

**SAN GORGONIO PASS WATER AGENCY**  
**1210 Beaumont Avenue, Beaumont, CA**  
**Board of Directors Meeting**  
**Agenda**  
**October 3, 2016 at 7:00 p.m.**

**Teleconference Location: 47180 Woodcliff Drive, Banning, CA**

- 1. Call to Order and Flag Salute**
- 2. Statement Regarding Teleconferencing**
  - This meeting is also being held at a Teleconference Location which has been identified on the agenda.
- 3. Roll Call**
- 4. Adoption and Adjustment of Agenda**

**5. 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.

**6. 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 Regular Board Meeting September 19, 2016\*  
(Page 3)
- B. Approval of the Minutes of the Finance and Budget Workshop, September 26, 2016,\* (Page 7)
- C. Approval of the Finance and Budget Workshop Report, September 26, 2016\*  
(Page 9)
- D. Approval of the Recommendations made at the Board Finance and Budget Workshop, as set forth in the Finance and Budget Workshop Report, September 26, 2016\* (Page 10)

**7. Reports (Discussion and Possible Action)**

- A. General Manager's Report
  1. Operations Report
  2. General Agency Updates
- B. General Counsel Report
- C. Directors' Reports

**8. New Business (Discussion and Possible Action)**

- A. Consideration of Beaumont Chamber of Commerce Sponsorship for the Pass Area Economic Presentation by Dr. John Husing\* (Page 22)
- B. Consideration of Association of California Water Agencies (ACWA) Sponsorship\* (Page 25)
- C. Consideration of California Special Districts Association Committee Nomination(s)\* (Page 30)
- D. Consideration of Cost Sharing Agreement with San Bernardino Valley Municipal Water District (SBVMWD)\* (Page 35)
- E. Consideration of Resolution 2016-06 Revising the Agency's Investment Policy\* (Page 40)

F. Consideration and Possible Action to Approve Second Amendment to General Manager/Chief Engineer Employment Agreement\* (Page 45)

**9. Topics for Future Agendas**

**10. Announcements**

- A. Engineering Workshop, October 10, 2016 at 4:00 p.m.
- B. Regular Board Meeting, October 17, 2016 at 7:00 p.m.
- C. Finance and Budget Workshop, October 24, 2016 at 4:00 pm

**11. Closed Session (1 Item)**

- 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

**12. 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, located at 1210 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](http://www.sgpwa.com) (3) 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, California 92223**  
**Minutes of the**  
**Board of Directors Meeting**  
**September 19, 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  
Cheryle Rasmussen, Executive Assistant  
Jeff Ferre, General Counsel

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., September 19, 2016 in the Agency Boardroom at 1210 Beaumont Avenue, Beaumont, California. Director Dickson led the Pledge of Allegiance to the flag. *President Jeter requested a roll call.*

<b><u>Roll Call:</u></b>	<b><i>Present</i></b>	<b><i>Absent</i></b>
Director Stephenson	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Ball	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Fenn	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Melleby	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Duncan	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Dickson	<input checked="" type="checkbox"/>	<input type="checkbox"/>
President Jeter	<input checked="" type="checkbox"/>	<input type="checkbox"/>

A quorum was present.

2. **Adoption and Adjustment of Agenda:** *President Jeter asked if there were any adjustments to the agenda.* General Counsel Jeff Ferre recommended that after Item 6A the Board go into closed session to address Closed Session Item 9A; thereby determining if item 6A needs to be addressed depending upon the outcome of item 9A. President Jeter asked the Board if there were any objections; there being none the Agenda was adopted as amended.
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, September 6, 2016  
B. Approval of the Minutes of the Engineering Workshop, September 12, 2016

Director Duncan made a motion, seconded by Director Dickson, to adopt the consent calendar as presented. Motion passed 7-0.

## **5. Reports:**

### **A. General Manager's Report:**

**(1) Operations Report: (a) SWP Water Deliveries:** The Agency delivered a total of 772 acre-feet to the Noble Creek Connection, so far this month.

**(2) General Agency Updates: (a) Audit:** Ahern Adcock & Devlin has initiated the 2014-2015 Audit of the Agency's financials. The audit report will be delivered to the Board once the audit is complete. **(b) Whitewater Flume Update:** 1) The Participating Entities (PE) are preparing a negotiation document to be presented to FERC and the U.S. Forest Service. 2) The U.S. Forest Service has approved a one year extension of the Burnt Canyon pipeline with several conditions, including that a special use permit application be submitted by January 3, and that there are Flume releases at the diversion points; this request was put in writing. **(c) Sites Reservoir:** The general manager of the Sites Joint Powers Authority confirmed last week in Sacramento that agencies south of the Delta had requested 134,000 acre-feet of water. The estimated cost is \$444 per acre-feet without the Cal Water fix and \$333 per acre-feet with the Cal Water fix. **(d) SWP Table A Water Quality:** SBVMWD and SGPWA are in the process of requesting from DWR to implement a new water sample point location at Crafton Hills Reservoir.

**B. General Counsel Report:** General Counsel Jeff Ferré deferred reporting due to the amount of items in closed session.

**C. Directors Reports: 1) Director Fenn** reported on the BCVWD Board meeting that he attended along with Director Ball and President Jeter. He shared his concern regarding Pardee's development for North Sundance and BCVWD's conditions for Pardee's extension Will Serve letter. **2) Director Ball** also reported on the BCVWD Board meeting. He shared that there was talk that BCVWD and the developers will be addressing the Agency on their concerns. **3) Director Duncan** reported on the recent Banning Chamber of Commerce meeting stating that a number of groups have endorsed the Rancho San Geronio housing development. Discussion included water availability for the project.

## **6. New Business: (Discussion and Possible Action)**

**A. Consideration of Riverside County State of the County Sponsorship:** A staff report and related material were included in the agenda packet. General Manager Davis informed the Board that for the past two years the Agency has been a sponsor of the event. He reviewed with the Board various sponsorship options. Director Dickson made a motion, seconded by Director Melleby, to provide a \$1000 sponsorship. It was noted that there is \$8000 budgeted for sponsorships. After discussion, President Jeter requested roll a call.

<b><u>Roll Call:</u></b>	<b><i>Aye</i></b>	<b><i>Noes</i></b>	<b><i>Absent</i></b>	<b><i>Abstain</i></b>
Director Stephenson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Ball	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Fenn	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Melleby	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Duncan	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Dickson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
President Jeter	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Motion carried 5-2.

General Counsel Ferre recommended to not address item 6b at this time, as there may or may not be a need to discuss item 6b based on the direction of 9A. He further recommended going into closed session to take up item 9A and then reconvening to open session to provide any reportable action on item 9A and to continue with the additional agenda items. The Board was in agreement of Counsel's recommendation.

**Closed Session (1 item) Time: 7:30 pm**

**9. 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 - Time: 7:50 p.m.**

General Counsel Ferre stated that the Board met in closed session on item 9A to give direction to the real property negotiator in regards to price and terms of payment for the properties listed. The Board gave some direction to the real property negotiators. There was no other reportable action.

**6. New Business: (Discussion and Possible Action) was continued.**

**B. Consideration of Contracting with Consultant to Perform CEQA Services for Procurement of Long-Term Water Rights:** A staff report was included in the agenda packet. General Manager Davis stated that at the time the agenda was published proposals to provide CEQA documentation for the Wilcox property permanent Table A Water transfer had not been received; however, ECORP sent a proposal after the agenda was sent out. (A copy of the proposal was provided to the Board and to members of the public). General Manager Davis explained his process of requesting proposals for the CEQA documentation which is required to procure the Wilcox property water rights. General Manager Davis provided background information on ECORP and reviewed ECORP's proposal and cost options, as well as CEQA requirements. General Counsel Ferre explained in detail the purpose for hiring a CEQA consultant for the Wilcox property stating that there is nothing binding the Agency to do the initial study which would have to be done (as well as all of the CEQA) prior to any commitment by this Agency. The recommendation is to retain the CEQA consultant to do the initial study, or at least have the consultant on board to do the initial study. After discussion,

the Board came to a consensus that more proposals would be ideal and directed staff to submit requests for additional proposals. Director Duncan made a motion, seconded by Director Ball, to table 6B pending an attempt to get additional proposals. Motion carried 7-0.

***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 (4 items)**

**Time: 8:15 p.m.**

**A. CONFERENCE WITH REAL PROPERTY NEGOTIATORS**

(This item was discussed after agenda item 6A at 7:50 p.m.)

**B. Public Employee Performance Evaluation**

Pursuant to Government Code Section 54957

Title: General Manager

**C. Conference with Labor Negotiators**

Pursuant to Government Code Section 54957.6

Agency designated representatives: Board President John Jeter;

Legal Counsel Jeff Ferre

Unrepresented employee: General Manager

**D. CONFERENCE WITH REAL PROPERTY NEGOTIATORS**

Pursuant to Government Code Section 54956.8

Property: Water Right Lease – CV Communities

Agency negotiator: Jeff Davis, General Manager

Negotiating party: Antelope Valley-East Kern Water Agency

Under negotiation: price and terms of payment

**The meeting reconvened to open session at: Time: 9:12 pm**

General Counsel Ferre reported that the Board considered the matters listed on the agenda. There were no action(s) taken on items 9B, 9C or 9D that is reportable under the Brown Act.

**7. Topics for Future Agendas: None**

**8. Announcements**

A. Finance and Budget Workshop, September 26, 2016 at 4:00 p.m.

B. San Gorgonio Pass Regional Water Alliance, September 28, 2016

1. Regular Meeting at 5:30 p.m. – Banning City Hall Conference Room

C. SGPWA – State of the Regional Water Supply, September 30, 2016  
at 8:00 a.m.

**10. Adjournment**

**Time: 9:17 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 Finance and Budget Workshop**  
**September 26, 2016**

**Directors Present:** Bill Dickson, Vice President  
Mary Ann Melleby, Treasurer  
Blair Ball, Director  
Leonard Stephenson, Director

**Directors Absent:** John Jeter, President  
Ron Duncan, Director  
David Fenn, 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 Vice President Bill Dickson at 4:10 p.m., September 26, 2016, in the Agency Conference Room at 1210 Beaumont Avenue, Beaumont, California. Vice President Dickson led the Pledge of Allegiance to the flag. A quorum was present.

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

2. **Adoption and Adjustment of Agenda:** There were no adjustments to the agenda.

3. **Public Comment:** No members of the public requested to speak at this time.

4. **New Business:**

- A. Ratification of Paid Invoices and Monthly Payroll for August, 2016 by Reviewing Check History Reports in Detail: After review and discussion, a motion was made by Director Dickson, seconded by Director Ball, to recommend that the Board ratify paid monthly invoices of \$1,051,121.94 and payroll of \$33,241.44 for the month of August, 2016, for a combined total of \$1,084,363.38. The motion passed 4 in favor, no opposed, with Directors Duncan, Fenn and Jeter absent.

- B. Review Pending Legal Invoices: After review and discussion, a motion was made by Director Dickson, seconded by Director Stephenson, to recommend that the Board approve payment of the pending legal invoices for August, 2016. The motion passed 4 in favor, no opposed, with Directors Duncan, Fenn and Jeter absent.

- C. Review of August, 2016 Bank Reconciliation: After review and discussion, a motion was made by Director Dickson, seconded by Director Ball, to recommend that the Board acknowledge receipt of the Wells Fargo bank reconciliation for August, 2016 as presented. The motion passed 4 in favor, no opposed, with Directors Duncan, Fenn and Jeter absent.
  - D. Review of Budget Report for August, 2016: After review and discussion, a motion was made by Director Dickson, seconded by Director Stephenson, to recommend that the Board acknowledge receipt of the Budget Report for August, 2016. The motion passed 4 in favor, no opposed, with Directors Duncan, Fenn and Jeter absent.
  - E. Review of Investment Policy: Finance Manager Tom Todd handed out a copy of the proposed changes while General Manager Jeff Davis opened the discussion by reviewing the current policy. The investment policy states it is to be reviewed annually. General Manager Davis highlighted parts of the policy, then turned the discussion over to Finance Manager Todd to introduce the proposed changes. All proposed changes affect item 3, CDs. One proposal would change the maximum term of CDs purchased from 30 months to 36 months. This broadens the potential selection of CDs to allow for more flexibility and potentially higher yield. The other proposals bring the Agency policy into conformity with State of California rules regarding allowable investments: "1) aggregate value of CDs purchased from an individual institution may not exceed current FDIC limits, or 2) the aggregate value of CDs purchased must be collateralized to 110% of the invested amount. The Agency may not use a placement service provider to place deposits. The total of CDs purchased by the Agency may not exceed 30% of the Agency portfolio." After review and discussion, a motion was made by Director Stephenson, seconded by Director Ball, to recommend that the Board approve the proposed changes to the Investment Policy. The motion passed 4 in favor, no opposed, with Directors Duncan, Fenn and Jeter absent.
5. **Announcements:** Chair Melleby reviewed the following announcements:
- A. San Gorgonio Pass Regional Water Alliance, September 28, 2016, 5:30 p.m. – Banning City Hall
  - B. SGPWA, State of the Regional Water Supply, September 30, 2016, 8:00 a.m. – Banning City Council Chambers
  - C. Regular Board Meeting, October 3, 2016 at 7:00 p.m.
  - D. Engineering Workshop, October 10, 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 4:40 p.m.

Draft - Not Approved

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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 September 26, 2016. The following recommendations were made:

1. The Board ratify payment of Invoices of \$1,051,121.94 and Payroll of \$33,241.44 as detailed in the Check History Report for Accounts Payable and the Check History Report for Payroll for August, 2016 for a combined total of \$1,084,363.38
2. The Board authorize payment of the following vendor's amounts:

Best, Best & Krieger LLP	\$15,815.36
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3. The Board acknowledge receipt of the following:
  - A. Wells Fargo bank reconciliation for August, 2016
  - B. Budget Report for August, 2016

# **SAN GORGONIO PASS WATER AGENCY**

**1210 Beaumont Ave, Beaumont, CA 92223**

**Board Finance & Budget Workshop**

**Agenda**

**September 26, 2016, at 4:00 p.m.**

**1. Call to Order, Flag Salute**

**2. Adoption and Adjustment of Agenda**

**3. Public Comment**

Members of the public may address the Board at this time concerning items not on the agenda. To comment on specific agenda items, please complete a speaker's request form and hand it to the Board secretary.

**4. New Business (Discussion and possible recommendations for action at a future regular Board meeting)**

- A. Ratification of Paid Invoices and Monthly Payroll for August, 2016 by Reviewing Check History Reports in Detail\*
- B. Review of Pending Legal Invoices\*
- C. Review of August, 2016 Bank Reconciliation\*
- D. Review of Budget Report for August, 2016\*
- E. Review of Investment Policy\*

**5. Announcements**

- A. San Gorgonio Pass Regional Water Alliance, September 28, 2016, 5:30 p.m. – Banning City Hall
- B. SGPWA, State of the Regional Water Supply, September 30, 2016, 8:00 a.m., Banning City Council Chambers
- C. Regular Board Meeting, October 3, 2016 at 7:00 p.m.
- D. Engineering Workshop, October 10, 2016 at 4:00 p.m.

**6. 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 Ave., Beaumont, CA 92223 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, during regular business hours. When practical, these public records will also be available on the Agency's Internet website, accessible at <http://www.sgpwa.com>. 3. 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. 10 / 55 Request for a disability-related modification or accommodation.

**San Geronio Pass Water Agency**  
**Check History Report**  
**August 1 through August 31, 2016**

ACCOUNTS PAYABLE
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Date	Number	Name	Amount
08/01/2016	118057	BDL ALARMS, INC.	78.00
08/01/2016	118058	BEST BEST & KRIEGER	15,174.43
08/01/2016	118059	KENNEDY JENKS CONSULTANTS	3,819.83
08/01/2016	118060	ROY McDONALD	6,903.39
08/01/2016	118061	SPARLING INSTRUMENTS, LLC	590.20
08/01/2016	118062	UNDERGROUND SERVICE ALERT	6.00
08/01/2016	118063	VALLEY OFFICE EQUIPMENT, INC.	191.57
08/02/2016	118064	CALPERS RETIREMENT	24,768.00
08/08/2016	118065	ACWA BENEFITS	756.00
08/08/2016	118066	BEAUMONT HOME CENTER	14.57
08/08/2016	118067	CALPERS FINANCIAL REPORTING	650.00
08/08/2016	118068	CALPERS RETIREMENT	2.79
08/08/2016	118069	WILLIAM E. DICKSON	217.31
08/08/2016	118070	GOPHER PATROL	48.00
08/08/2016	118071	SOUTHERN CALIFORNIA WATER COMMITTEE	850.00
08/08/2016	118072	UNLIMITED SERVICES BUILDING MAINT.	295.00
08/08/2016	118073	VALLEY OFFICE EQUIPMENT, INC.	105.84
08/08/2016	118074	WASTE MANAGEMENT INLAND EMPIRE	94.37
08/13/2016	118075	CALPERS RETIREMENT	4,542.59
08/13/2016	118076	CALPERS 457-SIP	1,150.00
08/13/2016	118077	FRANCHISE TAX BOARD	196.91
08/15/2016	118078	ARMSTRONG & BROOKS ENGINEERS	16,325.01
08/15/2016	118079	CALPERS RETIREMENT	912.00
08/15/2016	118080	CV STRATEGIES	1,190.42
08/15/2016	118081	FRONTIER COMMUNICATIONS	1,213.54
08/15/2016	118082	INCONTACT, INC.	79.57
08/15/2016	118083	I. E. RESOURCE CONSERVATION DISTRICT	1,600.00
08/15/2016	118084	KENNEDY JENKS CONSULTANTS	3,083.60
08/15/2016	118085	PROVOST & PRITCHARD	10,845.40
08/15/2016	118086	WELLS FARGO REMITTANCE CENTER	1,435.76
08/22/2016	118087	CALPERS HEALTH	6,908.59
08/22/2016	118088	ERNST & YOUNG LLP	1,002.00
08/22/2016	118089	MATTHEW PISTILLI LANDSCAPE SERVICES	325.00
08/22/2016	118090	CHERYLE M. RASMUSSEN	158.63
08/22/2016	118091	THOMAS W. TODD, JR.	866.23
08/26/2016	118092	AT&T MOBILITY	258.12
08/26/2016	118093	CALIMESA CHAMBER OF COMMERCE	125.00
08/26/2016	118094	WILLIAM E. DICKSON	31.22
08/26/2016	118095	MARY ANN HARVEY-MELLEBY	1,190.00
08/26/2016	118096	SOUTHERN CALIFORNIA EDISON	176.22
08/26/2016	118097	VALLEY OFFICE EQUIPMENT, INC.	116.04
08/30/2016	118098	SEE PAYROLL CATEGORY, JOHN R. JETER	
08/30/2016	118099	CALPERS RETIREMENT	4,676.45
08/30/2016	118100	CALPERS 457-SIP	1,150.00
08/30/2016	118101	STANDARD INSURANCE COMPANY	420.36

**San Gorgonio Pass Water Agency**  
**Check History Report**  
August 1 through August 31, 2016

**ACCOUNTS PAYABLE (CON'T)**

<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
08/13/2016	505212	ELECTRONIC FEDERAL TAX PAYMENT SYSTEM	6,130.07
08/13/2016	506776	EMPLOYMENT DEVELOPMENT DEPARTMENT	1,032.02
08/30/2016	567038	EMPLOYMENT DEVELOPMENT DEPARTMENT	1,150.43
08/30/2016	585072	ELECTRONIC FEDERAL TAX PAYMENT SYSTEM	8,219.46
08/14/2016	900124	DEPARTMENT OF WATER RESOURCES	318,391.00
08/31/2016	900125	DEPARTMENT OF WATER RESOURCES	601,655.00
TOTAL ACCOUNTS PAYABLE CHECKS			<u>1,051,121.94</u>

**PAYROLL**

		<u>CHECKS</u>	
<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
08/30/2016	118098	JOHN R. JETER	724.41
TOTAL PAYROLL CHECKS			<u>724.41</u>

		<u>DIRECT DEPOSIT</u>	
<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
08/12/2016	801247	JEFFREY W. DAVIS	4,316.25
08/12/2016	801248	WILLIAM E. DICKSON	942.50
08/12/2016	801249	KENNETH M. FALLS	2,915.12
08/12/2016	801250	CHERYLE M. RASMUSSEN	2,119.57
08/12/2016	801251	THOMAS W. TODD, JR.	3,306.77
08/30/2016	801252	BLAIR M. BALL	2,050.95
08/30/2016	801253	JEFFREY W. DAVIS	4,316.25
08/30/2016	801254	RONALD A. DUNCAN	1,139.41
08/30/2016	801255	KENNETH M. FALLS	3,243.52
08/30/2016	801256	DAVID L. FENN	461.53
08/30/2016	801257	MARY ANN HARVEY-MELLEBY	1,139.41
08/30/2016	801258	CHERYLE M. RASMUSSEN	2,119.57
08/30/2016	801259	LEONARD C. STEPHENSON	1,139.41
08/30/2016	801260	THOMAS W. TODD, JR.	3,306.77
TOTAL PAYROLL DIRECT DEPOSIT			<u>32,517.03</u>
TOTAL PAYROLL			<u>33,241.44</u>
TOTAL DISBURSEMENTS FOR AUGUST, 2016			<u><u>1,084,363.38</u></u>

SAN GORGONIO PASS WATER AGENCY  
New Vendors List  
September, 2016

Vendor - Name and Address	Expenditure Type
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SPEC Services, Inc. 10540 Talbert Ave. #100 East; Fountain Valley, CA 92708	Field Maintenance
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**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	160831	LEGAL SERVICES AUG16	15,815.36

TOTAL PENDING INVOICES FOR AUGUST 2016

15,815.36

**SAN GORGONIO PASS WATER AGENCY  
BANK RECONCILIATION  
August 31, 2016**

BALANCE PER BANK AT 08/31/2016 - CHECKING ACCOUNT 236,226.88

LESS OUTSTANDING CHECKS

<u>CHECK NUMBER</u>	<u>AMOUNT</u>	<u>CHECK NUMBER</u>	<u>AMOUNT</u>
118083	1,600.00	118099	4,676.45
118093	125.00	118100	1,150.00
118094	31.22	118101	420.36
118098	724.41		
	<u>2,480.63</u>		<u>6,246.81</u>

TOTAL OUTSTANDING CHECKS (8,727.44)

BALANCE PER GENERAL LEDGER 227,499.44

BALANCE PER GENERAL LEDGER AT 07/31/2016 518,104.25

CASH RECEIPTS FOR AUGUST 793,893.30

CASH DISBURSEMENTS FOR AUGUST

ACCOUNTS PAYABLE - CHECK HISTORY REPORT (1,051,121.94)

NET PAYROLL FOR AUGUST (33,241.44) (1,084,363.38)

BANK CHARGES (134.73)

TRANSFER FROM LAIF OR WELLS FARGO 675,000.00

TRANSFER TO LAIF OR WELLS FARGO (675,000.00)

BALANCE PER GENERAL LEDGER AT 8/31/2016 227,499.44

REPORT PREPARED BY:

  
Cheryl Rasmussen

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

<u>DATE</u>	<u>RECEIVED FROM</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>TOTAL DEPOSIT AMOUNT</u>
<b>DEPOSIT TO CHECKING ACCOUNT</b>				
8/1/16	RIVERSIDE COUNTY	PROPERTY TAXES	21,485.47	21,485.47
8/1/16	RIVERSIDE COUNTY	PROPERTY TAXES	20,920.80	20,920.80
8/2/16	BCVWD	WATER SALES	260,170.22	260,170.22
8/11/16	CITY OF BANNING	WATER SALES	51,988.00	51,988.00
8/16/16	BCVWD	WATER SALES	260,257.00	260,257.00
8/23/16	CITY OF BANNING	WATER SALES	41,210.00	
8/23/16	YVWD	WATER SALES	30,325.26	71,535.26
8/26/16	STATE OF CALIF/DWR	DEBT SERVICE REFUND	41,709.00	
8/26/16	STATE OF CALIF/DWR	BOND COVER REFUND	12,165.00	
8/26/16	STATE OF CALIF	PRO. ENGINEER REFUND	57.50	53,931.50
8/26/16	TVI	CD - BOND INTEREST	26,292.79	26,292.79
8/29/16	AMERICAN TOWER	SERVICE CONTRACT FEE	1,500.00	
8/29/16	AMERICAN TOWER	CELL TOWER LEASE FY16-17	25,461.60	
8/29/16	STATE OF CALIF/DWR	MISCELLANEOUS REFUND	350.66	27,312.26
TOTAL FOR AUGUST 2016			793,893.30	793,893.30



**SAN GORGONIO PASS WATER AGENCY**  
**BUDGET REPORT FY 2016-17**  
**BUDGET VS. REVISED BUDGET VS. ACTUAL**  
**FOR THE TWO MONTHS ENDING ON AUGUST 31, 2016**

FOR THE FISCAL YEAR JULY 1, 2016 - JUNE 30, 2017

	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
<b>GENERAL FUND - INCOME</b>					
<b>INCOME</b>					
WATER SALES	3,993,000		3,993,000	331,792.26	91.69%
TAX REVENUE	2,240,000		2,240,000	99,835.25	95.54%
INTEREST	64,000		64,000	10,088.21	84.24%
CAPACITY FEE	0		0	0.00	0.00%
GRANTS	0		0	0.00	0.00%
OTHER (REIMBURSEMENTS, TRANSFERS)	69,000		69,000	27,019.10	60.84%
<b>TOTAL GENERAL FUND INCOME</b>	<b>6,366,000</b>	<b>0</b>	<b>6,366,000</b>	<b>468,734.82</b>	<b>92.64%</b>
<b>GENERAL FUND - EXPENSES</b>					
<b>COMMODITY PURCHASE</b>					
PURCHASED WATER	3,875,000		3,875,000	241,634.00	93.76%
<b>TOTAL COMMODITY PURCHASE</b>	<b>3,875,000</b>	<b>0</b>	<b>3,875,000</b>	<b>241,634.00</b>	<b>93.76%</b>
<b>SALARIES AND EMPLOYEE BENEFITS</b>					
SALARIES	431,000		431,000	70,763.17	83.58%
PAYROLL TAXES	39,000		39,000	6,680.32	82.87%
RETIREMENT	108,000		108,000	36,737.51	65.98%
OTHER POST-EMPLOYMENT BENEFITS (OPEB)	23,000		23,000	5,631.00	75.52%
HEALTH INSURANCE	52,000		52,000	12,759.18	75.46%
DENTAL INSURANCE	4,500		4,500	1,072.56	76.17%
LIFE INSURANCE	1,100		1,100	311.92	71.64%
DISABILITY INSURANCE	4,500		4,500	730.30	83.77%
WORKERS COMP INSURANCE	3,700		3,700	0.00	100.00%
SGPWA STAFF MISC. MEDICAL	10,000		10,000	688.68	93.11%
EMPLOYEE EDUCATION	1,000		1,000	0.00	100.00%
<b>TOTAL SALARIES AND EMPLOYEE BENEFITS</b>	<b>677,800</b>	<b>0</b>	<b>677,800</b>	<b>135,374.64</b>	<b>80.03%</b>

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**SAN GORGONIO PASS WATER AGENCY**  
**BUDGET REPORT FY 2016-17**  
**BUDGET VS. REVISED BUDGET VS. ACTUAL**  
**FOR THE TWO MONTHS ENDING ON AUGUST 31, 2016**

FOR THE FISCAL YEAR JULY 1, 2016 - JUNE 30, 2017

	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
<b>GENERAL FUND - EXPENSES</b>					
<b>ADMINISTRATIVE &amp; PROFESSIONAL</b>					
DIRECTOR EXPENDITURES					
DIRECTORS FEES	105,000		105,000	16,779.68	84.02%
DIRECTORS TRAVEL & EDUCATION	20,000		20,000	0.00	100.00%
DIRECTORS MISC. MEDICAL	32,000		32,000	2,137.41	93.32%
OFFICE EXPENDITURES					
OFFICE EXPENSE	18,000		18,000	929.14	94.84%
POSTAGE	1,000		1,000	37.43	96.26%
TELEPHONE	10,000		10,000	1,661.38	83.39%
UTILITIES	5,000		5,000	697.90	86.04%
SERVICE EXPENDITURES					
COMPUTER, WEB SITE AND PHONE SUPPORT	9,000		9,000	0.00	100.00%
GENERAL MANAGER & STAFF TRAVEL	20,000		20,000	2,236.15	88.82%
INSURANCE & BONDS	23,000		23,000	0.00	100.00%
ACCOUNTING & AUDITING	22,000		22,000	0.00	100.00%
STATE WATER CONTRACT AUDIT	5,000		5,000	2,506.00	49.88%
DUES & ASSESSMENTS	29,000		29,000	2,053.50	92.92%
SPONSORSHIPS	8,000		8,000	0.00	100.00%
OUTSIDE PROFESSIONAL SERVICES	650		650	650.00	0.00%
BANK CHARGES	1,600		1,600	276.76	82.70%
MISCELLANEOUS EXPENSES	1,000		1,000	2.79	99.72%
MAINTENANCE & EQUIPMENT EXPENDITURES					
TOOLS PURCHASE & MAINTENANCE	3,500		3,500	0.00	100.00%
VEHICLE REPAIR & MAINTENANCE	9,000		9,000	679.89	92.45%
MAINTENANCE & REPAIRS - BUILDING	11,000		11,000	1,539.31	86.01%
MAINTENANCE & REPAIRS - FIELD	6,500		6,500	14.10	99.78%
CONTRACT OPERATIONS AND MAINTENANCE	150,000		150,000	0.00	100.00%
COUNTY EXPENDITURES					
LAFCO COST SHARE	5,000		5,000	4,440.49	11.19%
ELECTION EXPENSE	175,000		175,000	0.00	100.00%
TAX COLLECTION CHARGES	9,500		9,500	242.49	97.45%
<b>TOTAL ADMINISTRATIVE &amp; PROFESSIONAL</b>	<b>679,750</b>	<b>0</b>	<b>679,750</b>	<b>36,884.42</b>	<b>94.57%</b>

**SAN GORGONIO PASS WATER AGENCY**  
**BUDGET REPORT FY 2016-17**  
**BUDGET VS. REVISED BUDGET VS. ACTUAL**  
**FOR THE TWO MONTHS ENDING ON AUGUST 31, 2016**

FOR THE FISCAL YEAR JULY 1, 2016 - JUNE 30, 2017

	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
<b>GENERAL FUND - EXPENSES</b>					
<b>GENERAL ENGINEERING</b>					
RECHARGE					
B.A.R.F. DESIGN + CONSTRUCTION			CAPITAL EXPENDITURE		
B.A.R.F. ENVIRONMENTAL MITIGATION			CAPITAL EXPENDITURE		
FERC/FLUME					
FLUME SUPPORT	40,000		40,000	6,903.39	82.74%
NEW WATER					
PROGRAMATIC EIR	75,000		75,000	0.00	100.00%
UPDATED STUDY ON AVAILABLE SOURCES	45,000		45,000	935.60	97.92%
SITES RESERVOIR	300,000		300,000	0.00	100.00%
BCVWD CONNECTION					
ENGINEERING	30,000		30,000	5,200.00	82.67%
CEQA	15,000		15,000	0.00	100.00%
INTEGRATED REGIONAL WATER MANAGEMENT PLAN (IRWMP)	5,000		5,000	0.00	100.00%
SGMA SUPPORT	15,000		15,000	0.00	100.00%
STUDIES					
USGS	100,000		100,000	0.00	100.00%
WATER RATE NEXUS STUDY	50,000		50,000	0.00	100.00%
WATER RATE FINANCIAL MODELING	30,000		30,000	0.00	100.00%
CAPACITY FEE NEXUS STUDY UPDATE	0		0	0.00	0.00%
SUPPORT - CAPACITY FEE & AGREEMENTS	0		0	0.00	0.00%
UPDATED UWMP	10,000		10,000	3,458.00	65.42%
OTHER PROJECTS					
BASIN MONITORING TASK FORCE	21,000		21,000	20,180.00	3.90%
BUNKER HILL CONJUNCTIVE USE PROJECT	20,000		20,000	0.00	100.00%
GENERAL AGENCY - CEQA AND GIS SERVICES	35,000		35,000	13,355.23	61.84%
<b>TOTAL GENERAL ENGINEERING</b>	<b>791,000</b>	<b>0</b>	<b>791,000</b>	<b>50,032.22</b>	<b>93.67%</b>

**SAN GORGONIO PASS WATER AGENCY**  
**BUDGET REPORT FY 2016-17**  
**BUDGET VS. REVISED BUDGET VS. ACTUAL**  
**FOR THE TWO MONTHS ENDING ON AUGUST 31, 2016**

FOR THE FISCAL YEAR JULY 1, 2016 - JUNE 30, 2017

	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
<b>GENERAL FUND - EXPENSES</b>					
<b>LEGAL SERVICES</b>					
LEGAL SERVICES - GENERAL	175,000		175,000	26,001.43	85.14%
<b>TOTAL LEGAL SERVICES</b>	175,000	0	175,000	26,001.43	85.14%
<b>CONSERVATION &amp; EDUCATION</b>					
SCHOOL EDUCATION PROGRAMS	10,000		10,000	0.00	100.00%
ADULT EDUCATION PROGRAMS	5,000		5,000	0.00	100.00%
OTHER CONSERVATION, EDUCATION AND P. R.	20,000	15,000	35,000	1,190.42	96.60%
<b>TOTAL CONSERVATION &amp; EDUCATION</b>	35,000	15,000	50,000	1,190.42	97.62%
<b>GENERAL FUND CAPITAL EXPENDITURES</b>					
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	37,000		37,000	0.00	100.00%
MT. VIEW TURNOUT + B.A.R.F. CONSTRUCTION	0		0	31,125.01	
SBVMWD PIPELINE CAPACITY PURCHASE	330,000		330,000	0.00	100.00%
<b>TOTAL GENERAL FUND CAPITAL EXPENDITURES</b>	387,000	0	387,000	31,125.01	91.96%
<b>TRANSFERS TO OTHER FUNDS</b>	0	0	0	0.00	
<b>TOTAL GENERAL FUND EXPENSES</b>	6,620,550	15,000	6,635,550	522,242.14	92.13%
<b>TRANSFERS FROM RESERVES</b>	300,000		300,000		
<b>TOTAL TRANSFERS FROM RESERVES</b>	300,000	0	300,000	0	
<b>GENERAL FUND NET INCOME YEAR TO DATE</b>	45,450	-15,000	30,450	-53,507.32	

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**SAN GORGONIO PASS WATER AGENCY**  
**BUDGET REPORT FY 2016-17**  
**BUDGET VS. REVISED BUDGET VS. ACTUAL**  
**FOR THE TWO MONTHS ENDING ON AUGUST 31, 2016**

FOR THE FISCAL YEAR JULY 1, 2016 - JUNE 30, 2017					
	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
<b>DEBT SERVICE FUND - INCOME</b>					
<b>INCOME</b>					
TAX REVENUE	19,350,000		19,350,000	660,080.35	96.59%
INTEREST	170,000		170,000	33,773.56	80.13%
GRANTS	0		0	0.00	0.00%
DWR CREDITS - BOND COVER, OTHER	3,170,000		3,170,000	54,224.66	98.29%
<b>TOTAL DEBT SERVICE FUND INCOME</b>	<b>22,690,000</b>	<b>0</b>	<b>22,690,000</b>	<b>748,078.57</b>	<b>96.70%</b>
<b>DEBT SERVICE FUND - EXPENSES</b>					
<b>EXPENSES</b>					
SALARIES	52,000		52,000	9,333.16	82.05%
PAYROLL TAXES	4,000		4,000	713.95	82.15%
BENEFITS	28,000		28,000	7,471.41	73.32%
SWC CONTRACTOR DUES	33,000		33,000	32,911.00	0.27%
STATE WATER CONTRACT PAYMENTS	18,600,000		18,600,000	1,230,981.00	93.38%
PURCHASED WATER	5,000		5,000	271.00	94.58%
STATE WATER PROJECT LEGAL SERVICES	0		0	0.00	0.00%
USGS	0		0	0.00	0.00%
CONTRACT OPERATIONS AND MAINTENANCE	120,000		120,000	0.00	100.00%
SWP ENGINEERING	30,000		30,000	0.00	100.00%
DEBT SERVICE UTILITIES	10,000		10,000	1,755.00	82.45%
TAX COLLECTION CHARGES	60,000		60,000	1,401.05	97.66%
<b>TOTAL DEBT SERVICE FUND EXPENSES</b>	<b>18,942,000</b>	<b>0</b>	<b>18,942,000</b>	<b>1,284,837.57</b>	<b>93.22%</b>
<b>TRANSFERS FROM RESERVES</b>			<b>0</b>	<b>0.00</b>	
<b>DEBT SERVICE NET INCOME YEAR TO DATE</b>	<b>3,748,000</b>	<b>0</b>	<b>3,748,000</b>	<b>-536,759.00</b>	

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## MEMORANDUM

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**TO:** Board of Directors

**FROM:** General Manager

**RE:** Sponsorship of Beaumont Chamber Event

**DATE:** October 3, 2016

**Summary:**

The purpose of this proposed Board action is to determine if the Board wishes to be a sponsor of a Pass Area Region Economic Presentation featuring Dr. John Husing. The event is being produced by the Beaumont Chamber of Commerce.

**Background:**

Dr. Husing is a longtime Inland Empire-based economist who specializes in issues of Inland Empire growth, demographics, employment, and education. He speaks in the Pass area about every other year. His presentations are always informative and he is always entertaining.

The Beaumont Chamber of Commerce is seeking both attendants to the event as well as co-sponsors. Event and sponsorship information are included in the agenda package.

**Fiscal Impact:**

The General Fund budget includes \$8000 for sponsorships. If the Board wishes to be a sponsor of this event, the funds are covered in the budget; thus there would be no appreciable fiscal impact.

**Relationship to Strategic Plan:**

The strategic plan includes a communications plan that strives to increase the Agency's name identification and role in the community. Sponsorship of such an event would be consistent with the strategic plan.

**Recommendation:**

Staff has no recommendation.



## BEAUMONT CHAMBER OF COMMERCE IS HOSTING A PASS AREA REGION ECONOMIC PRESENTATION

Featuring **JOHN HUSING**



### SPONSORSHIP OPPORTUNITIES

_____	FEATURED EVENT SPONSOR (Incl. 4 tickets)	\$2000.00
_____	PREMIERE SPONSOR (Incl. 2 tickets)	\$1000.00
_____	PLATINUM SPONSOR (Incl. 2 tickets)	\$ 500.00
_____	GOLD SPONSOR (Incl. 2 ticket)	\$ 250.00
_____	SILVER SPONSOR (Incl. 1 ticket)	\$ 100.00

Save the Date: October 19, 2016 - 11:00 am to 1:00 pm

Tukwet Canyon Golf Club – 36211 Champions Drive Beaumont, Ca. 92223

For Additional Information and Reservations Call 951 845 9541

Email: [director@beaumontchamber.com](mailto:director@beaumontchamber.com) - Fax: 951-769-9080

.....  
Sponsor Name \_\_\_\_\_

Company Name \_\_\_\_\_

Company Address \_\_\_\_\_ Contact Number \_\_\_\_\_

Contact Email \_\_\_\_\_

Additional Lunch tickets \_\_\_\_\_ @35.00 each \_\_\_\_\_



BEAUMONT CHAMBER OF COMMERCE IS HOSTING A  
PASS AREA REGION ECONOMIC PRESENTATION

Featuring: **DR. JOHN HUSING**



Please join us for this Luncheon Event

Wednesday October 19, 2016 - 11:00 am to 1:00pm

Tukwet Canyon Golf Club 36211 Champions Drive Beaumont 92223

Reservations: 951 845 9541 or Email: [Director@beaumontcchamber.com](mailto:Director@beaumontcchamber.com)

Reservation Deadline October 13, 2016

**SPONSORS TO DATE:**

BANK OF HEMET- MT SAN JACINTO COLLEGE - HOME INSTEAD SENIOR CARE

ST. STEPHENS EPISCOPAL CHURCH SAN GORGONIO MEMORIAL HOSPITAL

ACCURATE TAX SERVICE - MORONGO BAND OF MISSION INDIANS

BOGH ENGINEERING - HAYWARD, TILTON & ROLAPP INSURANCE

\*\*\*\*\*

Names Attending: \_\_\_\_\_

-----  
Company Name \_\_\_\_\_

Company Address \_\_\_\_\_ Contact Number \_\_\_\_\_

Contact Email \_\_\_\_\_ # Lunch tickets \_\_\_\_\_ @35.00 each

Total Amount enclosed: \_\_\_\_\_



## MEMORANDUM

---

**TO:** Board of Directors

**FROM:** General Manager

**RE:** ACWA Sponsorship

**DATE:** October 3, 2016

**Summary:**

The purpose of this proposed Board action is to determine if the Board wishes to be a sponsor of the ACWA Fall conference.

**Background:**

The Agency has long been a member of ACWA, the Association of California Water Agencies. Several Board members attend ACWA conferences, especially ones in Southern California. The conference this Fall will be in Anaheim. ACWA is seeking sponsors of the event. Information is included in the agenda package. The information includes sponsorship levels as well as benefits of sponsorship.

**Detailed Report:**

In addition to attending ACWA conferences, the Agency' Board has in the past sponsored ACWA events. The most recent example is a \$1000 sponsorship of a water bond briefing in May 2014.

**Fiscal Impact:**

The Agency's General Fund budget includes \$8000 for sponsorships, and the Board recently voted to sponsor the State of the County event at the Morongo Casino for \$1000. Thus, \$7000 of the budgeted amount is available for use if so desired.

**Relationship to Strategic Plan:**

The strategic plan includes a communications plan that strives to increase the Agency's name identification and role in the community. Sponsorship of such an event would be consistent with the strategic plan.

**Recommendation:**

Staff has no recommendation.

2016

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YOU CAN  
MAKE A  
HUGE  
splash!

ASSOCIATION OF CALIFORNIA WATER AGENCIES

## Sponsorship Program

ACWA's sponsorship opportunities allow organizations to partner with the association in presenting conferences and programs while gaining visibility in the state's water community.

*Your organization must be an ACWA public agency member or an associate or affiliate "Friend of ACWA" to participate in the sponsorship program.*

- **Sponsorship Program Overview**

- **Levels of Sponsorship & Benefits**

- **Sponsorship Opportunities**

*Questions about sponsorship?*

Contact Paula Currie at [PaulaC@acwa.com](mailto:PaulaC@acwa.com)  
or call 916-441-4545



**Association  
of California  
Water Agencies**  
Since 1910  
Leadership • Advocacy  
Info



# Sponsorship Program Overview

Throughout each calendar year ACWA hosts a variety of events which provide the opportunity to get your organization's name out in front of the California water community.

When you become an ACWA sponsor, your company joins forces with a century-old guiding force in California water policy. You will gain recognition and the opportunity to develop relationships with California's immense water community.

Whether developing new relationships with water leaders or enhancing your current ones, ACWA offers many exciting opportunities.

As a sponsor, your organization will reach a targeted audience of California's water decision makers, which include:

- ◆ Directors
- ◆ General Managers
- ◆ Elected State and Federal Officials
- ◆ Attorneys
- ◆ Communications Professionals
- ◆ Engineers
- ◆ Financial Managers
- ◆ Human Resource Managers
- ◆ Water Quality Specialists
- ◆ Other Key Staff of Public Agencies

# Levels of Sponsorship & Benefits

QUESTIONS? Contact Paula Currie  
PaulaC@acwa.com / 916-441-4545

Total sponsorship dollars donated over a one-year (January-December) calendar period qualifies your organization for the levels detailed below.

BENEFITS	BRONZE \$1,000+	SILVER \$3,000+	GOLD \$6,500+	PLATINUM \$10,000+	DIAMOND \$15,000+
Company representatives identified as sponsors on their ACWA conference name badges	✓	✓	✓	✓	✓
Acknowledgement in ACWA News, which is read by more than 5,500 water leaders	✓	✓	✓	✓	✓
Listing on ACWA website with link to sponsor's website	✓	✓	✓	✓	✓
Listing on banners and/or signs at ACWA events	✓	✓	✓	✓	✓
Listing in conference program booklet	✓	✓	✓	✓	✓
Company logo displayed on media presentation during fall conference meal functions	✓	✓	✓	✓	✓
Roster of conference attendees	✓	✓	✓	✓	✓
Admittance into Sponsor Lounge at each conference	✓	✓	✓	✓	✓
Roster of ACWA Public Agencies' General Managers				✓	✓
Roster of ACWA Public Agencies' Board Members				✓	✓
Article highlighting sponsor in ACWA News				✓	✓
Presentation of Sponsorship plaque at Fall Conference meal function				✓	✓
Complimentary full-page ad in the Fall Conference program booklet. Ad's location determined by ACWA.					✓
One complimentary exhibit booth to be used at the Fall Conference					Exhibit Booth at Fall Conference
One invitation for a representative to attend the ACWA Board of Directors November board dinner					1 Invitation
Complimentary conference registration package(s) to be used in 2017		1 Package	2 Packages	3 Packages	4 Packages



# Sponsorship Opportunities to Dive Deeper!

Throughout the calendar year, ACWA hosts a variety of events which provide the opportunity to get your organization's name out in front of the California water community.

*The dollar amounts listed are for cosponsorships of these items/events. However, any item/event can be exclusively sponsored by a single organization.*

## SPRING & FALL CONFERENCES

Program Booklet Ad: **ALL ADS NOW IN COLOR!**

back cover (1 spot)	SPONSORED
inside covers (2 spots: front/back)	SPONSORED
full page	\$1,600
1/2-page	\$1,000
1/4-page	\$700

Meal Functions:

Welcome Reception in the Exhibit Hall	\$1,500
Tuesday Committee Meetings Lunch	\$1,500
Wednesday Opening Breakfast	\$2,500
Wednesday Lunch	\$2,500
Thursday Networking Continental Breakfast	\$1,500
Thursday Lunch	\$2,500
Thursday Dinner & Entertainment	\$2,500
Friday Breakfast	\$2,000

Other Opportunities:

New Water Professionals Reception	\$2,000
Outreach Reception	\$2,000
Ice Cream/Snack Break	\$2,000
Opening Breakfast Media Presentation	\$2,000
Mobile App Banner Ad	\$1,500
Tote Bags	SPONSORED
Badges/Lanyards (2 spots)	SPONSORED
Notebooks	SPONSORED
Fruit-infused Water Stations	\$1,500
Water Bottles	Request Pricing
Welcome Treat/Give-Away	Request Pricing

## OTHER ACWA EVENTS

You can specify a dollar amount that you authorize ACWA to apply towards any of the following events.

- Washington, D.C. Conference
- Legislative Symposium
- Continuing Legal Education Workshop
- Regulatory Summit
- Region Events

## BE AN EXCLUSIVE SPONSOR

Any item/event can be exclusively sponsored by a single organization. Contact Paula Currie to discuss how you can be an exclusive sponsor.

## CREATE YOUR OWN

If you have a specific idea that is not listed or would like to discuss "in-kind" items, please contact Paula Currie at [PaulaC@acwa.com](mailto:PaulaC@acwa.com) or 916-441-4545.

### **Please Note:**

*Sponsorship opportunities are on a first come, first serve basis. ACWA reserves the right to refuse any ad or sponsorship.*

# Thank You!

**QUESTIONS?** Contact Paula Currie: [PaulaC@acwa.com](mailto:PaulaC@acwa.com) / 916-441-4545

## MEMORANDUM

---

**TO:** Board of Directors

**FROM:** General Manager

**RE:** CSDA Committee Appointments

**DATE:** October 3, 2016

### **Summary:**

The purpose of this proposed Board action item is to determine if the Board wishes to appoint a member of staff to a CSDA (California Special Districts Association) committee in 2017.

### **Background:**

The Agency has been a member of the California Special District Association (CSDA) for a number of years. Board members have found that CSDA produces high quality workshops and seminars for Board members. It also keeps up with legislation that impacts California Special Districts and is a resource for information on special districts.

### **Detailed Report:**

Last year, the Board appointed Finance Manager Tom Todd to the CSDA Fiscal Committee. He is currently serving on this committee. The deadline to appoint members to CSDA committees for 2017 is approaching later this month. If the Board wishes the Agency to be represented on a committee, it must make an appointment at today's Board meeting.

The Finance Manager has agreed to serve on the committee another year if appointed by the Board. Staff feels that if the Agency is going to be a member of an organization such as CSDA, that the Agency should participate in that organization's activities at some level. The Fiscal Committee meets three times per year. Two of the meetings can be attended via conference call, leaving only a maximum of one that requires travel to Sacramento.

**Fiscal Impact:**

The General Fund includes funds for General Manager and Staff travel. Should the Board appoint the Finance Manager to another year on this committee, the cost of any travel would be covered in this budget item.

**Relationship to Strategic Plan:**

There is no direct relationship to the strategic plan. However the strategic plan does include a communication plan that calls for the Agency to participate in similar types of activities.

**Recommendation:**

Staff recommends that the Board appoint the Finance Manager to CSDA's Fiscal Committee for 2017 for a second consecutive year.



**California Special  
Districts Association**  
*Districts Stronger Together*

## MEMORANDUM

**DATE:** August 1, 2016

**TO:** CSDA Members (Regular, Associate, and Business Affiliate)

**FROM:** Bill Nelson, CSDA President  
Neil McCormick, Chief Executive Officer

**SUBJECT:** 2017 CSDA Committee & Expert Feedback Team Participation

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CSDA's strength and effectiveness as an organization is directly related to our ability to involve the member district board members and staff and Business Affiliate members in the work of the association. The talents and energy that both groups bring to CSDA and to the issues that concern special districts in California through active involvement are critical components of CSDA's success.

With this in mind, we are asking for volunteers from your district or company (staff and/or board members) to participate and contribute on one or more of our committees and/or expert feedback teams to assist in shaping CSDA.

If you or any others from your district or company would like to become even more involved as a member of CSDA, please review and complete the form included with this letter. Committees need dedicated participants who are able to expend the time to provide their expertise in directing the activities and policies of CSDA. CSDA does not reimburse for committee related travel expenses.

In regard to **CSDA's Expert Feedback Teams**, when a need for feedback arises on a particular policy matter, CSDA advocacy staff will send an e-mail to an expert feedback team asking for its input. Team members need only reply with their thoughts, opinions and experiences. The workload of a team member will ultimately be what he or she makes of it. Team members will not be required to travel; they should expect to receive a handful of e-mails each month and, on rare occasions, they may be contacted by phone.

Please return the attached form by **5:00 PM on October 14, 2016**. The selection and ratification of CSDA's 2017 committees will take place in November and selected participants will be notified by the end of November 2016. Committee participation begins in January 2017.

**Thank you for your continued support of CSDA!**

**California Special Districts Associations**  
1112 I Street, Suite 200  
Sacramento, CA 95814  
Toll Free: 877-924-CSDA (2732)  
Phone: 916-442-7887  
Fax: 916-442-7889

**A proud California Special Districts Alliance partner**  
**Special District Risk Management Authority** **CSDA Finance Corporation**  
1112 I Street, Suite 300  
Sacramento, CA 95814  
Toll Free: 800-537-7790  
Fax: 32 / 55 11  
1121 I Street, Suite 200  
Sacramento, CA 95814  
Toll Free: 877-924-CSDA (2732)  
Fax: 916-442-7889





**California Special  
Districts Association**

*Districts Stronger Together*

**2017 COMMITTEE AND EXPERT FEEDBACK TEAM  
INTEREST FORM**

Please make additional copies for each participant.  
***Please use actual contact information where you can be reached***

Name: \_\_\_\_\_

Title/Position: \_\_\_\_\_

District/Company: \_\_\_\_\_

Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_

E-mail: \_\_\_\_\_

**COMMITTEES:** We hope your District or Company will participate in one or more of CSDA's committees. The CSDA Board of Directors encourages the participation of individuals from member agencies and Business Affiliates on CSDA's committees. As space is limited, please choose more than one committee which you would like to participate on, and please rank according to preference: **1 = 1<sup>st</sup> choice; 2 = 2<sup>nd</sup> choice; 3 = 3<sup>rd</sup> choice**

If we are able to place you on more than one committee, how many committees would you like to serve on?  
\_\_\_\_\_ (maximum 3)

**NOTE:** All committees meet in-person at least twice annually. Committees generally meet in Sacramento, however locations may vary.

\_\_\_\_\_ **Audit Committee:** Responsible for maintaining and updating internal controls. Provides guidance to auditors regarding possible audit and fraud risks. Commitment: May meet with auditors prior to the commencement of the audit, when audit is completed and possibly one meeting during the auditing process. Financial experience preferred.

\_\_\_\_\_ **Professional Development Committee:** Plans, organizes and directs the professional development and events for CSDA. Commitment: Meets at least twice annually.

\_\_\_\_\_ **Elections & Bylaws Committee:** Conducts annual elections and occasionally reviews bylaws upon request of the CSDA Board, members or as needed. Commitment: Minimum of one meeting in Sacramento.

\_\_\_\_\_ **Fiscal Committee:** Oversees the financial direction of the organization including budget review and implementation. Commitment: Meets at least three times annually. Financial experience preferred.

\_\_\_\_\_ **Member Services Committee:** Responsible for recruitment of new members, member retention, development of new member benefits and review of current programs. Commitment: Meets at least twice annually.

\_\_\_\_\_ **Legislative Committee (space is limited):** Develops CSDA's legislative agenda; reviews, directs and assists with legislative/public policy issues. Commitment: Meets up to six times a year in Sacramento. Attending CSDA's Special Districts Legislative Days (May 16-17) and Annual Conference (September 25-28) is expected if you serve on this committee. All 2017 Legislative Committee applicants are invited to join the 2016 committee members and CSDA staff for a legislative planning session on November 3, 2016.

Each Legislative Committee member will be assigned to 1 or 2 working groups. Please rank from 1 to 6 which working groups you prefer to serve on (1 being most preferred):

- \_\_\_\_\_ Environment Working Group
- \_\_\_\_\_ Formation & Reorganization Working Group
- \_\_\_\_\_ Governance Working Group
- \_\_\_\_\_ Human Resources & Personnel Working Group
- \_\_\_\_\_ Public Works & Facilities Working Group
- \_\_\_\_\_ Revenue Working Group

I prefer to serve on \_\_\_\_ (1 or 2) Legislative Committee working groups

\_\_\_\_\_ **Alternative Option: CSDA Blog and Legislative Distribution List** - Because seats are limited on the Legislative Committee, CSDA has created an alternative option whereby members can receive the same legislative information via email that Legislative Committee members receive. Members on this list will be subscribed to receive "real-time" e-mail updates from the CSDA Blog and will be copied on Legislative Committee e-mails. Select this option instead of the Legislative Committee if you are unable to meet the requirements of serving on the Legislative Committee, but still want to keep informed of the latest legislative issues impacting special districts and provide input to CSDA as appropriate.

**EXPERT FEEDBACK TEAMS:** In order for CSDA to quickly and effectively gauge the impact new laws may have on special districts, we depend on the expertise of the people who are directly impacted in the field. If you have firsthand experience in one or more of the areas below, please join CSDA's Expert Feedback Team.

\_\_\_\_\_ **Environment:** CEQA; Greenhouse Gas/AB 32; Land Use; Renewable Energy; Sustainable Communities/SB 375

\_\_\_\_\_ **Formation & Reorganization:** LAFCO

\_\_\_\_\_ **Governance:** Audits and Reporting; Bankruptcy; Elections; Ethics; Mandates and Mandate Reimbursement; Political Reform/Conflict of Interest/FPPC; Transparency and Accountability

\_\_\_\_\_ **Human Resources & Personnel:** Contracted Services; Occupational Safety; Labor Relations; Retirement and Other Benefits; Workers' Compensation and Other Insurance

\_\_\_\_\_ **Legal:** General legal matters affecting special districts

\_\_\_\_\_ **Public Works & Facilities:** Bidding Process (Design Build, JOC, P3, Best Value); Bonds and Financings; Indemnification; Prevailing Wage; Retention Proceeds

\_\_\_\_\_ **Revenue:** Benefit Assessments; Fees/Prop 218; Mello-Roos/CFDs; Property Taxes; Redevelopment Agencies/(E)FIDs; Special Taxes

Committee and Expert Feedback Team participation is open to both member district board members and staff as well as Business Affiliates. **Please note that the Association does not reimburse any expenses incurred from this participation.** CSDA is committed to keeping travel costs to a minimum for committee members and handles a significant amount of committee work through webinars, conference calls and e-mail; however, most committees do meet at least two times a year in person.

**\*Either the District GM/Board President or Company President must authorize below**

\*Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Please return this completed form to Charlotte Lowe at CSDA by mail, fax (916) 442-7889 or email [charlottel@csla.net](mailto:charlottel@csla.net) no later than **5:00 PM on Friday, October 14, 2016.**

## MEMORANDUM

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**TO:** Board of Directors

**FROM:** General Manager

**RE:** Cost Sharing Agreement with SBVMWD re Construction Dispute

**DATE:** October 3, 2016

### **Summary:**

This cost sharing agreement is being brought to the Board based on direction that the Board provided to staff at the September 6 Board meeting. It relates to 50/50 cost sharing with San Bernardino Valley Municipal Water District on certain costs associated with monitoring a legal dispute between the Department of Water Resources and one of its contractors on the East Branch Extension.

### **Background:**

One of the contractors who performed work for Phase 2 of the East Branch Extension, Spiniello Companies, has filed a claim against the Department of Water Resources for several million dollars. The claim relates to “changed site conditions” and alleges that insufficient native backfill material was available for pipeline construction, thus necessitating additional costs and an extension of the schedule. Should the claim be upheld, the Agency and the San Bernardino Valley Municipal Water District (Valley District) may be liable for the cost. This would amount to several million dollars on the part of the Agency.

### **Detailed Report:**

Valley District has previously retained Mary Salamone of Atkinson, Andelson, Loya, Ruud & Romo (Atkinson Andelson) to review this matter. In order to share any information gathered, and in order to maintain the confidentiality of attorney-client privilege, the Agency has itself entered into an agreement with Atkinson Andelson, at the direction of the Board.

The purpose of this cost sharing agreement is to set forth a 50/50 cost share for all expenses incurred by Atkinson Andelson and its subconsultants. As discussed at the September 6 Board meeting, this is not expected to exceed \$30,000 or so at this time. Atkinson Andelson will send its invoices to Valley District, who will pay them directly and bill the Agency separately for our share of the costs. These costs will be paid as part of the Agency's quarterly bill to Valley District for operational and capital costs related to the East Branch Extension.

**Fiscal Impact:**

The short-term impact of this action will be minor; the Agency's share of approximately \$30,000. However it is possible that this expenditure could lead to saving millions of dollars, the Agency's share of the construction claim, should Atkinson Andelson be able to demonstrate certain facts regarding the claim.

**Relationship to Strategic Plan:**

There is no direct relationship to the strategic plan.

**Recommendation:**

Staff recommends that the Board authorize the General Manager to sign the cost sharing agreement with Valley District.

INTERAGENCY COST SHARING AGREEMENT  
MENTONE PIPELINE – EAST BRANCH EXTENSION  
CONSTRUCTION DISPUTE BETWEEN DWR AND DWR’S CONTRACTOR

THIS INTERAGENCY COST SHARING AGREEMENT ("Agreement") is made this \_\_\_\_\_ day of September, 2016, by and between the SAN GORGONIO PASS WATER AGENCY, a public agency ("Agency") and the SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT, a public agency ("District"). Agency and District are hereinafter sometimes collectively referred to as the "Parties" or individually as a "Party."

RECITALS

A. The California Department of Water Resources ("DWR") contracted with Spinello Companies ("DWR's Contractor") for the construction of the Mentone Pipeline – East Branch Extension ("Pipeline"). The Pipeline is to be built and owned by DWR. However, as the State Water Contractors that will be receiving water through the Pipeline, Agency and District have financial obligations to pay for construction; and

B. DWR's Contractor has filed a claim against DWR seeking compensation for what they allege to be changes in the work for which they seek additional compensation; and

C. Since Agency and District may ultimately be required to pay for such overages if DWR's Contractor were to prevail, the Parties desire to share the costs of retaining an attorney to review, analyze and monitor the litigation and resolution of this claim. That way, Agency and District can make their own judgment on the justification, if any, for DWR to ultimately seek payment for any such amounts from Agency and District; and

D. District previously retained Mary Salamone of Atkinson, Andelson, Loya, Ruud & Romo ("Atkinson Andelson") to start a review of this matter. In order to review and share any such studies or information between the Parties, and to preserve the confidentiality of an attorney-client privilege, Agency entered into its own agreement for legal services with Atkinson Andelson for review and analysis of the construction dispute between DWR and DWR's Contractor in connection with the Pipeline; and

F. Agency and District have both taken action to approve an equal cost sharing of the costs of such services to be rendered by Atkinson Andelson and the Parties desire to enter into this Agreement in order to memorialize this interagency cost sharing agreement.

NOW, THEREFORE, in consideration of the mutual covenants, promises, and conditions set forth in this Agreement, and for other good, valuable, and adequate consideration, the Parties hereto agree as follows:

1. Cost Sharing Agency and District shall each be responsible for payment of fifty percent (50%) of the periodic and final payment requests for services rendered Atkinson Andelson under the Parties' respective agreements with Atkinson Andelson.

(a) Atkinson Andelson will submit its invoices directly to District and District will be responsible for making payments to Atkinson Andelson of the full amount due and owing.

(b) From time to time, District shall provide a copy of said invoices to Agency along with a cover letter/email setting forth the calculation of the percentage amount due and owing by Agency. Within thirty (30) days of the date of said cover letter/email, Agency shall submit payment to District for Agency's percentage share as set forth in this Agreement. Neither Party shall be responsible for payment of any amounts in excess of its percentage shares as set forth herein, without the prior written consent of the Party being requested to pay such additional amount.

(c) If Agency objects to any portion of the statement or calculation, it shall provide written notice to District of said objections within ten (10) days from the date of the District cover letter/email and the Parties shall then engage in good faith efforts to resolve such issues through informal discussions. In the event Agency does not submit such an objection to District within said 10-day period, Agency will be deemed to have approved said statement. In regard to any objection regarding the services performed by Atkinson Andelson, the Parties shall jointly seek to resolve such issues with Atkinson Andelson.

2. Term and Termination This Agreement shall be effective on the date of full execution of this Agreement by both parties ("Effective Date"). The term of this Agreement shall be from the Effective Date to the date of completion of performance of services under the Parties' respective agreements with Atkinson Andelson. This Agreement shall remain in effect during the term unless earlier terminated by either Party for any reason, or no reason, upon thirty (30) days prior written notice to the other Party. Any termination or expiration of this Agreement shall not relieve the Parties from their respective obligations to make payments under this Agreement. Regardless of the term, termination or expiration of this Agreement, each Party shall be responsible for performance and payment obligations under their respective agreements with Atkinson Andelson, except as otherwise specifically set forth in this Agreement.

### 3. General Provisions

(a) Relationship of the Parties Nothing contained in this Agreement shall be deemed or construed by the Parties or by any third person to create the relationship of principal and agent, or partnership or joint venture, or any association between District and Agency, and none of the provisions contained in this Agreement or any act of the Parties shall be deemed to create any relationship other than as specified herein, nor shall this Agreement be construed, except as expressly provided herein, to authorize either Party to act as the agent for the other.

(b) Representation of Authority Each Party represents to the other that it has the authority to enter into this Agreement and that the individual signing this Agreement on behalf of their respective Parties has the authority to execute this Agreement and to bind their respective Parties to the terms and conditions of this Agreement.

(c) Incorporation of Recitals The Recitals set forth above are incorporated herein and made an operative part of this Agreement.

(d) Invalidity and Severability If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

IN WITNESS WHEREOF, each of the Parties have caused this Agreement to be executed by its respective duly authorized officers. The effective date of this Agreement shall be the date first above written.

SAN GORGONIO PASS WATER AGENCY

\_\_\_\_\_  
By: \_\_\_\_\_

Title: \_\_\_\_\_

SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT

\_\_\_\_\_  
By: \_\_\_\_\_

Title: \_\_\_\_\_

## **RESOLUTION NO. 2016-06**

### **SAN GORGONIO PASS WATER AGENCY INVESTMENT POLICY AND GUIDELINES RESCINDING RESOLUTION #2015-10**

**BE IT RESOLVED** by the Board of Directors of the San Gorgonio Pass Water Agency (Agency) that the following is the policy and guidelines of the Agency for Investment of funds and that adoption of this Resolution 2016-06 does hereby revise and nullify Resolution 2015-10.

#### **INTRODUCTION**

It is the policy of the San Gorgonio Pass Water Agency to invest public funds in a manner which will provide maximum security with the highest investment return while meeting the daily cash flow demands of the Agency and conforming to all state and local statutes governing the investment of public funds.

The Agency operates its investment program with many federal, state and self-imposed constraints. **IT DOES NOT SPECULATE; IT DOES NOT DEAL IN FUTURES, OPTIONS, DERIVATIVES, SECURITY LOAN AGREEMENTS, OR MARGIN TRADING.**

#### **PURPOSE**

This statement is intended to provide a guideline for the prudent investment of cash not required for immediate expenditure, surplus funds and restricted monies, and to outline a policy for maximizing the efficiency of a cash management system.

#### **PRUDENCE**

Investments shall be made with judgment and care under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

The prudent-person policy of safety, liquidity, yield, and diversity, in that order, will prevail at all times.



## **DELEGATION OF AUTHORITY**

In accordance with Section 53607 of the Government Code of the State of California, the authority to invest public funds is expressly delegated to the legislative body for subsequent redelegation to the Treasurer.

The Agency has expressly delegated the investment authority of the Agency to the Treasurer and the Assistant Treasurer in Resolution Nos. 1994-09 and 2005-10.

No person may engage in an investment transaction except as provided under the terms of this policy. The Treasurer and Assistant Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinates.

Agency funds not required for immediate expenditure may be invested in compliance with the governing provisions of law and as further limited by the Policy established in this resolution as from time to time amended.

## **ETHICS AND CONFLICTS OF INTEREST**

Officers and employees involved in the investment process shall not engage in any personal business activity which could conflict with the proper execution of the Agency's investment program, or which could impair their ability to make impartial investment decisions. Employees and officers shall subordinate their personal investment transactions to those of the Agency, particularly with regard to the time of purchases and sales.

## **COMPUTATION OF INTEREST**

Pursuant to Government Code Section 53645, interest shall be computed and paid by the depository as follows:

- A. For active deposits upon which interest is payable, interest shall be computed on the average daily balance for the calendar quarter.
- B. For inactive deposits, interest shall be computed on a 360-day basis

## **ACCEPTABLE INVESTMENT INSTRUMENTS**

The Agency investment portfolio is limited to investments as specified below:

- 1. State of California Local Agency Fund (LAIF).
- 2. United States Treasury Instruments not to exceed two (2) years, purchased directly from the Federal Reserve Bank.

3. Certificates of Deposit (CDs), purchased through a major and reputable bank chartered in the United States, not to exceed thirty-six months. These must be insured by either of the following methods: 1) the aggregate value of CDs purchased from an individual institution may not exceed current FDIC limits, or 2) the aggregate value of CDs purchased must be collateralized to 110% of the invested amount. The Agency may not use a placement service provider to place deposits. The total of CDs purchased by the Agency may not exceed 30% of the Agency portfolio.
4. Repurchase agreements through a bank specifically for interest-bearing checking accounts.
5. Medium-Term Notes of a maximum of five years maturity issued by corporations organized and operating within the United States or any state. Notes eligible for investment shall be rated in a rating category of "A" or its equivalent or better by a nationally recognized rating service. No more than 30% of the market value of the portfolio may be invested in Medium-Term Notes.
6. Bond, notes, debentures, or any other obligations of, or securities issued by, any federal government agency, instrumentality, or government-sponsored enterprise.
7. Municipal Bonds. The Agency may invest in bonds issued by a state or local government agency, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency or by a department, board, agency, or authority of the local agency.
8. Money market mutual funds regulated by the Securities and Exchange Commission whose portfolios consist only of dollar-denominated securities.
9. Shares of beneficial interest issued by the Investment Trust of California (CalTRUST), authorized pursuant to California Government Code Section 53601(p).

Under Government Code Section 16429.1, a local agency having money in its treasury not required for immediate needs may remit the money to the Treasurer of the State of California for deposit in the Local Agency Investment Fund (LAIF).

The Board shall authorize in advance the purchase of any new authorized investment, except for purposes of cash management. For purposes of this policy, cash management is defined as a transfer out of the checking account to a liquid interest bearing account or a transfer into the checking account for purposes of paying a current bill.

## **AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS**

The Agency shall transact business only with banks and registered investment securities dealers. The dealers shall be either primary dealers authorized to buy and sell government securities in direct dealings with the Federal Reserve Bank

of New York, or regional dealers, qualifying under the Securities and Exchange Commission Rule 15c3-1. The Treasurer shall approve all dealers the Agency does business with. The Finance Manager shall send a copy of the current Investment Policy to all dealers approved to do business with the Agency. Signed Dealer/Broker Confirmation Certificates shall be kept on file documenting the dealer/broker/s understanding of the Agency's investment policy.

## **COMPLIANCE AND CONFLICT**

All investments made by the Agency shall be in full compliance with the California Government Code that is in force at the time the investment is made. If there is a conflict between this policy and the California Government Code, the California Government Code shall prevail.

**BE IT RESOLVED** that the investment policy shall be reviewed by the Finance and Budget Committee annually, and as frequently as necessary, to enable the Treasurer and Assistant Treasurer to respond to changing market conditions; and

**BE IT FURTHER RESOLVED** that each quarter the Treasurer and Assistant Treasurer shall furnish the Board of Directors a detailed listing of the current investments. Pursuant to Government Code Section 53646, the Treasurer and Assistant Treasurer may also render a statement showing the amount of accrued interest for each investment for the preceding quarter if so required by the Board of Directors.

Resolution #2016-06 was adopted upon roll call by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

I certify that the foregoing is a true, full and correct copy of Resolution #2016-06 adopted by the Board of Directors of the San Geronio Pass Water Agency at a regular meeting of the board of directors held on October 3, 2016.

**Draft - Not Approved**

---

Jeffrey W. Davis  
Secretary of the Board

## Investment Policy Review, September 26, 2016

### Current Policy statement regarding CDs:

3. Certificates of Deposit (CDs), purchased through a major and reputable bank chartered in the United States, not to exceed thirty months. These must be either collateralized to 110% of the invested amount or otherwise insured through CDARS (Certificate of Deposit Account Registry Service) or other programs.

### Suggested new policy statement regarding CDs:

3. Certificates of Deposit (CDs), purchased through a major and reputable bank chartered in the United States, not to exceed thirty-six months. These must be insured by either of the following methods: 1) aggregate value of CDs purchased from an individual institution may not exceed current FDIC limits, or 2) the aggregate value of CDs purchased must be collateralized to 110% of the invested amount. The Agency may not use a placement service provider to place deposits. The total of CDs purchased by the Agency may not exceed 30% of the Agency portfolio.

## MEMORANDUM

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**TO:** Board of Directors

**FROM:** General Counsel

**RE:** Consideration and possible action to approve Second Amendment to General Manager/Chief Engineer Employment Agreement

**DATE:** October 3, 2016

**Summary:**

Based on the direction provided by the Board from the recent performance evaluation, the Board would like to consider adoption of the attached Second Amendment To Employment Agreement – General Manager/Chief Engineer (“Second Amendment”). The Employment Agreement and First Amendment are also attached.

The Second Amendment would provide for an increase in the salary by 3%. As a result, the salary would be increased from \$172,584 per year to \$177,762 per year. The last salary increase took place under the Employment Agreement in 2014.

Taking into account the term of the Employment Agreement, which is based on July 1 of each year, the salary increase would be retroactive to July 1, 2016. Under the First Amendment, the term of employment is from July 1, 2015 through June 30, 2018.

**Recommendation:**

It is recommended that the Board take action to approve the Second Amendment to the Employment Agreement.

**SAN GORGONIO PASS WATER AGENCY: SECOND AMENDMENT TO  
EMPLOYMENT AGREEMENT – GENERAL MANAGER/ CHIEF ENGINEER**

This Second Amendment to Employment Agreement (this “Second Amendment”) between the SAN GORGONIO PASS WATER AGENCY (the “Pass Agency”) and JEFFREY W. DAVIS (the “General Manager/ Chief Engineer”), is entered into this 3rd day of October, 2016. Except as modified in this Second Amendment and the preceding First Amendment, the Employment Agreement, first dated July 28, 2014, between the Agency and the Employee shall remain in full force and effect. The parties to this Second Amendment agree to the following changes:

Section 6 entitled “SALARY” is hereby amended to reflect a three percent (3%) cost of living adjustment as follows:

“5. SALARY. Effective July 1, 2016, the gross salary shall be One Hundred and Seventy Seven Thousand, Seven Hundred and Sixty Two Dollars (\$177,762.00) per year. Additional increases during the term of this Agreement must be expressly approved by the Board and memorialized by subsequent written amendment to this Agreement.”

The Pass Agency and the General Manager/ Chief Engineer have duly executed this Second Amendment to Employment Agreement as of the date first written above.

**SAN GORGONIO PASS WATER AGENCY**

By: \_\_\_\_\_  
JOHN R. JETER,  
President, Board of Directors

\_\_\_\_\_  
JEFFREY W. DAVIS

# EMPLOYMENT AGREEMENT

## GENERAL MANAGER/CHIEF ENGINEER

This Employment Agreement is effective July 1, 2014 through June 30, 2015 between SAN GORGONIO PASS WATER AGENCY ("Pass Agency") and JEFFREY W. DAVIS ("General Manager/Chief Engineer").

### 1. RECITALS

- 1.1 General Manager/Chief Engineer has been employed by Pass Agency in such capacity since July 13, 2005 pursuant to a Memorandum of Employment terminable at-will by either party according to the terms thereof.
- 1.2 General Manager/Chief Engineer has notable, special skills and abilities concerning water district management, water supplies and water policies, as well as knowledge of Pass Agency's mission and goals as a State Water Contractor to supply State Water Project water to the San Gorgonio Pass Water Agency.
- 1.3 Pass Agency desires to extend the term of employment of the General Manager/Chief Engineer in order to continue the application of his experience, skills, abilities, background, and knowledge in the water industry to the administration, programs, and policies of the Pass Agency pursuant to the terms and conditions of this Employment Agreement.
- 1.4 General Manager/Chief Engineer desires to extend the term of employment by the Pass Agency as General/Chief Engineer on such terms and conditions as set forth herein.

**NOW, THEREFORE,** in consideration of the mutual promises and conditions in this Employment Agreement, it is agreed as follows:

2. **DUTIES, RESPONSIBILITIES, AND AUTHORITY.** General Manager/Chief Engineer shall devote his best efforts to utilize his experience, abilities, special skills, and knowledge to the fullest extent that is reasonably possible to carry out his duties, responsibilities, and authority as set forth in this Employment Agreement. His duties, responsibilities, and authority shall include, but not be limited to, the following:

- 2.1 Be responsible for administration and the activities of the Pass Agency under the direction and guidance of the Board of Directors. Direct, organize, plan, manage, administer, and supervise Pass Agency staff and handle all personnel matters including, but not limited to, hiring and termination of staff members.
- 2.2 Plan, direct, and coordinate, through subordinate level managers, Pass Agency's work plan; meet with management staff to identify and resolve problems; assign projects and programmatic areas of responsibility; review and evaluate work methods and procedures.

- 2.3 Select, train, motivate, and evaluate Pass Agency personnel.
- 2.4 Attend regular and committee meetings of the Pass Agency Board of Directors and meetings of the Pass Agency office staff. When directed by the Board or when it would be for the benefit of Pass Agency, attend and represent Pass Agency at meetings, conferences, and other activities of water associations and organizations of which Pass Agency is a contracting agency or a member and such other meetings and activities in which Pass Agency has an interest. Need approval of the Board to hold office in above-mentioned organizations.
- 2.5 Advise and consult with the President of the Board, Board members, Board Secretary, attorneys, consultants, and engineers, preparing and providing them with information, reports and studies regarding Pass Agency functions and issues of concern to Pass Agency which they request or which is necessary to the performance of their duties.
- 2.6 Assume Full management responsibility for all Pass Agency services and activities and recommend and administer Board policies and procedures.
- 2.7 Manage the development and implementation of Pass Agency goals, objectives, policies, and priorities; establish, within pass Agency policy, appropriate service, and staffing levels; allocate resources accordingly.
- 2.8 Continuously monitor and evaluate the efficiency and effectiveness of service delivery methods and procedures; assess and monitor work load, administrative and support systems and internal reporting relations; identify opportunities for improvement; direct implementation of changes.
- 2.9 Subject to 2.4 above, represent Pass Agency to outside agencies and organizations; explain, justify, and advocate Pass Agency programs, policies, and activities; negotiate and resolve sensitive, significant, and controversial issues, and keep the Board informed on such matters.
- 2.10 Direct development and administration of Pass Agency's budget; direct the forecast of additional funds needed for staffing, equipment, materials, and supplies; direct the monitoring of and approve expenditures; direct the preparation of and implement budgetary adjustments for approval by the Board.
- 2.11 Coordinate Pass Agency activities with outside agencies and organizations; provide staff assistance to the Board of Directors; prepare staff reports and other necessary correspondence.
- 2.12 Subject to Board approval, attend and participate in professional group meetings; stay abreast of the trends and innovations in the field of water distribution management and keep the Board informed on such matters.
- 2.13 Plan Board of Directors' agenda; prepare resource and background materials for agenda items; recommend Board action.



- 2.14 Represent the Board in employee association negotiations.
- 2.15 Develop and negotiate agreements with developers for Board consideration and action.
- 2.16 Respond to and resolve difficult and sensitive citizen inquiries and complaints.
- 2.17 Perform related duties and responsibilities as required.
- 2.18 Conduct the business and functions of Pass Agency, including, but not limited to, the purchase of water from the Department of Water Resources, sale of water to Pass Agency's customers and collection of water rates, fees, assessments, and other revenues of Pass Agency.
- 2.19 Be responsible for carrying out the duties and obligations of Pass Agency pursuant to any and all contracts and/or agreements to which Pass Agency is a party.
- 2.20 Perform the duties of any offices or posts to which the Board appoints the General Manager/Chief Engineer.
- 2.21 Generally do all things necessary to carry out the purposes, policies, and obligations of Pass Agency. Be prepared to perform whatever tasks are necessary to meet emergencies involving Pass Agency and to work evenings, weekends, and holidays when necessary to accomplish these requirements.
- 2.22 Review and become knowledgeable on all programs, policies, contracts, and issues of Pass Agency.
- 2.23 Perform all other authorities and responsibilities established by policy and/or referenced in Pass Agency's Personnel Manual.
- 2.24 Perform such other activities as directed by the Board in order to carry out the goals and objectives of Pass Agency.

3. **GENERAL MANAGER/CHIEF ENGINEER OUTSIDE BUSINESS and/or POLITICAL ACTIVITIES**

- 3.1 During his employment as General Manager/Chief Engineer, Jeff Davis shall devote his best efforts and such time, energy, interest, attention and ability to the performance pursuant to this Employment Agreement as is fair and reasonably necessary to accomplish his duties in a competent manner.
- 3.2 As General Manager/Chief Engineer, Jeff Davis shall not, without the prior consent of the Board of Directors, devote time, energy, effort, or ability to outside political activities or business interests which will or potentially could interfere with his obligations to perform his duties under this Employment Agreement.

Jeff Davis shall not engage in any outside activity or business interest which conflicts with Pass Agency's interests.

#### 4.     **TERM OF EMPLOYMENT**

- 4.1     General Manager/Chief Engineer shall be employed for a term of one year commencing July 1, 2014. In the event Pass Agency elects to terminate this Employment Agreement, it shall give Jeff Davis one hundred eighty- (180) days written notice prior to the effective date of termination. Upon notice of termination by Pass Agency, Jeff Davis shall continue to perform his duties and receive his compensation and benefits as provided hereunder until the effective date of the termination or until he obtains other employment, whichever occurs first. At the option of the Board of Directors, the duties of the General Manager/Chief Engineer may be modified or reduced during the period between notice of termination and the effective date of termination, provided that compensation and benefits will continue at the levels provided herein. Notwithstanding the foregoing, Pass Agency may terminate this Employment Agreement with no prior notice or with less than ninety- (90) day written notice provided that Pass Agency shall compensate Jeff Davis by payment of a lump sum severance in the amount of his salary for each month less than the one hundred eighty- (180) day written notice provided hereunder, and shall continue to pay premiums for medical, dental, and vision insurance for the balance of the one hundred eighty (180) days from the notice of termination. In the event Jeff Davis elects to terminate this Employment Agreement, he shall give the Board of Directors at least forty-five (45) days written notice of his intention to do so.
- 4.2     **Performance Evaluation.** No later than June 1<sup>st</sup>, 2015, the Board shall complete a written performance evaluation of the General Manager/Chief Engineer which shall include performance goals, achievement of goals, and details concerning the performance of duties, responsibilities, and authority as set forth herein. Such evaluation shall include a personal review by an AD HOC Committee appointed by the President of the Board of Directors, which committee shall report to the Board its findings which will be discussed by all members of the Board who will then agree to the final evaluation which will be discussed with the General Manager.
- 4.3     Pass Agency may terminate this Employment Agreement at any time without prior notice if Jeff Davis commits any material act of dishonesty, discloses confidential information, is guilty of gross carelessness or misconduct, or unjustifiably neglects his duties under this Employment Agreement, or acts in any way that has a direct, substantial, and adverse effect on Pass Agency. This Employment Agreement shall be terminated upon Jeff Davis' death or mental or physical disability which prevents him from satisfactorily performing his duties hereunder in his normal and regular manner for a period exceeding four months. In the event of termination pursuant to this Section, Jeff Davis shall not be entitled to prior written notice or continuation of compensation or benefits.

**OFFICE FACILITIES AND PERQUISITES.** General Manager shall be provided with office facilities, equipment (including cellular telephone and service, such as and including Blackberry device and service), secretarial and clerical personnel, Pass Agency credit card for Agency business, supplies, and services necessary for carrying out his duties under this Agreement. In addition, General Manager shall be provided the following perquisites:

5.1 **Pass Agency Automobile.** A Pass Agency automobile shall be provided as determined by the Board as required for the performance of General Manager's duties. Use of said automobile shall conform to Agency policies regarding Agency vehicles as amended from time-to-time.

5.2 **Medical and Dental Insurance, Coverage.**

5.2.1 **Medical.** General Manager shall be a fully covered Employee as provided by the Pass Agency's California Public Employees Retirement System ("PERS") and Personnel Manual.

5.2.2 **Dental Insurance.** General Manager shall be a fully covered Employee as provided by the Pass Agency's ACWA Health Benefits Authority ("ACWA HBA") and Personnel Manual.

5.2.3 **Coverage.** The Board shall adopt a resolution to implement such medical and dental coverage as required, from time-to-time, to provide coverage. The medical Annual Payment shall be provided after General Manager's retirement, as authorized by law, including Government Code § 53200 et seq., for as long as such coverage is available, and until such coverage terminates pursuant to the terms of the PERS insurance program. It is the intention that this obligation shall survive the termination of General Manager's employment with Pass Agency, except for termination for cause by Pass Agency pursuant to Section 8.0.

5.3 **Retirement Benefits.** Pass Agency shall enroll General Manager in the California Public Employees Retirement System. Subject to the term of this Agreement, Pass Agency shall pay the Employer's contribution to the System, and the Employee's contribution to the system as follows: Effective January 1, 2013, the General Manager shall pay 1% of the Employee's contribution and the Employer shall pay 7%. Effective January 1, 2014, the General Manager shall pay 2% of the Employee's contribution and the Employer shall pay 6%. Effective January 1, 2015, and subsequent years, the General Manager shall pay 3% of the Employee's contribution and the Employer shall pay 5%.

5.4 **Sick Leave and Bereavement Leave.** General Manager shall be entitled to twelve (12) days per year as sick/bereavement leave. Sick/bereavement leave shall be accumulated at the rate of one (1) day per month and shall continue to accrue until date of retirement/termination of this Agreement, at which time one-half (1/2) of the sick/bereavement days accumulated will be paid to General Manager.

- 5.5 **Vacation.** General Manager shall be entitled to three (3) weeks each year (fifteen (15) working days), subject to the terms and conditions set forth in the Pass Agency Employee Guide Manual. After the ninth year of employment, vacation time shall increase to twenty (20) days per year. In addition to the specified vacation days, General Manager shall be entitled to five (5) Personal Time Off (“PTO”) days. Vacation days not used will be carried over and may accrue up to forty (40) days, unless otherwise approved by the Board of Directors and, upon General Manager’s retirement/termination, will be paid in full in cash. The number of PTO days is subject to periodic revision by the Board of Directors.
6. **SALARY.** Effective July 1, 2014, the gross salary shall be One Hundred Seventy Two Thousand, Five Hundred Eighty-Four Dollars (\$172,584) per year. This includes a merit increase of 3.5% and a Cost of Living Adjustment increase of 1.5% over the contract for July 1, 2013.
7. **MEMBERSHIPS.** The Pass Agency shall pay membership dues for the General Manager for the American Water Works Association and the American Society of Civil Engineers, which are required in order for the General Manager to successfully fulfill his duties, and such other memberships as authorized by the Board of Directors.
8. **EXPENSES.** During the term of this Agreement, Pass Agency shall reimburse General Manager for reasonable out-of-pocket expenses incurred in connection with Pass Agency’s business, including long-distance telephone calls, copy charges, travel expenses, and food and lodging while away from home, subject to such policies as Pass Agency may, from time-to-time, reasonably establish.
9. **TERMINATION**
- 9.1 This Agreement may be terminated for cause by Pass Agency or General Manager. The effective date of any termination by Pass Agency shall, in any event, not take place within six (6) months after the date of the November election of members to the Board of Directors.
- 9.2 Employer may terminate this Agreement for cause, including, but not limited to, material breach by Employee, if any, of the covenants under this Agreement that Employee shall fail to cure within ten (10) days after Notice of Default.
10. **INTEGRATION.** This Agreement and the “San Geronio Pass Water Agency Employee Guide Manual” constitute the entire Agreement between the parties and supersedes all prior oral and written agreements, understandings, commitments, and practices between the parties, including all prior employment agreements. No changes, modifications, or amendments to this Agreement may be made, except by a writing signed by both parties.
11. **CHOICE OF LAW.** The formation, construction, and performance of this Agreement shall be construed in accordance with the laws of California.

12. **NOTICE.** Any notice to Pass Agency required or permitted under this Employment Agreement shall be given in writing to Pass Agency, either by personal service or by registered or certified mail, postage prepaid, addressed to the Board of Directors, San Gorgonio Pass Water Agency, 1210 Beaumont Avenue, Beaumont, CA 92223. Any such notice to General Manager shall be given in a like manner and, if mailed, shall be addressed to General Manager at his home address then shown in Pass Agency's files. For the purpose of determining compliance with any time limit in this Employment Agreement, a notice shall be deemed to have been duly given (a) on the date of service, if served personally on the party to whom notice is to be given; or (b) on the fifth (5<sup>th</sup>) business day after mailing, if mailed to the party to whom the notice is to be given in the manner provided in this Section.

13. **FORM: SEVERABILITY.** If any provision of this Employment Agreement is held invalid or unenforceable, the remainder of this Employment Agreement shall nevertheless remain in full force and effect. If any provision is held invalid or unenforceable with respect to particular circumstances, it shall nevertheless remain in full force and effect in all other circumstances.

Dated: 7/28/2014

By John R. Jeter

JOHN R. JETER, PRESIDENT  
SAN GORGONIO PASS WATER AGENCY

Dated: 7-28-14

By Jeffrey W Davis

JEFFREY W. DAVIS  
GENERAL MANAGER/CHIEF ENGINEER

**SAN GORGONIO PASS WATER AGENCY: FIRST AMENDMENT TO  
EMPLOYMENT AGREEMENT – GENERAL MANAGER/ CHIEF ENGINEER**

This First Amendment to Employment Agreement (this “First Amendment”) between the SAN GORGONIO PASS WATER AGENCY (the “Pass Agency”) and JEFFREY W. DAVIS (the “General Manager/ Chief Engineer”), is entered into this 5th day of October 2015. Except as modified in this First Amendment the Employment Agreement between the Agency and the Employee shall remain in full force and effect. The parties to this First Amendment agree to the following changes:

The Introduction is hereby amended as follows:

“This Employment Agreement is effective July 1, 2015 through June 30, 2018 between the SAN GORGONIO PASS WATER AGENCY (the “Pass Agency”) and JEFFREY W. DAVIS (the “General Manager/ Chief Engineer”).”

Section 4 entitled “TERM OF EMPLOYMENT” is hereby amended as follows:

**“4. TERM OF EMPLOYMENT.**

“4.1 General Manager/ Chief Engineer shall be employed for a term of three years commencing July 1, 2015. In the event Pass Agency elects to terminate this Employment Agreement prior to the end of its term, it shall give the General Manager/ Chief Engineer one hundred eighty (180) days written notice prior to the effective date of termination. Upon notice of termination by the Pass Agency, the General Manager/ Chief Engineer shall continue to perform his duties and receive his compensation and benefits as provided hereunder until the effective date of the termination or until he obtains other employment, whichever occurs first. At the option of the Board of Directors, the duties of the General Manager/ Chief Engineer may be modified or reduced during the period between the notice of termination and the effective date of termination, provided that compensation and benefits will continue at the levels provided herein.

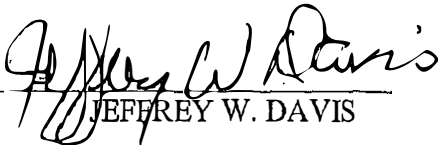
“Notwithstanding the foregoing, Pass Agency may terminate this Employment Agreement with no or less prior notice. In such case, the General Manager/ Chief Engineer shall be entitled to the following severance in accordance with the terms of California Government Code sections 53260, et seq.: An amount equal to one hundred and eighty (180) days of the Employee’s then base salary or the remainder of the term of this Agreement, whichever is less. The Pass Agency shall pay premiums for medical, dental, and vision insurance for the balance of the one hundred and eighty (180) days, to the extent the Pass Agency provides less than such notice prior to termination. In the event that the General Manager/ Chief Engineer elects to terminate this Employment Agreement, he shall give the Board of Directors at least forty five (45) days written notice of his intention to do so.

“...”

The Pass Agency and the General Manager/ Chief Engineer have duly executed this First Amendment to Employment Agreement as of the date first written above.

**SAN GORGONIO PASS WATER AGENCY**

By:   
JOHN R. JETER,  
President, Board of Directors

  
JEFFREY W. DAVIS