upcoming targeted dates for the California Water Fix. The Record of Decision (formal end of the CEQA process) and the Notice of Determination (end of the National Environmental Policy Act process) date has been moved from June to September. Director Mark Cowin (DWR) was present at a recent SWC meeting that General Manager Davis attended. Director Cowin stated that the SWC are working on the Biological Assessments and Biological Opinions. He believes that the fish agencies will push back on the analysis that was done, but is confident that it will work out. There is the issue of the Delta smelt and how to define jeopardy to this fish. Other issues to note are financing, cost allocation, and the change in point of diversion (CIPD). To change the CIPD requires a two-part hearing process through the State Water Resources Control Board. Part 1 begins in May and ends in August; Part 2 begins in September and goes into 2017. General Manager Davis will be testifying during the Part 1 hearing on May 8th, speaking on policy statements.

B. General Counsel Report: General Counsel Jeff Ferré deferred his report until the next board meeting, due to the length of today's agenda.

C. Directors Reports: There were no directors who wished to report at this time.

6. New Business: (Discussion and Possible Action)

A. Presentation on BCVWD Recharge Facility: A copy of the PowerPoint presentation was provided to the Board and members of the public. General Manager Davis stated that the Board requested BCVWD to provide a presentation on its recharge facility. He introduced Dan Jaggars (BCVWD Engineer) to provide the presentation to the Board. Mr. Jaggars thanked the Board for allowing him to identify what BCVWD's recharge facility performance capability is, as well as other features related to the facility. He stated that the purpose of the presentation is to discuss the history and facts of the BCVWD Noble Creek Recharge Facilities (NCRF) Phase 1 and Phase II, including a review of the recharge facilities important dates; capacities of the SWP facilities and NCRF

Phase I and II recharge facilities; review of the District's NCRF Demonstrated Capacities; and a review of the NCRF Phase I & II costs. He identified two near term capacity solutions for BCVWD NCRF Phase I & II. The first solution is to remove the bottleneck by upgrading the existing SGPWA metering station to BCVWD to achieve 34 cfs. The second solution is to install approximately 950 linear feet of 24" pipeline from the SGPWA BARF pipeline to BCVWD's NCRF raw water pipeline. Mr. Jagers took questions from the Board. Director Ball asked a number of questions relating to assisting BCVWD in its request to improve its facility. General Manager Davis stated that he received a letter last week from BCVWD expressing an interest in enlarging an existing connection on the California Aqueduct. He explained to the Board the process that is involved to get the additional capacity that is being requested. Mr. Jagers stated that a second letter will be forthcoming on the request to install the 950 feet of 24" pipeline. General Manager Davis explained that DWR would not be involved with this request; therefore this item would be brought before the Board. He noted that there is no connection at Mountain View at this time, as it is in final design. Mr. Jagers thanked the Board for their time and concluded his presentation.

B. Consideration of Methodology for Discussing Alternate Allocation Policy: A staff report was included in the agenda package. General Manager Davis stated that during the March 14th Engineering workshop the Board requested that this item be placed on the agenda to discuss allocating water differently from the current method. It was proposed that an outside water industry expert run a workshop(s). The Agency would invite elected officials to attend, as well as the public. Director Ball requested that staff review the current water allocation with the Board. Director Fenn requested that General Manager Davis and the water industry expert present during the same meeting. The Board was in agreement. After discussion, President Jeter made a motion, seconded by Director Dickson, authorizing the General Manager to move forward in securing a water expert to discuss water allocation policy. Motion passed 7-0.

C. Appointment of Participation in Joint Board Meeting: General Manager Davis stated that General Manager Joe Zoba (YVWD) submitted an email in which he provided additional joint board meeting dates for elected officials to attend; the meeting dates were provided to the Board. General Manager Davis stated that he was unclear if the Board wished to participate in any further joint board meetings. After discussion, Director Ball made a motion, seconded by Director Dickson, to continue attending the joint meetings, and notice each meeting. General Counsel Ferre explained to the Board that should a quorum not attended then the board members that are present will only be able to participate as a member of the public. *President Jeter requested a roll call vote.*

<u>Roll Call:</u>	<u>Aye</u>	<u>Noes</u>	<u>Abstain</u>
Director Stephenson	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Ball	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Fenn	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Director Melleby	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Duncan	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Dickson	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
President Jeter	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Motion failed 2-4-1.

D. Consideration of Scheduling Various Staff Reports: Director Ball stated that he had requested this item be placed on the agenda. The purpose is to solidify some dates on meeting requests for inventory of recharge facilities within the boundaries of the Agency and also the historical accounting of the \$317 per acre foot charge from inception, so that the elected officials in the audience can calendar them should they choose to attend. General Manager Davis stated that the historical accounting is scheduled for April 4th. The inventory of the recharge facilities will be reported near the end of April.

E. Review and Further Consideration of Ad Hoc Members for the Proposed Facilitated Meetings: Dr. Ball suggested that this item be revisited as his concern is that the two board members that were appointed to the ad hoc committee for the facilitated meetings will be up for reelection this year. He also noted that some board members have more committee assignments than others. He proposed that two other members that are not up for reelection and have fewer committee assignments be appointed instead; suggesting that those two appointees be Director Fenn and himself. He requested that this item be discussed again at the next board meeting.

7. Topics for Future Agendas:

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

- A. San Geronio Pass Regional Water Alliance, March 23, 2016
 - 1. Business Meeting at 5:00 pm – Banning City Hall Conference Room
 - 2. Presentation at 6:00 pm – Banning City Council Chambers
- B. Finance and Budget Workshop, March 28, 2016 at 4:00 pm
- C. Regular Board Meeting, April 4, 2016 at 7:00 pm

9. Adjournment: *President Jeter adjourned the meeting at 9:17 p.m.*

Draft – Subject to Board Approval

Jeffrey W. Davis, Secretary of the Board

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SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue
Beaumont, California 92223
Minutes of the
Board Finance and Budget Workshop
March 28, 2016

Directors Present: John Jeter, President
Bill Dickson, Vice President
Mary Ann Melleby, Treasurer
Blair Ball, Director
Ron Duncan, Director, arrived at 4:18 pm
David Fenn, Director
Leonard Stephenson, Director

Staff and Consultants Present:
Jeff Davis, General Manager
Tom Todd, Jr., Finance Manager

1. **Call to Order, Flag Salute and Roll Call:** The Finance and Budget workshop of the San Gorgonio Pass Water Agency Board of Directors was called to order by President John Jeter at 4:00 p.m., March 28, 2016, in the Agency Conference Room at 1210 Beaumont Avenue, Beaumont, California. President Jeter led the Pledge of Allegiance to the flag. A quorum was present.

President Jeter turned the meeting over to the Chair of the Finance & Budget Committee, Director Mary Ann Melleby.

2. **Adoption and Adjustment of Agenda:** The agenda was adopted as published.
3. **Public Comment:** No members of the public wished to make any comment at this time.
4. **New Business:**
 - A. Ratification of Paid Invoices and Monthly Payroll for February, 2016 by Reviewing Check History Reports in Detail: After review and discussion, a motion was made by Director Stephenson, seconded by President Jeter, to recommend that the Board ratify paid monthly invoices of \$449,428.85 and payroll of \$29,971.65 for the month of February, 2016, for a combined total of \$479,400.50. The motion passed 6 in favor, no opposed, with Director Duncan absent.
 - B. Review Pending Legal Invoices: After review and discussion, a motion was made by Director Stephenson, seconded by Director Dickson, to recommend that the Board approve payment of the pending legal invoices for February, 2016. The motion passed 6 in favor, no opposed, with Director Duncan absent.
 - C. Review of February, 2016 Bank Reconciliation: After review and discussion, a motion was made by Director Stephenson, seconded by Director Dickson, to

recommend that the Board acknowledge receipt of the Wells Fargo bank reconciliation for February, 2016 as presented. The motion passed 6 in favor, no opposed, with Director Duncan absent.

- D. Review of Budget Report for February, 2016: After review and discussion, a motion was made by Director Stephenson, seconded by Director Duncan, to recommend that the Board acknowledge receipt of the Budget Report for February, 2016. The motion passed 7 in favor, no opposed.
- E. Review of Proposed Budget Revision: General Manager Davis reviewed the items for the proposed budget revision: (1) increase the budget for Accounting and Auditing from \$21,000 to \$22,000 because of extra time spent on integrating GASB 68 retirement reporting requirements; (2) reduce the budget for Notice of Preparation + EIR, related to the Flume/FERC process from \$50,000 to \$0, and reduce Environmental Justice, related to the Flume/FERC process from \$27,000 to \$0 because neither project is going to be done; (3) establish a new line item, Flume Support, for \$22,000, to budget for consulting by Roy McDonald; and (4) increase Other Conservation, Education and P.R. from \$10,000 to \$25,000 for elected official education and messaging and possibly doing a 'State of the Water' presentation similar to the first one the Agency put on. Net changes: reductions of \$77,000, and increases of \$38,000, for a net reduction of \$39,000. After review and discussion, a motion was made by Director Dickson, seconded by Director Duncan, to recommend that the Board approve the budget revision as presented. The motion passed 7 in favor, no opposed.
- F. Discussion of Increasing Costs of DWR: General Manager Davis reviewed the letter written by Jeff Kightlinger, General Manager of Metropolitan Water District and Curtis Creel of Kern County Water Agency that expressed concern about the increasing costs those agencies have experienced in charges from DWR. The letter was signed by 14 other State Water Contractors, including the Agency, which represents over 90% of the water delivered through the State Water Project. General Manger Davis explained this was presented to inform the Board, as this information may impact the Board's decision about tax rates which will be set later this year.
5. **Announcements:** Chair Melleby reviewed the following announcements:
A. Regular Board Meeting, April 4, 2016 at 7:00 p.m.
B. Engineering Workshop, April 11, 2016 at 4:00 p.m.
6. **Adjournment:** The Finance and Budget workshop of the San Gorgonio Pass Water Agency Board of Directors was adjourned at 4:51 p.m.

Draft - Not Approved

Jeffrey W. Davis, Secretary of the Board

Finance and Budget Workshop Report

From Treasurer Mary Ann Melleby, Chair of the Finance and Budget Committee

The Finance and Budget Workshop was held on March 28, 2016. The following recommendations were made:

1. The Board ratify payment of Invoices of \$449,428.85 and Payroll of \$29,971.65 as detailed in the Check History Report for Accounts Payable and the Check History Report for Payroll for February, 2016 for a combined total of \$479,400.50.
2. The Board authorize payment of the following vendor's amounts:

Best, Best & Krieger LLP	\$19,974.20
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3. The Board acknowledge receipt of the following:
 - A. Wells Fargo bank reconciliation for February, 2016
 - B. Budget Report for February, 2016

San Geronio Pass Water Agency
Check History Report
February 1 through February 29, 2016

ACCOUNTS PAYABLE

Date	Number	Name	Amount
02/01/2016	117807	BDL ALARMS, INC.	78.00
02/01/2016	117808	BEST BEST & KRIEGER	6,693.55
02/01/2016	117809	CALPERS HEALTH	6,909.28
02/01/2016	117810	WILLIAM E. DICKSON	101.93
02/01/2016	117811	ROY McDONALD	4,675.00
02/01/2016	117812	NICOLAY CONSULTING GROUP	3,700.00
02/01/2016	117813	SOUTHERN CALIFORNIA EDISON	181.02
02/01/2016	117814	UNDERGROUND SERVICE ALERT	22.50
02/01/2016	117815	VALLEY OFFICE EQUIPMENT, INC.	165.12
02/08/2016	117816	ACWA BENEFITS	773.82
02/08/2016	117817	ALBERT WEBB ASSOCIATES	4,118.25
02/08/2016	117818	CHERRY VALLEY CHAMBER OF COMMERCE	25.00
02/08/2016	117819	GOPHER PATROL	48.00
02/08/2016	117820	JON'S FLAGS & POLES, INC.	451.44
02/08/2016	117821	KENNEDY JENKS CONSULTANTS	249.60
02/08/2016	117822	SCOTT KINNEY	206.70
02/08/2016	117823	MARY ANN HARVEY-MELLEBY	106.00
02/08/2016	117824	UNLIMITED SERVICES BUILDING MAINT.	295.00
02/08/2016	117825	WASTE MANAGEMENT INLAND EMPIRE	94.37
02/11/2016	117826	SEE PAYROLL CATEGORY, JOHN R. JETER	
02/12/2016	117827	CALPERS RETIREMENT	5,380.94
02/12/2016	117828	FRANCHISE TAX BOARD	196.91
02/16/2016	117829	INCONTACT, INC.	132.99
02/16/2016	117830	KENNEDY JENKS CONSULTANTS	2,836.60
02/16/2016	117831	SOUTHERN CALIFORNIA GAS	188.31
02/16/2016	117832	WELLS FARGO REMITTANCE CENTER	1,328.30
02/18/2016	117833	I. E. RESOURCE CONSERVATION DISTRICT	200.00
02/22/2016	117834	CALPERS HEALTH	6,909.28
02/22/2016	117835	I. E. RESOURCE CONSERVATION DISTRICT	2,600.00
02/22/2016	117836	MATTHEW PISTILLI LANDSCAPE SERVICES	325.00
02/22/2016	117837	MARY ANN HARVEY-MELLEBY	283.92
02/22/2016	117838	VERIZON	1,123.43
02/22/2016	117839	WEST VALLEY WATER DISTRICT	4,000.00
02/25/2016	117840	AT&T MOBILITY	273.71
02/25/2016	117841	SOUTHERN CALIFORNIA EDISON	130.04
02/25/2016	117842	THOMAS W. TODD, JR.	1,598.39
02/27/2016	117843	CALPERS RETIREMENT	5,298.25
02/27/2016	117844	STANDARD INSURANCE COMPANY	396.20
02/27/2016	501260	ELECTRONIC FEDERAL TAX PAYMENT SYSTEM	6,723.51
02/12/2016	509815	ELECTRONIC FEDERAL TAX PAYMENT SYSTEM	6,523.04
02/12/2016	522335	EMPLOYMENT DEVELOPMENT DEPARTMENT	1,004.27
02/27/2016	522420	EMPLOYMENT DEVELOPMENT DEPARTMENT	1,000.18
02/13/2016	900116	DEPARTMENT OF WATER RESOURCES	2,960.00
02/29/2016	900117	DEPARTMENT OF WATER RESOURCES	369,121.00

TOTAL ACCOUNTS PAYABLE CHECKS

449,428.85

San Gorgonio Pass Water Agency
Check History Report
February 1 through February 29, 2016

PAYROLL

		CHECKS	
Date	Number	Name	Amount
02/11/2016	117826	JOHN R. JETER	724.41
TOTAL PAYROLL CHECKS			724.41

		DIRECT DEPOSIT	
Date	Number	Name	Amount
02/11/2016	801164	JEFFREY W. DAVIS	4,316.25
02/11/2016	801165	WILLIAM E. DICKSON	942.50
02/11/2016	801166	KENNETH M. FALLS	2,710.94
02/11/2016	801167	CHERYLE M. RASMUSSEN	2,054.32
02/11/2016	801168	THOMAS W. TODD, JR.	3,105.70
02/26/2016	801169	BLAIR M. BALL	1,139.41
02/26/2016	801170	JEFFREY W. DAVIS	4,316.25
02/26/2016	801171	KENNETH M. FALLS	2,473.62
02/26/2016	801172	DAVID L. FENN	689.41
02/26/2016	801173	MARY ANN HARVEY-MELLEBY	1,139.41
02/26/2016	801174	CHERYLE M. RASMUSSEN	2,054.32
02/26/2016	801175	LEONARD C. STEPHENSON	1,139.41
02/26/2016	801176	THOMAS W. TODD, JR.	3,165.70
TOTAL PAYROLL DIRECT DEPOSIT			29,247.24
TOTAL PAYROLL			29,971.65
TOTAL DISBURSEMENTS FOR FEBRUARY, 2016			479,400.50

SAN GORGONIO PASS WATER AGENCY

New Vendors List

March, 2016

Vendor - Name and Address	Expenditure Type
Griswold Industries 1701 Placentia Ave., Costa Mesa, CA 92627-4416	Filed Maintenance
CalPERS Supplemental Income Plans P O Box 942713, Sacramento, CA 94229	Payroll

SAN GORGONIO PASS WATER AGENCY

**LEGAL INVOICES
ACCOUNTS PAYABLE INVOICE LISTING**

<u>VENDOR</u>	<u>INVOICE NBR</u>	<u>COMMENT</u>	<u>AMOUNT</u>
BEST, BEST & KRIEGER	160229	LEGAL SERVICES FEB16	19,974.20

TOTAL PENDING INVOICES FOR MARCH 2016

19,974.20

**SAN GORGONIO PASS WATER AGENCY
BANK RECONCILIATION
February 29, 2016**

BALANCE PER BANK AT 02/29/2016 - CHECKING ACCOUNT 307,890.47

LESS OUTSTANDING CHECKS

CHECK NUMBER	AMOUNT	CHECK NUMBER	AMOUNT
117517	VOID	117839	4,000.00
117644	67.85	117840	273.71
117812	3,700.00	117843	5,298.25
117833	200.00	117844	396.20
117835	2,600.00		
	<u>6,567.85</u>		<u>9,968.16</u>

TOTAL OUTSTANDING CHECKS (16,536.01)

BALANCE PER GENERAL LEDGER 291,354.46

BALANCE PER GENERAL LEDGER AT 01/31/2016 253,619.49

CASH RECEIPTS FOR FEBRUARY 216,993.95

CASH DISBURSEMENTS FOR FEBRUARY

ACCOUNTS PAYABLE - CHECK HISTORY REPORT	(449,428.85)	
NET PAYROLL FOR FEBRUARY	<u>(29,971.65)</u>	(479,400.50)

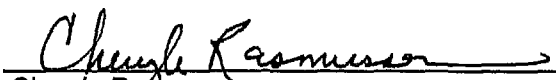
BANK CHARGES (58.48)

TRANSFERS FROM WELLS FARGO 300,000.00

VOIDED CK # 117517 200.00

BALANCE PER GENERAL LEDGER AT 02/29/2016 291,354.46

REPORT PREPARED BY:


Cheryl Rasmussen

**SAN GORGONIO PASS WATER AGENCY
DEPOSIT RECAP
FOR THE MONTH OF FEBRUARY 2016**

DATE	RECEIVED FROM	DESCRIPTION	AMOUNT	TOTAL DEPOSIT AMOUNT
DEPOSIT TO CHECKING ACCOUNT				
2/16/16	RIVERSIDE COUNTY	PROPERTY TAXES	139,060.51	139,060.51
2/16/16	RIVERSIDE COUNTY	PROPERTY TAXES	39,187.84	39,187.84
2/26/16	TVI	CD AND BOND INTEREST	38,745.60	38,745.60
TOTAL FOR FEBRUARY 2016			216,993.95	216,993.95

SAN GORGONIO PASS WATER AGENCY
FISCAL YEAR BUDGET 2015-16
BUDGET VS. REVISED BUDGET VS. ACTUAL
FOR THE EIGHT MONTHS ENDING ON FEBRUARY 29, 2016

FOR THE FISCAL YEAR JULY 1, 2015 - JUNE 30, 2016					
	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
GENERAL FUND - INCOME					
INCOME					
WATER SALES	1,400,000		1,400,000	711,859.84	49.15%
TAX REVENUE	2,000,000		2,000,000	1,285,479.23	35.73%
INTEREST	29,000		29,000	36,596.53	-26.19%
CAPACITY FEE	0		0	0.00	0.00%
GRANTS	0		0	0.00	0.00%
OTHER (REIMBURSEMENTS, TRANSFERS)	110,000		110,000	28,041.94	74.51%
TOTAL GENERAL FUND INCOME	3,539,000	0	3,539,000	2,061,977.54	41.74%
GENERAL FUND - EXPENSES					
COMMODITY PURCHASE					
PURCHASED WATER	1,200,000		1,200,000	205,873.00	82.84%
TOTAL COMMODITY PURCHASE	1,200,000	0	1,200,000	205,873.00	82.84%
SALARIES AND EMPLOYEE BENEFITS					
SALARIES	420,000		420,000	276,398.00	34.19%
PAYROLL TAXES	36,000		36,000	22,768.59	36.75%
RETIREMENT	105,000		105,000	71,099.12	32.29%
OTHER POST-EMPLOYMENT BENEFITS (OPEB)	21,000		21,000	15,871.22	24.42%
HEALTH INSURANCE	48,000		48,000	36,121.43	24.75%
DENTAL INSURANCE	6,000		6,000	3,366.00	43.90%
LIFE INSURANCE	1,000		1,000	792.89	20.71%
DISABILITY INSURANCE	4,200		4,200	2,852.97	32.07%
WORKERS COMP INSURANCE	4,000		4,000	1,908.00	52.30%
SGPWA STAFF MISC. MEDICAL	9,000		9,000	4,714.22	47.62%
EMPLOYEE EDUCATION	2,000		2,000	0.00	100.00%
TOTAL SALARIES AND EMPLOYEE BENEFITS	656,200	0	656,200	435,892.44	33.57%

SAN GORGONIO PASS WATER AGENCY
FISCAL YEAR BUDGET 2015-16
BUDGET VS. REVISED BUDGET VS. ACTUAL
FOR THE EIGHT MONTHS ENDING ON FEBRUARY 29, 2016

	FOR THE FISCAL YEAR JULY 1, 2015 - JUNE 30, 2016				
	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
GENERAL FUND - EXPENSES					
ADMINISTRATIVE & PROFESSIONAL					
DIRECTOR EXPENDITURES					
DIRECTORS FEES	104,000		104,000	66,231.68	36.32%
DIRECTORS TRAVEL & EDUCATION	20,000		20,000	8,313.05	58.43%
DIRECTORS MISC. MEDICAL	31,000		31,000	10,157.97	67.23%
OFFICE EXPENDITURES					
OFFICE EXPENSE	15,000		15,000	13,072.00	12.85%
POSTAGE	1,200		1,200	802.74	33.11%
TELEPHONE	9,000		9,000	6,406.65	28.82%
UTILITIES	4,500		4,500	3,000.66	33.32%
SERVICE EXPENDITURES					
COMPUTER, WEB SITE AND PHONE SUPPORT	16,000		16,000	11,132.38	30.42%
GENERAL MANAGER & STAFF TRAVEL	17,000		17,000	12,546.69	26.20%
INSURANCE & BONDS	23,000		23,000	19,265.00	16.24%
ACCOUNTING & AUDITING	21,000		21,000	18,000.00	14.29%
STATE WATER CONTRACT AUDIT	5,000		5,000	4,866.00	2.68%
DUES & ASSESSMENTS	33,000		33,000	27,705.67	16.04%
SPONSORSHIPS	10,000		10,000	1,000.00	90.00%
OUTSIDE PROFESSIONAL SERVICES	3,000		3,000	3,700.00	-23.33%
BANK CHARGES	1,200		1,200	934.46	22.13%
MISCELLANEOUS EXPENSES	1,000		1,000	0.00	100.00%
MAINTENANCE & EQUIPMENT EXPENDITURES					
TOOLS PURCHASE & MAINTENANCE	3,000		3,000	3,109.56	-3.65%
VEHICLE REPAIR & MAINTENANCE	8,000		8,000	5,756.07	28.05%
MAINTENANCE & REPAIRS - BUILDING	12,000		12,000	6,856.12	42.87%
MAINTENANCE & REPAIRS - FIELD	6,500		6,500	3,286.52	49.44%
CONTRACT OPERATIONS AND MAINTENANCE	90,000		90,000	0.00	100.00%
COUNTY EXPENDITURES					
LAFCO COST SHARE	4,500		4,500	4,694.59	-4.32%
ELECTION EXPENSE	0		0	0.00	0.00%
TAX COLLECTION CHARGES	8,000		8,000	6,664.46	16.69%
TOTAL ADMINISTRATIVE & PROFESSIONAL	446,900	0	446,900	237,502.27	46.86%

SAN GORGONIO PASS WATER AGENCY
FISCAL YEAR BUDGET 2015-16
BUDGET VS. REVISED BUDGET VS. ACTUAL
FOR THE EIGHT MONTHS ENDING ON FEBRUARY 29, 2016

	FOR THE FISCAL YEAR JULY 1, 2015 - JUNE 30, 2016				
	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
GENERAL FUND - EXPENSES					
GENERAL ENGINEERING					
RECHARGE					
B.A.R.F. DESIGN + CONSTRUCTION: REPORTED IN CAPITAL EXPENDITURES					
B.A.R.F. ENVIRONMENTAL MITIGATION	65,000		65,000	0.00	100.00%
FERC/FLUME					
ALTERNATIVE WATER SUPPLY BANNING/BHWWC	0		0	0.00	0.00%
NOTICE OF PREPARATION + EIR	50,000		50,000	9,722.97	80.55%
WHITEWATER FLUME TUNNEL	90,000		90,000	56,418.57	37.31%
ENVIRONMENTAL JUSTICE	27,000		27,000	0.00	100.00%
BALANCE HYDROLOGICS		10,802	10,802	10,799.30	0.03%
STUDIES					
USGS - Agreement #96710	125,000		125,000	96,317.87	22.95%
WATER RATE NEXUS STUDY	45,000		45,000	0.00	100.00%
WATER RATE FINANCIAL MODELING	20,000		20,000	0.00	100.00%
CAPACITY FEE NEXUS STUDY UPDATE	0		0	15,026.48	0.00%
SUPPORT - CAPACITY FEE & AGREEMENTS	0		0	999.50	0.00%
EMERGING CONTAMINANTS TASK FORCE	0		0	0.00	0.00%
UPDATED UWMP	50,000		50,000	27,186.90	45.63%
OTHER PROJECTS					
BASIN MONITORING TASK FORCE	15,000		15,000	13,924.00	7.17%
MODELING 15.5 ANALYSIS	25,000		25,000	0.00	100.00%
GENERAL AGENCY - CEQA AND GIS SERVICES	15,000		15,000	8,452.66	43.65%
TOTAL GENERAL ENGINEERING	527,000	10,802	537,802	238,848.25	55.59%

SAN GORGONIO PASS WATER AGENCY
FISCAL YEAR BUDGET 2015-16
BUDGET VS. REVISED BUDGET VS. ACTUAL
FOR THE EIGHT MONTHS ENDING ON FEBRUARY 29, 2016

	FOR THE FISCAL YEAR JULY 1, 2015 - JUNE 30, 2016				
	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
GENERAL FUND - EXPENSES					
LEGAL SERVICES					
LEGAL SERVICES - GENERAL	175,000		175,000	82,507.16	52.85%
TOTAL LEGAL SERVICES	175,000	0	175,000	82,507.16	52.85%
CONSERVATION & EDUCATION					
SCHOOL EDUCATION PROGRAMS	14,000		14,000	6,600.00	52.86%
ADULT EDUCATION PROGRAMS	5,000		5,000	1,000.00	80.00%
OTHER CONSERVATION, EDUCATION AND P. R.	10,000		10,000	2,984.36	70.16%
TOTAL CONSERVATION & EDUCATION	29,000	0	29,000	10,584.36	63.50%
GENERAL FUND CAPITAL EXPENDITURES					
BUILDING	15,000		15,000	0.00	100.00%
FURNITURE & OFFICE EQUIPMENT	5,000		5,000	0.00	100.00%
OTHER EQUIPMENT	0		0	0.00	0.00%
TRANSPORTATION EQUIPMENT	48,000		48,000	44,947.00	6.36%
B.A.R.F. CONSTRUCTION	4,635,000		4,635,000	48,595.41	98.95%
TOTAL GENERAL FUND CAPITAL EXPENDITURES	4,703,000	0	4,703,000	93,542.41	98.01%
TRANSFERS TO OTHER FUNDS	0	0	0	0.00	
TOTAL GENERAL FUND EXPENSES	7,737,100	10,802	7,747,902	1,304,749.89	83.16%
TRANSFERS FROM RESERVES	4,700,000		4,700,000		
TOTAL TRANSFERS FROM RESERVES	4,700,000	0	4,700,000	0	
GENERAL FUND NET INCOME YEAR TO DATE	501,900	-10,802	491,098	757,227.65	

SAN GORGONIO PASS WATER AGENCY
FISCAL YEAR BUDGET 2015-16
BUDGET VS. REVISED BUDGET VS. ACTUAL
FOR THE EIGHT MONTHS ENDING ON FEBRUARY 29, 2016

FOR THE FISCAL YEAR JULY 1, 2015 - JUNE 30, 2016					
	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
DEBT SERVICE FUND - INCOME					
INCOME					
TAX REVENUE	18,300,000		18,300,000	10,336,118.99	43.52%
INTEREST	73,000		73,000	111,109.87	-52.21%
GRANTS	0		0	0.00	0.00%
DWR CREDITS - BOND COVER, OTHER	2,900,000		2,900,000	1,252,948.00	56.79%
TOTAL DEBT SERVICE FUND INCOME	21,273,000	0	21,273,000	11,700,176.86	45.00%
DEBT SERVICE FUND - EXPENSES					
EXPENSES					
SALARIES	50,000		50,000	33,406.00	33.19%
PAYROLL TAXES	4,000		4,000	2,555.56	36.11%
BENEFITS	25,000		25,000	18,491.60	26.03%
SWC CONTRACTOR DUES	44,000		44,000	41,390.00	5.93%
STATE WATER CONTRACT PAYMENTS	20,700,000		20,700,000	14,768,680.00	28.65%
PURCHASED WATER	0		0	2,042.00	0.00%
STATE WATER PROJECT LEGAL SERVICES	0		0	0.00	0.00%
USGS - <i>Agreement #23100</i>	60,000		60,000	8,418.84	85.97%
CONTRACT OPERATIONS AND MAINTENANCE	100,000		100,000	6,148.82	93.85%
SWP ENGINEERING	40,000		40,000	0.00	100.00%
DEBT SERVICE UTILITIES	9,200		9,200	6,070.81	34.01%
TAX COLLECTION CHARGES	44,000		44,000	37,765.27	14.17%
TOTAL DEBT SERVICE FUND EXPENSES	21,076,200	0	21,076,200	14,924,968.90	29.19%
TRANSFERS FROM RESERVES			0	0.00	
DEBT SERVICE NET INCOME YEAR TO DATE	196,800	0	196,800	-3,224,792.04	

SAN GORGONIO PASS WATER AGENCY
FISCAL YEAR JULY 1, 2015 - JUNE 30, 2016
BUDGET REVISION FOR BOARD APPROVAL
DATE OF PROPOSAL: MARCH 28, 2016

LINE ITEM	A AMOUNT IN ORIGINAL ADOPTED BUDGET	B BOARD APPROVED PRIOR BUDGET REVISIONS	A+B REVISED BUDGET BEFORE NEW REVISIONS		C CURRENT BUDGET REVISIONS FOR APPROVAL	A+B+C REVISED BUDGET AFTER CURRENT REVISIONS
GENERAL FUND						
Administrative & Professional						
Accounting & Auditing	21,000	0	21,000	+	1,000	22,000
General Engineering						
Office of Preparation + EIR	50,000	0	50,000	-	-50,000	0
Environmental Justice	27,000	0	27,000	-	-27,000	0
Flow Item: Flume Support	0	0	0	+	22,000	22,000
General Engineering Revisions					-55,000	22,000
Conservation & Education						
Other Conservation, Education and P.R.	10,000	0	10,000	+	15,000	25,000
For Elected Official Education and Messaging						
GENERAL FUND TOTALS	108,000	0	108,000		-39,000	69,000



THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

March 1, 2016

Mr. Mark Cowin
Director, California Department of Water Resources
1416 - 9th Street, Room 1115-1
Sacramento, CA 95814

Management of State Water Project Costs

Dear Mr. Cowin,

The Metropolitan Water District of Southern California (Metropolitan) and the Kern County Water Agency (Agency), along with other State Water Project (SWP) contractors, are writing this letter requesting that the California Department of Water Resources (Department) reduce 2016 Statement of Charges billings and actively manage costs associated with the SWP to a level that is affordable for our ratepayers and member units while maintaining reliable deliveries of water to all areas served by the SWP. Over the past 10 years, charges for the SWP have risen consistently faster than the rate of inflation. For example, since 2005, charges for the conservation minimum have risen at an annual rate of 7.25 percent, while the transportation minimum charges have risen at a rate of 7.75 percent. Increases over the last 5 years are even steeper, in the 10 percent to 11 percent range. At the same time, four years of drought, coupled with the Governor's executive order to conserve 25 percent, have resulted in reduced deliveries from the SWP which lead to either reduced revenues or greater costs for our customers to develop replacement water supplies; thus, further compounding fiscal challenges. Our Boards, member units, and the general public are increasingly questioning the affordability of the SWP. It is critical to immediately address this situation in advance of other decisions requiring commitments to further invest in the SWP.

Looking ahead, SWP costs will become an even greater proportion of our annual costs if the California WaterFix becomes a reality. In Metropolitan's case, SWP costs are projected to increase from a current 35 percent of our annual budget to 48 percent by FY ending 2026. The stakes are even higher for the Agency's member units, who are required to pay all SWP fixed costs for water they are not receiving, and compete for limited replacement water supplies. Other contractors are experiencing similar seemingly unconstrained growth in their SWP charges. Managing costs is a paramount concern to us as we contemplate moving forward to modernize the SWP facilities. In planning for future activities, Metropolitan has targeted rate increases to 4 percent in the next two years, and 4.5 percent through 2026. This level of rate increases underscores the importance of managing SWP costs over the next decade. Without the Department demonstrating effective fiscal management and cost reductions, our ability to secure

Mr. Mark Cowin

Page 2

March 1, 2016

support for future investments in the SWP, including the California WaterFix, will be jeopardized.

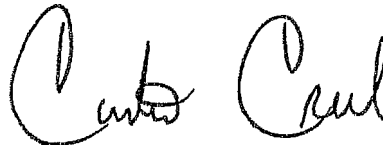
Metropolitan and the Agency applaud the Department for the cost containment efforts that have been instituted under the Operations & Maintenance and Division of Engineering functions. Carrying that discipline to other areas will help achieve the goal of cost containment and efficient operations. We look forward to immediate implementation of cost containment strategies to manage cost increases within the rate of inflation and corresponding bill reductions in order to preserve a cost effective and reliable water supply that meets the needs of all Californians. Specific discussion of our recommendations can be found in Attachment 1 to this letter.

JS:rr

Very truly yours,

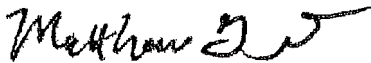


Jeff Kightlinger
Metropolitan Water District

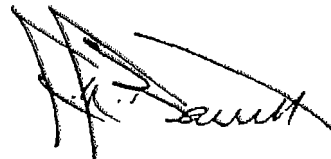


Curtis Creel
Kern County Water Agency

The following agencies are in concurrence with this letter:



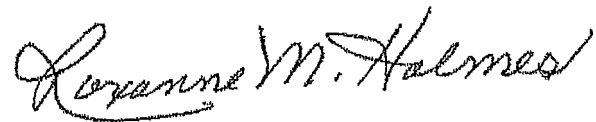
Matthew Stone
Castaic Lake Water Agency



Jim Barrett
Coachella Valley Water District



Ray Stokes
Central Coast Water Authority

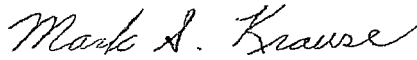


Roxanne Holmes
Crestline-Lake Arrowhead Water Agency

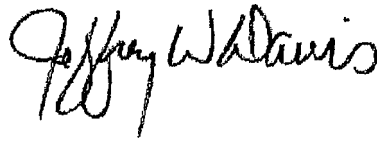
Mr. Mark Cowin

Page 3

March 1, 2016



Mark Krause
Desert Water Agency



Jeff Davis
San Geronio Pass Water Agency



Dale Melville
Dudley Ridge Water District



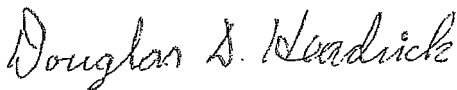
Roland Sanford
Solano County Water Agency



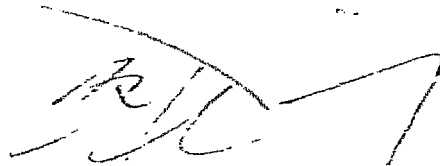
Kirby Brill
Mojave Water Agency



Mark Gilkey
Tulare Lake Basin Water Storage District



Douglas Headrick
San Bernardino Valley Municipal Water
District



Jill Duerig
Alameda Zone 7 Water Agency



Dennis LaMoreaux
Palmdale Water District



Coleen Carlson
County of Kings

Enclosure

Cc: Carl Torgerson
Mark Anderson
Terry Erlewine

Delta Compliance Program

The Department proposes to significantly increase spending on elements of the Delta Compliance Program (DCP). Some of the larger projects include Yolo Bypass, Prospect Island and regulatory compliance efforts that benefit both the SWP and the Central Valley Project (CVP). In total, these projects would cost over \$100 million, with Prospect Island estimated to cost over \$71 million alone. It is not clear today that the SWP is responsible for all the costs identified in the Department's proposed budget, or that current SWP operations should bear the entire cost of these programs. The proposed budget appears very optimistic in terms of the amount of work that can be accomplished with the resources available to the Department.

Department staffing

The Department proposes to authorize 38 new positions to begin work on the California WaterFix. These positions have been working under a temporary basis and we believe this action is premature at this juncture, as the final project has not been approved.

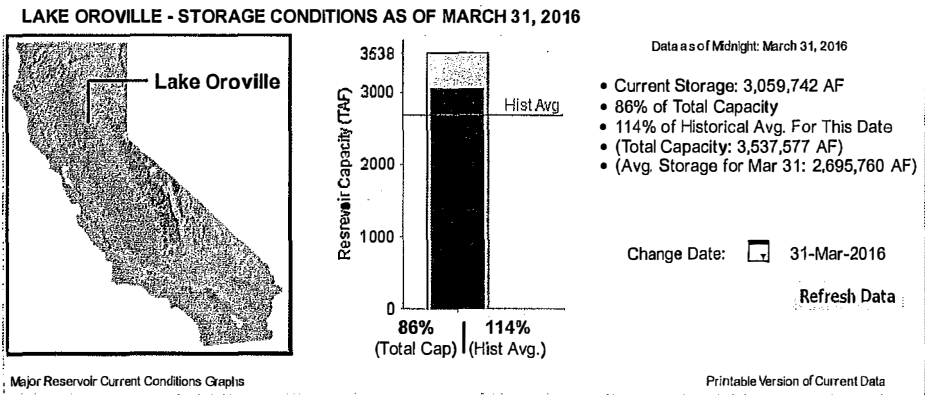
Temporary barriers

The Department has included \$12.7 million in CY 2017 and \$11.3 million in CY 2018 for installation and removal of temporary salinity barriers in the Delta. The SWP contractors are footing all costs while not receiving water supply benefits from the barriers. The federal beneficiaries have not reimbursed the Department for any costs.

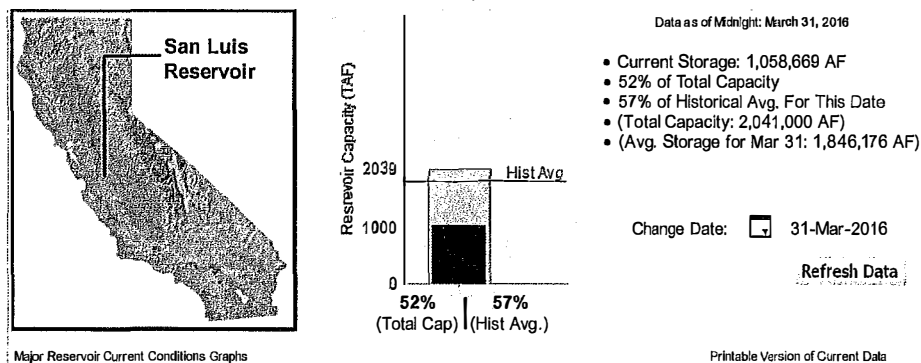
Recommendations

Metropolitan and the Agency recommend the Department take the following actions to control SWP costs prior to the development of a comprehensive financial plan by the Department's future Chief Financial Manager:

1. Manage future Delta Water Charges within 3 to 4 percent annual increases (or rate of inflation) prior to implementation of the California WaterFix;
2. Stop work on Prospect Island, and focus habitat restoration efforts on more cost effective locations;
3. Prioritize the projects that need to be completed in the DCP and focus on those required immediately for the Project;
4. Defer work on DCP elements that are cost-shared with the CVP until reimbursement agreements are executed; and,
5. Defer authorizing and hiring additional permanent positions until the California WaterFix project has received final approval and cost sharing has been defined;
6. Eliminate temporary barriers that have no federal cost share from the budget.
7. Provide a matrix of projects related to the DCP that indicates which agencies are responsible for each project, cost estimates, and cost-sharing agreement status, so the Department can budget for work in an efficient manner;



SAN LUIS - STORAGE CONDITIONS AS OF MARCH 31, 2016

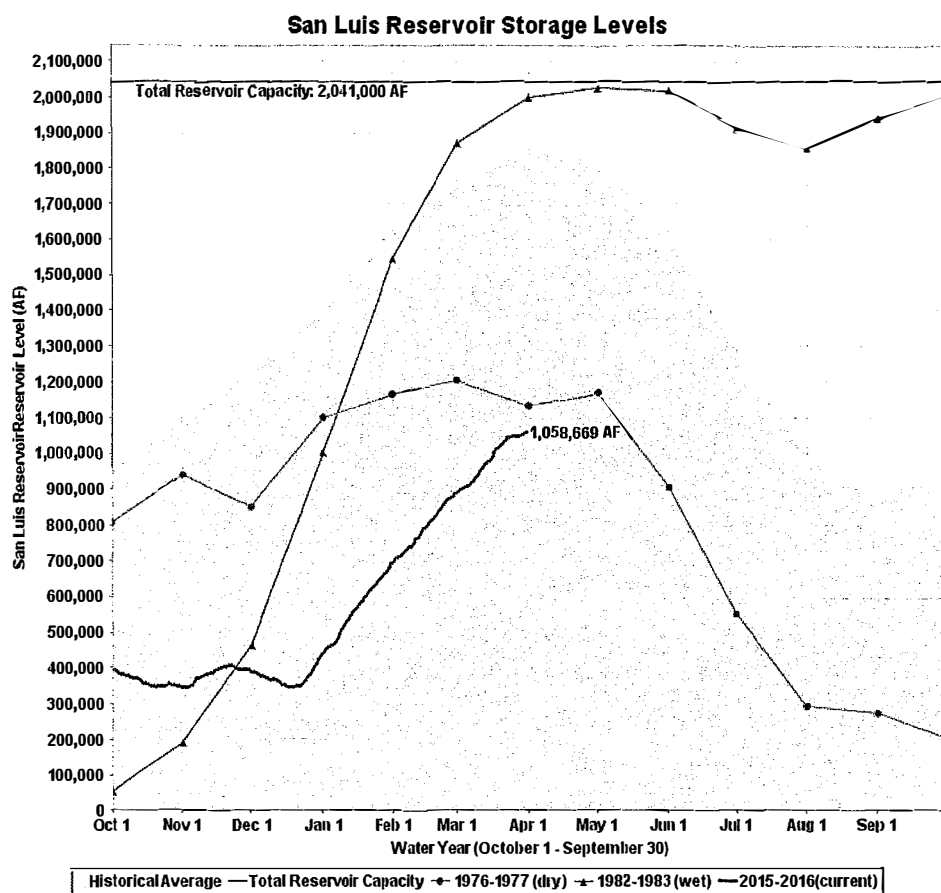


San Luis Storage Level Graph: Choose water years to plot:

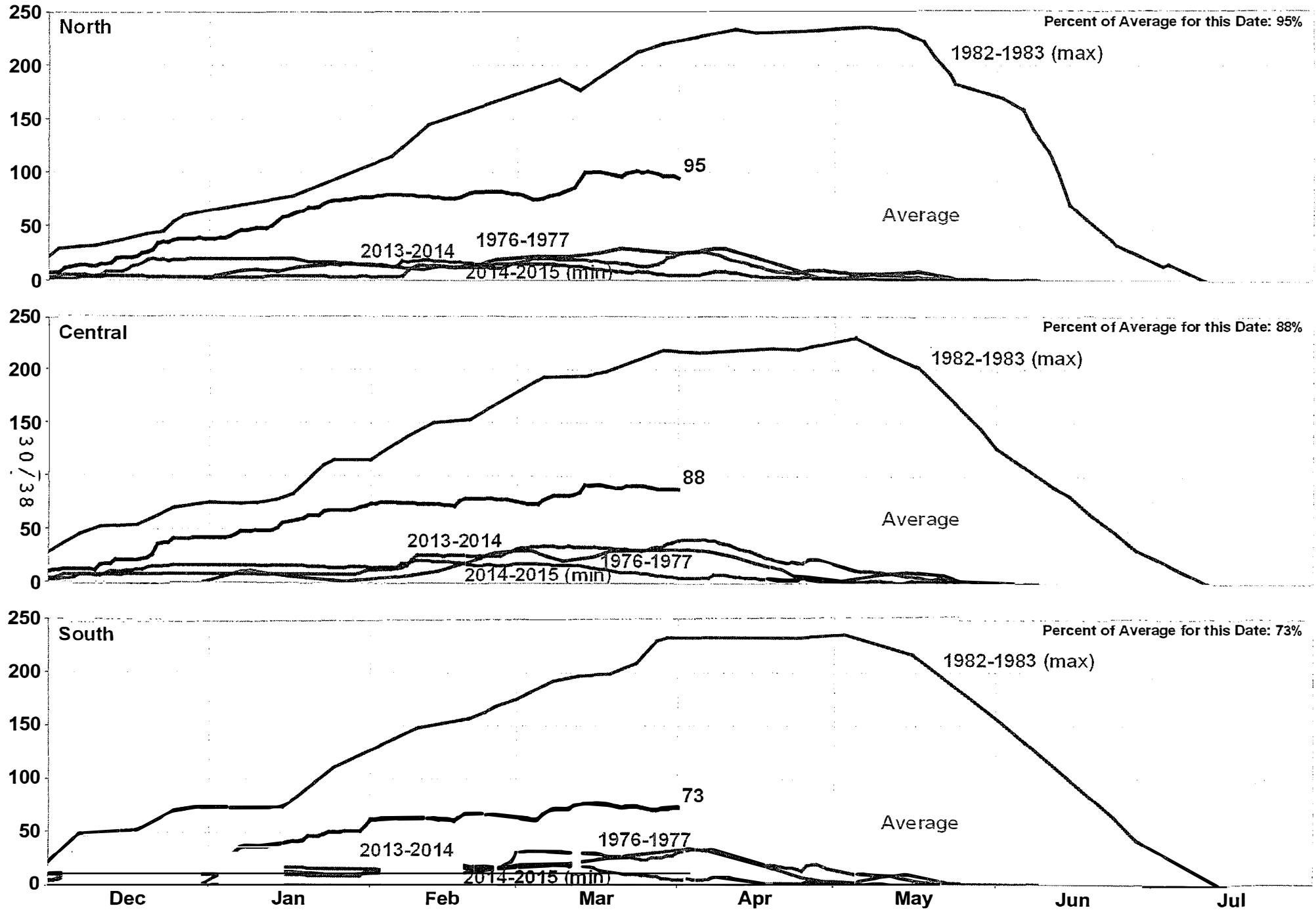
1976-1977 (dry)
 1977-1978
 1982-1983 (wet)
 1988-1989
 1989-1990

(ctrl+click for multiple selections)

[Draw chart](#)
 (chart legend appears at bottom)



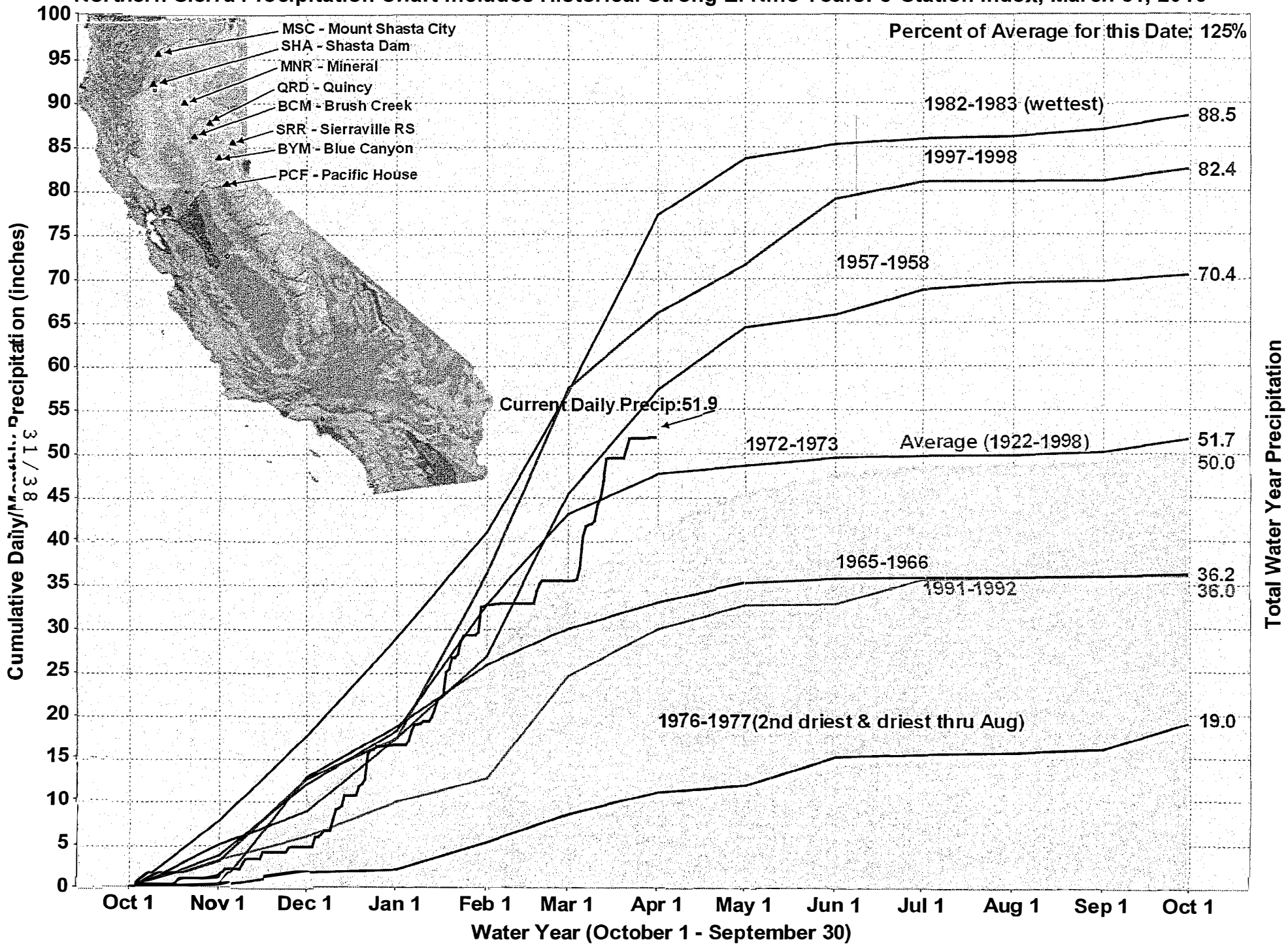
California Snow Water Content, April 1, 2016, Percent of April 1 Average



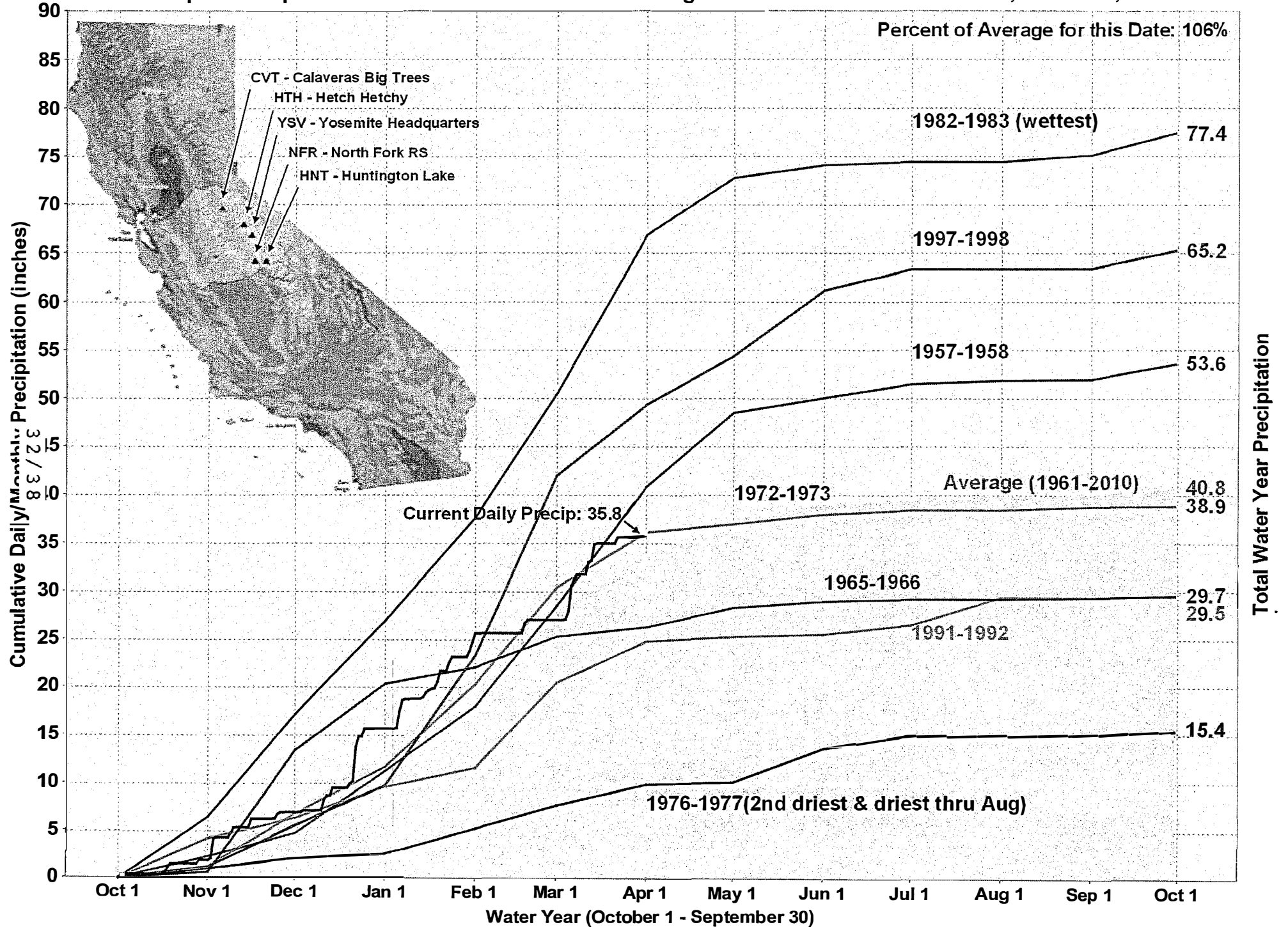
Statewide Percent of April 1: 86%

Statewide Percent of Average for Date: 86%

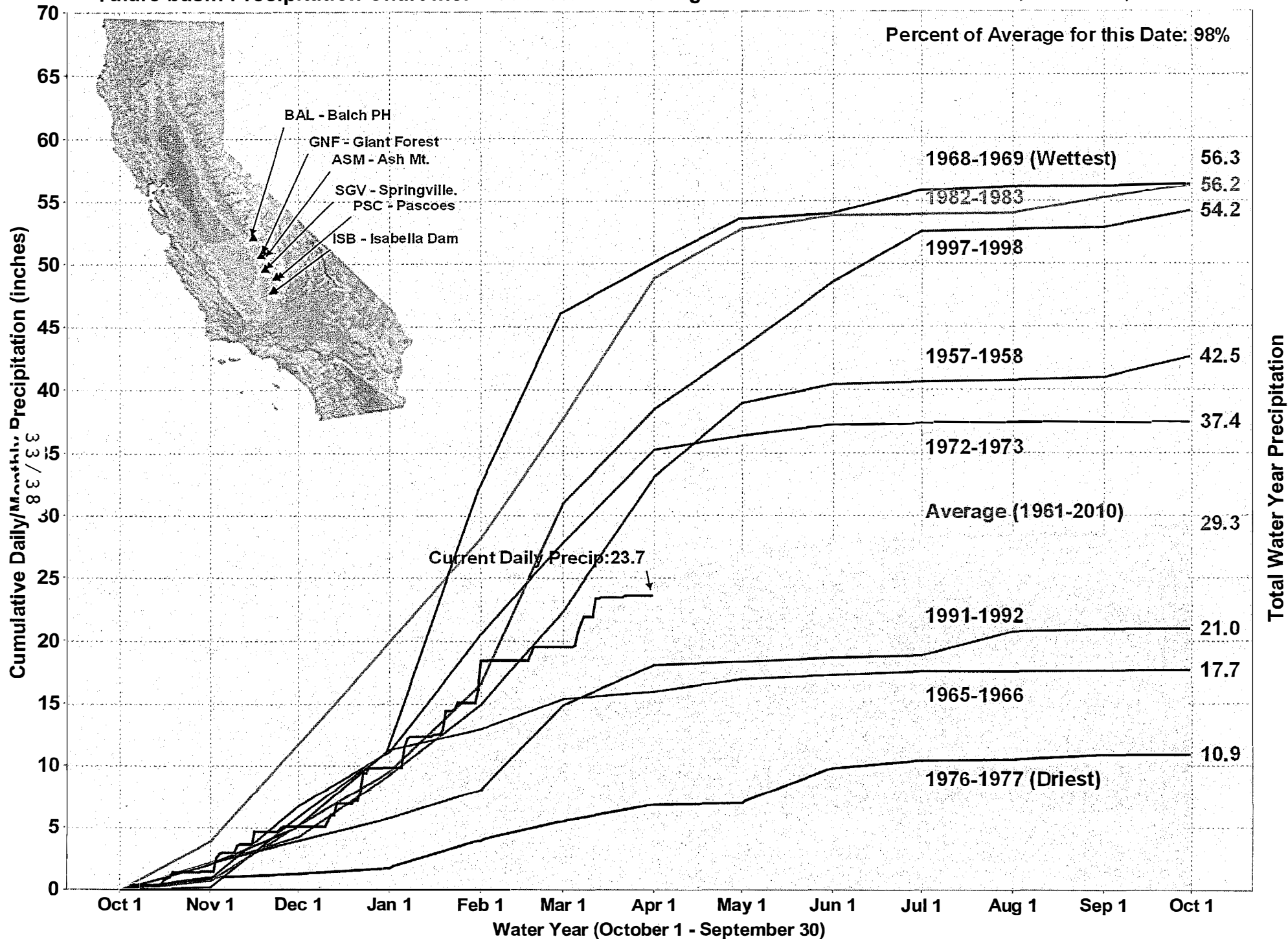
Northern Sierra Precipitation Chart Includes Historical Strong El Nino Years: 8-Station Index, March 31, 2016



San Joaquin Precipitation Chart Includes Historical Strong El Nino Years: 5-Station Index, March 31, 2016



Tulare basin Precipitation Chart Includes Historical Strong El Nino Years: 6-Station Index, March 31, 2016



Daily Reservoir Storage Summary

ENDING AT MIDNIGHT - 03/31/2016

FOR SELECTED RESERVOIRS IN NORTHERN AND SOUTHERN CALIFORNIA

Report generated: 04/01/2016 05:02

Reservoir Name	StalID	Water Storage						Storage -			
		Capacity (AF)	Elevation (FT)	Storage (AF)	Storage Change	% of Capacity	Average Storage	% of Average	Outflow (CFS)	Inflow (CFS)	Year Ago This Date
TRINITY RIVER											
TRINITY LAKE	CLE	2,447,650	2,283.80	1,279,539	5,120	52	1,927,115	66	361	2,983	1,190,765
WHISKEYTOWN	WHI	241,100	1,206.90	231,249	470	96	212,257	109	244	490	204,916
LEWISTON	LEW	14,660	1,901.09	13,978	141	95	13,714	102	324	398	13,815
RUSSIAN RIVER											
SONOMA(WARM SPRINGS)	WRS	381,000	451.82	247,051	-266	65	234,417	105	394	269	216,019
MENDOCINO (COYOTE)	COY	122,400	748.20	86,720	18	71	79,342	109	135	153	64,137
SACRAMENTO RIVER											
SHASTA	SHA	4,552,000	1,048.68	4,026,672	9,352	88	3,691,107	109	5,651	10,496	2,689,083
KESWICK	KES	23,772	583.69	21,702	1,555	91	21,678	100	4,942	5,729	21,902
FEATHER RIVER											
OROVILLE	ORO	3,537,577	868.18	3,059,742	10,246	86	2,695,760	114	3,001	8,172	1,793,611
ANTELOPE	ANT	22,566	5,002.83	23,342	-47	103	19,833	118	----	----	22,797
FRENCHMAN	FRD	55,477	5,559.80	21,294	113	38	40,347	53	----	----	20,232
LAKE DAVIS	DAV	83,000	5,766.61	54,219	94	65	63,564	85	----	----	47,720
YUBA RIVER											
BULLARDS BAR	BUL	966,000	1,923.38	817,724	2,404	85	701,029	117	----	----	601,769
ENGLEBRIGHT	ENG	70,000	524.89	68,258	-1,598	98	66,580	103	----	----	65,240
AMERICAN RIVER											
FOLSOM	FOL	977,000	438.43	691,371	4,653	71	628,226	110	3,878	6,243	571,528
UNION VALLEY	UNV	266,369	4,853.62	221,482	-309	83	163,658	135	----	----	185,726
LOON LAKE	LON	69,306	6,398.71	54,345	-374	78	29,545	184	----	----	33,921
ICE HOUSE	ICH	43,496	5,435.23	34,096	78	78	22,832	149	----	----	33,702
NIMBUS	NAT	9,000	122.40	7,521	-590	84	7,965	94	4,125	3,829	8,125
CACHE CREEK											
INDIAN VALLEY	INV	300,000	----	----	----	----	200,728	----	----	----	69,735
STONY CREEK											
BLACK BUTTE	BLB	143,700	456.53	72,405	536	50	87,114	83	99	384	60,524
CALAVERAS RIVER											
NEW HOGAN	NHG	317,000	660.68	137,095	213	43	169,574	81	23	143	65,362
MOKELUMNE RIVER											
CAMANCHE	CMN	417,120	198.20	184,232	1,889	44	261,532	70	321	1,343	115,590
PARDEE	PAR	210,000	565.63	193,498	-552	92	182,062	106	1,511	1,356	----
STANISLAUS RIVER											
DONNELL'S	DON	64,320	----	17,588	112	27	14,913	118	472	----	26,108
BEARDSLEY	BRD	97,800	----	72,624	345	74	47,974	151	605	----	31,331
TULLOCH	TUL	67,000	499.33	54,588	-320	81	57,958	94	1,013	858	57,358
NEW MELONES	NML	2,400,000	881.11	617,344	1,966	26	1,509,590	41	854	1,873	553,486
TUOLUMNE RIVER											
DON PEDRO	DNP	2,030,000	754.60	1,218,296	5,260	60	1,482,542	82	----	----	893,331
HETCH HETCHY	HTH	360,000	----	----	----	----	149,427	----	----	----	250,544
CHERRY VALLEY	CHV	273,500	----	----	----	----	109,041	----	----	----	188,217
MERCED RIVER											
MC CLURE (EXCHEQUER)	EXC	1,024,600	726.35	336,910	1,353	33	564,704	60	----	----	92,891
CHOWCHILLA RIVER											
EASTMAN (BUCHANAN)	BUC	150,000	513.36	47,154	157	31	84,502	56	5	89	12,174

MEMORANDUM

TO: Board of Directors

FROM: General Manager

RE: General Fund Budget Revision

DATE: April 4, 2016

Summary:

At the March 28 Finance and Budget workshop, the Board voted to recommend approval of a revision to the 2015-2016 General Fund Budget that would decrease the budget by \$39,000. The purpose of this proposed Board action is to approve this recommendation.

Background:

Detailed Report:

As noted at the Finance and Budget workshop, the Agency will not be proceeding on two proposed documents related to the FERC 344 (Whitewater Flume) project. These include an EIR for removal of the flume and an environmental justice study that would support the EIR. However, the Agency, with the Board's authorization, has continued to support the flume effort by hiring Roy McDonald as a consultant to review FERC documents.

Staff reported to the Board at the workshop that our audit costs were higher this year due to having to deal with a new GASB standard. Staff negotiated a cost of \$1000 for this additional work required by the auditor.

Staff recognizes that the Agency may require additional funds related to adult education, specifically with regard to elected official education related to allocation, ongoing processes related to differences of opinion with some retail agencies, and in planning a second State of the Regional Water Supply event.

In order to deal with these changes to the budget (the net cost of which is a budget reduction), staff is recommending that the Board

adopt the budget revision described and explained at the workshop.
This includes the following:

Deletions:

Notice of Preparation and EIR	\$50,000
Environmental Justice	\$27,000
Net	(\$77,000)

Additions:

Accounting and Auditing	\$ 1,000
Flume Support	\$22,000
Other conservation & education	\$15,000
Net	\$38,000

Overall net	(\$39,000)
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Fiscal Impact:

The overall fiscal effect of this proposed budget revision will be to reduce the General Fund budget by \$39,000. Other impacts will be to more accurately describe actions related to support of the Whitewater Flume and to increase the Agency's ability to educate elected officials and others on issues of importance to the Agency.

Relationship to Strategic Plan:

The budget revision itself does not have a direct relationship to the strategic plan; however individual line items above, including those for flume support and education, relate directly to the strategic plan.

Recommendation:

Staff recommends that the Board approve the proposed budget revision.

SAN GORGONIO PASS WATER AGENCY
FISCAL YEAR JULY 1, 2015 - JUNE 30, 2016
BUDGET REVISION FOR BOARD APPROVAL
DATE OF PROPOSAL: MARCH 28, 2016

LINE ITEM	A AMOUNT IN ORIGINAL ADOPTED BUDGET	B BOARD APPROVED PRIOR BUDGET REVISIONS	A+B REVISED BUDGET BEFORE NEW REVISIONS	C CURRENT BUDGET REVISIONS FOR APPROVAL	A+B+C REVISED BUDGET AFTER CURRENT REVISIONS
GENERAL FUND					
Administrative & Professional					
Accounting & Auditing	21,000	0	21,000 +	1,000	22,000
General Engineering					
Cost of Preparation + EIR	50,000	0	50,000 -	-50,000	0
Environmental Justice	27,000	0	27,000 -	-27,000	0
Item: Flume Support	0	0	0 +	22,000	22,000
Total General Engineering Revisions				-55,000	22,000
Conservation & Education					
Other Conservation, Education and P.R.	10,000	0	10,000 +	15,000	25,000
For Elected Official Education and Messaging					
GENERAL FUND TOTALS	108,000	0	108,000	-39,000	69,000

MEMORANDUM

TO: Board of Directors

FROM: General Manager

RE: Possible Cancellation of May 2 Board Meeting

DATE: April 4, 2016

Summary:

Many water agencies throughout California cancel Board meetings scheduled to be held during ACWA conferences in order to allow Board members and staff the opportunity to attend the conference. Many times, Boards do not have quorums available due to attendance at ACWA conferences.

Since Board meetings are now held in the evenings, staff will not be available for a Board meeting on Monday, May 2 since ACWA's groundwater committee meets the next day and staff will be traveling Monday night. In addition, Director Stephenson will be at ACWA on May 2 to attend the ACWA JPIA Board meeting.

It is unknown at this time if other Board members will be attending the conference.

Recommendation:

If a quorum is available on that evening, the Board could choose to hold a Board meeting. However, the General Manager and at least one Board member (possibly more) will be unable to attend. Therefore, staff recommends that the Board consider cancelling the May 2 Board meeting. There are no important issues that are currently scheduled to be discussed at that meeting.