

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, CA
Board of Directors Meeting
Agenda
August 7, 2017 at 7:00 p.m.

- 1. Call to Order, Flag Salute, Invocation, and Roll Call**
- 2. Adoption and Adjustment of Agenda**
- 3. Public Comment:** Members of the public may address the Board at this time concerning items relating to any matter within the Agency's jurisdiction. To comment on specific agenda items, please complete a speaker's request form and hand it to the board secretary.
- 4. Consent Calendar:** If any board member requests that an item be removed from the Consent Calendar, it will be removed so that it may be acted upon separately.
 - A. Approval of the Minutes of the Special Board Meeting and Engineering Workshop, July 10, 2017* (p. 3)
 - B. Approval of the Minutes of the Regular Board Meeting, July 17, 2017* (p. 7)
 - C. Approval of the Minutes of the Finance and Budget Workshop, July 24, 2017* (p. 11)
 - D. Approval of the Finance and Budget Workshop Report, July 24, 2017* (p. 13)
- 5. Reports:**
 - A. General Manager's Report
 1. Operations Report
 2. General Agency Updates
 - B. General Counsel Report
 - C. Directors' Reports
 - D. Committee Report – Water Conservation and Education Committee
- 6. New Business:**
 - A. Consideration of Adoption of Resolution No. 2017-13X, Setting Tax Rate for FY 2017-2018*(p. 29)
 - B. Consideration of Adoption of Debt Service Budget for 2017-2018* (p. 36)
 - C. Consideration an Possible Action of Contract with Inland Empire Resource Conservation District for Water Education Programs for 2017-2018* (p. 41)
 - D. Discussion of Establishing the Time of Board Meetings Ordinance 12* (p. 48)
- 7. Topics for Future Agendas**
- 8. Announcements:**
 - A. Engineering Workshop August 14, 2017 at 4:00 p.m.
 - B. Regular Board Meeting, August 21, 2017 at 7:00 p.m.
 - C. San Gorgonio Pass Regional Water Alliance, August 23, 2017
 1. Regular Meeting at 5:30 pm – Banning City Hall
- 9. Closed Session (3 Items)**
 - A. PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Pursuant to Government Code Section 54957
Title: General Counsel

- B. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Pursuant to Government Code section 54956.8
Property: Potential water rights/supplies offers from the South Mesa Water Company
Agency negotiator: Jeff Davis, General Manager
Negotiating parties: David Armstrong, General Manager, South Mesa Water Company
Under negotiation: price and terms of payment
- C. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Pursuant to Government Code section 54956.8
Property: Potential water rights acquisition regarding Westlake Farms,
Kings County APN's 036-070-007-000, 036-070-014-000, 036-070-004-000,
036-070-013-000
Agency negotiator: Jeff Davis, General Manager
Negotiating parties: Ceil Howe
Under negotiation: Price and terms of payment

10. 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 (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
Special Meeting of the Board of Directors
Board of Directors Engineering Workshop
July 10, 2017

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

Directors Absent: Blair Ball, Director

Staff Present: Jeff Davis, General Manager
Cheryle Rasmussen, Executive Assistant
Jeff Ferre, General Counsel

1. **Call to Order, Flag Salute, Invocation and Roll Call:** The Special Meeting and the Engineering Workshop of the San Gorgonio Pass Water Agency Board of Directors were called to order by Director Duncan and Board President David Fenn at 4:00 p.m., July 10, 2017 in the Agency Boardroom at 1210 Beaumont Avenue, Beaumont, California. General Manager Davis led the Pledge of Allegiance to the flag. Invocation was not given. A quorum was present.
2. **Adoption and Adjustment of Agenda:** *President Fenn asked if there were any adjustments to the agenda.* There being none the agenda was adopted as published.
3. **Public Comment:** There were no additional members of the public that wished to comment at this time.
4. **Consent Calendar:**
 - A. Approval of the Minutes of the Special Board Meeting, June 19, 2017
 - B. Approval of the Minutes of the Finance and Budget Workshop, June 26, 2017
 - C. Approval of the Finance and Budget Workshop Report, June 26, 2017

General Manager Davis referred to the June 19 Minutes of the Special Board Meeting located on page 4 in the agenda packet. He informed the Board that the motion pertaining to initiating legal action states that it passed 6-0-1, with Director Duncan absent; this implied that someone abstained. The motion in fact was 6-0, with Director Duncan absent. Director Castaldo made a motion, seconded by Director Stephenson, to adopt the consent calendar as revised. Motion passed 6-0, with Director Ball absent.

5. Reports:

A. General Manager's Report:

(1) Operations Report: (a) SWP Water Deliveries: Deliveries are gradually being increased, currently at 25.5 cfs last week for a few days. DWR requested cutbacks due to the level at Lake Silverwood. The Agency delivered a total of 1347 acre-feet to the Noble Creek connection for the month of June.

(2) General Agency Updates: (1) Nickel Funding Workshop: General Manager Davis stated that the Board wished to have a workshop to discuss the financing of the Nickel water. Discussion will take place during the July 17th Board Meeting. A financial consultant will be present. **(2) Wheeling:** General Manager Davis is working with BB&K on this issue. Recommendations will take place sometime this summer during an Engineering workshop. **(3) Flume Update:** A meeting will be taking place on Friday, July 14th with the Regional Forester. The PEs are asking for an appeal relating to paying for studies that the USFS is requesting. The current cost of the studies is approximately \$600k; the PEs are offering a cost share agreement in the amount of \$100k. **(4) SGMA Status:** The appropriate paperwork was submitted on time for the June 30th deadline. The Agency is now a part of four separate GSAs: Yucaipa Basin, San Timoteo Basin, San Geronio Pass Sub-basin, and one-square mile known as Verbenia. **(5) AB 1667:** This bill would allow the State Board to adopt and revise standards for indoor residential use and residential/CII outdoor irrigation, adopt and revise performance measures for CII water use, and enforce these standards through cease and desist orders and misdemeanor penalties. General Manager Davis signed a letter opposing this bill on the Agency's behalf. **(6) General Manager's Activities:** General Manager Davis reported to the Board on his current activities relating to the Agency.

B. General Counsel Report: General Counsel Jeff Ferré deferred from reporting.

C. Directors Reports: No reports were given.

6. New Business:

A. Consideration and Possible Action Regarding Adoption of General Fund Budget for 2017-2018: A staff report and related material were included in the agenda packet. General Manager Davis stated that the proposed General Fund budget for FY 2017-2018 was been discussed at the Finance and Budget Workshops, in both May and June. He referred the Board to the color pie charts that were including in the agenda packet, pertaining to the Sources of Revenue and stated that half of the revenue will be from water sales; 84% of the expenditure either goes to new water or new infrastructure. Director Castaldo made a motion, seconded by Director Stephenson, to approve the General Fund Budget. Motion passed 6-0, with Director Ball absent.

B. Consideration and Possible Action on Resolution No. 2017-11 Adopting Addendum No. 1 to the Environmental Impact Report for the Beaumont Avenue Recharge Facility and Pipeline: A staff report and related materials were included in the agenda packet. General Manager Davis stated that the Board directed staff to complete all tasks necessary to evaluate proposed modifications to the Beaumont Avenue Recharge Facility Project. Agency staff has been working with a consulting firm to analyze the potential impacts associated with a proposed grading project at the project site pursuant to the California Environmental Quality Act. In working with the consulting firm, staff determined that an Addendum to the previously certified Environmental Impact Report (EIR) (SCH#2012111033) would be appropriate, as a minor modification to the Project is needed to allow the Agency to transport excavated soil from the Recharge Facility site to the Project's Service Connection site ("Grading Project"). General Manager Davis explained the basis behind executing a grading plan. General Counsel Ferre stated that this is a bid alternate to find out how much it would cost to do the work and whether or not to include it in the contract. He then informed

the Board that this item is for CEQA compliance and that there are no additional impacts regarding this potential alternate bid item. Director Lehtonen pointed out that the contents of the Resolution - Section 4 indicates approval and adoption of the addendum. Section 5 indicates approval of the grading project. General Counsel Ferre stated that the Resolution will be revised to state that the Agency hereby approves proceeding with the planning for a potential grading project. After discussion, President Fenn made a motion, seconded by Director Thompson, to adopt Resolution No. 2017-11 with the noted changes. Motion passed 6-0, with Director Ball absent.

C. Consideration and Possible Action Regarding Agreement with EY to Perform an Audit of the Department of Water Resources Regarding the State Water Project: General Manager Davis stated that this is a housekeeping item. SWC hire an auditing firm on an annual basis to ensure that DWR is making efficient use of the Contractors' funds by auditing the procedures, policies and how they do things. The Agency's share of this cost will range from \$5,158 to \$6448; slightly more than last year. Director Stephenson made a motion, seconded by Director Thompson, approving contracting with EY to provide this work, and authorize the General Manager to sign the agreement letter from EY. Motion passed 6-0, with Director Ball absent.

7. Engineering Workshop:

A. Review and Discussion of Current Strategic Plan: A copy of the Agency's May 2012 Strategic Plan was included in the agenda packet. General Manager Davis stated that The Agency is the regional water supplier and the Strategic Goals should reflect this. He reviewed the Agency's 2012 Strategic Plan in detail with the Board. He asked that the Board members consider if there need to be changes to the current Strategic Plan, or to implement a new Strategic Plan, or leave the Strategic Plan document as is. The 2012 Strategic Plan identifies five goals with accompanying objectives as part of an overall implementation strategy. Those five goals are as follows:

1. Regional Leadership Role
2. Regional water Supply Plan
3. Regional Capital Facilities Plan
4. Regional Financial Plan
5. Communication Plan

Director Stephenson commented on Goal #2, wherein the last sentence states "The Agency will need to meet its existing supply deficit by securing new permanent water supplies through 2035 as reflected in Table 5-2 of the UWMP. He was concerned by the definition of the word deficit and stated that the word deficit should be eliminated and replaced with future water demands. General Manager Davis reiterated that no decisions were needed today, but the Board should think about where to go from here and if there is a need for further discussion. President Fenn liked the idea of the Strategic Plan as it condenses down the UWMP and sets goals for the Agency. He would be in favor of updating the Strategic plan every time that the UWMP is updated. The Board was in consensus of revisiting the Strategic Plan during the August 14th Engineering Workshop.

8. Topics for Future Agendas: No topics were suggested by Board members.

9. Announcements:

- A. Regular Board Meeting, July 17, 2017 at 7:00 p.m.
- B. Finance and Budget Workshop, July 24, 2017 at 4:00 p.m.
- C. San Geronio Pass Regional Water Alliance, July 26, 2017
 - 1. Regular Meeting at 5:30 p.m.— Banning City Hall

10. Adjournment

Time: 4:49 pm

Draft - Subject to Board Approval

Jeffrey W. Davis, Secretary of the Board

000

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

Minutes of the
Board of Directors Meeting
July 17, 2017

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

Director(s) Absent: David Castaldo, Director

Staff Present: Jeff Davis, General Manager
Jeff Ferre, General Counsel
Cheryle Rasmussen, Executive Assistant

1. **Call to Order, Flag Salute, Invocation, and Roll Call:** The meeting of the San Gorgonio Pass Water Agency Board of Directors was called to order by Board President David Fenn at 7:00 p.m., July 17, 2017 in the Agency Boardroom at 1210 Beaumont Avenue, Beaumont, California. Director Thompson led the Pledge of Allegiance to the flag. Director Duncan gave the invocation. A quorum was present.

2. **Adoption and Adjustment of Agenda:** *President Fenn asked if there were any adjustments to the agenda.* There being none the Agenda was adopted as presented.

3. **Public Comment:** *President Fenn asked if there were any members of the public that wished to make a public comment on items that are within the jurisdiction of the Agency.* There were no members of the public that wished to comment at this time.

4. **Reports:**

A. General Manager's Report:

(1) Operations Report: (a) SWP Water Deliveries: The Agency has delivered 871 acre-feet of Table A water to the Noble Creek Connection, so far this month. Flows were reduced for one day; otherwise flows were consistent at 24 cfs or higher.

(2) General Agency Updates: (a) Flume Update: A meeting took place with the Regional Forester on July 14th. Art Vela (Director of Public Works, City of Banning) informed General Manager Davis that the meeting went well. The Regional Forester will renew SCE's permit for the Burnt Canyon facilities for a period of one year. There was also some discussion on a cost sharing agreement between three parties. **(b) Beaumont State of the City:** Beaumont State of the City address will take place on August 24th. **(c) Cal Water Fix:** The Notice of Determination (NOD) is being issued by DWR this week. The Record of Decision (ROD) will be issued sometime later this month. Once the NOD and ROD have been filed it is then officially a legally project.

B. General Counsel Report: (a) General Counsel Jeff Ferré deferred from reporting due to the length of the agenda.

C. Directors Reports: (1) **Director Thompson** reported on the Beaumont Chamber of Commerce Breakfast. (2) **Director Ball** reported on the BCVWD Board meeting that he attended. (3) **Director Stephenson** attended the Beaumont Chamber of Commerce Breakfast, Calimesa Breakfast, and South Mesa Board meeting. He reported on the YVWD Board meeting that he attended. During the meeting the Board spoke on the Capacity Fee between YVWD & SGPWA. YVWD's Board indicated that they may propose to the Agency a joint meeting to discuss capacity fee issues. YVWD also talked about collecting its own capacity fee at \$4900 per EDU. (4) **Director Lehtonen** reported on the City of Banning Council meeting that took place on July 11th. (5) **President Fenn** reported that he and General Manager Davis traveled to central California for a potential water deal; comments will be provided during closed session.

6. New Business:

A. Consideration a of Resolution 2017-12 Setting the Appropriation Limit for Fiscal Year 2017-2018: A staff report, a copy of Resolution 2017-12, and a copy of the posted Appropriation Limits Calculation Report were included in the agenda packet. General Manager Davis stated that this item is an annual house-keeping issue. The Agency is required by the California Constitution to set an appropriations limit and it must be posted in a public place for at least 15 days prior to the Board adopting the resolution. The Agency has complied with this directive. The limit is based on a formula, and is not related to the Agency's budget for the year. For this fiscal year, the formula amount is \$58,200,998. Director Duncan made a motion, seconded by Director Stephenson, to adopt Resolution 2017-12 in accordance with California law. Motion passed 6-0, with Director Castaldo absent.

B. Consideration and Possible Action to Approve Amendment No. 3 to the Employment Agreement of the General Manager: A staff report and a copy of the SGPWA Third Amendment to Employment Agreement – General Manager/Chief Engineer were included in the agenda packet. General Counsel Ferre reported that the Board had conducted a General Manager's performance evaluation and based on the evaluation the Board would like to consider adoption of the Third Amendment to Employment Agreement. General Counsel Ferre read directly from the Staff Report paragraph 3, as follows: The Third Amendment would also provide for an increase in salary to reflect a seven percent (7%) adjustment as of July 1, 2017 and a three percent (3%) adjustment on July 1, 2018. As a result, effective July 1, 2017, the salary would be \$190,205.34 per year and effective July 1, 2018, the salary would be \$195,911.50 per year. Taking into account the term of the Employment Agreement, which is based on July 1 of each year, the first adjustment would be retroactive to July 1, 2017. Director Thompson made a motion, seconded by Director Stephenson, to approve the Third Ament to the Employment Agreement for General Manager Jeff Davis. Motion passed, 6-0 with Director Castaldo absent.

C. Discussion of Potential Funding Mechanisms for Water acquired from Antelope Valley East Kern Water Agency: A Staff Report was included in the agenda packet. General Manager Davis stated that the Board approved on June 19th a twenty-year lease of "Nickel" water of an amount of 1700 acre-feet, for a total of 34,000 acre-feet of reliable water over a twenty-year period. Upon approval of the agreement finalizing this deal, the

Board directed staff to set up a workshop in order for the Board to discuss potential funding mechanisms for this water. General Manager Davis proposed two ways to fund a long-term water agreement, future homeowners or current and future homeowners pay for it. The mechanisms would be different. Future homeowners would pay via developer fees. Current and future homeowners would pay via the water rate. General Manager Davis stated that during the last Finance and Budget workshop there was discussion and concerns about an increased water rate. General Manager Davis provided a PowerPoint on Water Costs and Financing that was handed out at the meeting. General Manager Davis concluded his presentation and introduced Consultant Steve Runk (David Taussig & Associates). Mr. Runk presented a mathematical model that the Agency requested. The model revealed the present worth of annual water purchased over 20 years at various escalators and various costs. Mr. Runk and General Manager Davis answered questions from the Board pertaining to the model. Discussion took place on how the Nickel water be used, would it be for development, for new supplies, or blend the two, and how to fund accordingly. Discussion also took place on water retailer long-term needs. President Fenn stated that the general direction from the water retailers (BCVWD, YVWD & City of Banning) is that they do not look at the water lease as permanent water rights, and perhaps we may be looking at making the current supplies more reliable. General Manager Davis stated that they Agency will be receiving an invoice from AVEK for \$1.7 million, most likely within the next week, come January 1, 2018 another \$1.7 million will be due. After discussion, the Board requested that General Manager Davis contact each of the water retailers to discuss specifically the Nickel water to see if they want the water, how it will be used, and what they are willing to pay for it. General Manager Davis will report back after he has contacted the water detailers, most probably in the end of August or early September.

7. Topics for Future Agendas: Director Thompson requested discussion on Disaster preparedness in case of an emergency.

8. Announcements:

- A. Finance and Budget Workshop, July 24, 2017 at 4:00 p.m.
- B. San Gorgonio Pass Regional Water Alliance, July 26, 2017
 - 1. Regular Meeting at 5:30 p.m. – Banning City Hall
- C. Regular Board Meeting, August 7, 2017 at 7:00 p.m.

9. Closed Session (3 Items)

Time: 8:27

- A. PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Pursuant to Government Code Section 54957
Title: General Counsel
- B. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Pursuant to Government Code section 54956.8
Property: Potential water rights/supplies offers from the South Mesa Water Company
Agency negotiator: Jeff Davis, General Manager
Negotiating parties: David Armstrong, General Manager, South Mesa Water Company
Under negotiation: price and terms of payment

- C. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Pursuant to Government Code section 54956.8
Property: Potential water rights acquisition regarding Westlake Farms,
Kings County APN's 036-070-007-000, 036-070-014-000, 036-070-004-
000,
036-070-013-000
Agency negotiator: Jeff Davis, General Manager
Negotiating parties: Ceil Howe
Under negotiation: Price and terms of payment

The meeting reconvened to open session at: Time: 9:23 pm

General Counsel Ferre stated that there was no action taken during closed session that is reportable under the Brown Act.

10. Adjournment

Time: 9:23 pm

Draft - Subject to Board Approval

Jeffrey W. Davis, Secretary of the Board

cmr

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue
Beaumont, California 92223
Minutes of the
Board Finance and Budget Workshop
July 24, 2017

Directors Present: David Fenn, President
Ron Duncan, Vice President
Lenny Stephenson, Treasurer
Blair Ball, Director
Steve Lehtonen, Director
Mike Thompson, Director

Directors Attended by Teleconference:
David Castaldo, 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 Treasurer Lenny Stephenson at 4:00 pm, July 24, 2017, in the Agency Conference Room at 1210 Beaumont Avenue, Beaumont, California. Director Stephenson led the Pledge of Allegiance to the flag. A quorum was present.
2. **Adoption and Adjustment of Agenda:** The agenda was adopted as published.
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 June, 2017 by Reviewing Check History Reports in Detail: After review and discussion, a motion was made by Director Duncan, seconded by Director Ball, to recommend that the Board ratify paid monthly invoices of \$943,242.29 and payroll of \$34,741.43 for the month of June, 2017, for a combined total of \$977,983.72. The motion passed by roll call, 7 in favor, no opposed.
 - B. Review Pending Legal Invoices: After review and discussion, a motion was made by Director Ball, seconded by Director Duncan, to recommend that the Board approve payment of the pending legal invoices for June, 2017. The motion passed by roll call, 7 in favor, no opposed.
 - C. Review of June, 2017 Bank Reconciliation: After review and discussion, a motion was made by President Fenn, seconded by Director Thompson, to recommend that the Board acknowledge receipt of the Wells Fargo bank

reconciliation for June, 2017 as presented. The motion passed by roll call, 7 in favor, no opposed.

- D. Review of Unaudited Budget Report for June, 2017: After review and discussion, a motion was made by President Fenn, seconded by Director Thompson, to recommend that the Board acknowledge receipt of the Unaudited Budget Report for June, 2017. The motion passed by roll call, 7 in favor, no opposed.
 - E. Review of Proposed Debt Service Fund Budget for FY 2017-18: General Manager Jeff Davis reviewed the process of approving the Debt Service budget and setting the tax rate, and turned the meeting over to Finance Manager Tom Todd to review the budget in detail.
 - F. Discussion about FY 2017-18 Tax Rate: General Manager Davis continued the discussion by introducing the handout, which Finance Manager Todd distributed. General Manager Davis reviewed the chart of estimated Debt Service expenses compared to estimated income for future years, and described the reasoning and the assumptions associated with each set of columns. There was much discussion regarding whether to keep the current tax rate or to lower it, based on the data presented. After the discussion, a motion was made by Director Stephenson, seconded by Director Duncan, to recommend that the Board approve the FY 2017-18 Debt Service budget and set the tax rate for FY 2017-18 at 18.5 cents. The motion passed by roll call, Directors Castaldo, Duncan, Lehtonen, and Stephenson in favor, Directors Ball, Fenn and Thompson opposed.
- 5. Announcements:** Director Stephenson referred to the announcements:
- A. San Gorgonio Pass Regional Water Alliance, July 26, 2017
 - 1. Regular Meeting at 5:30 pm – Banning City Hall
 - B. Regular Board Meeting, August 7, 2017, 7:00 pm
- 6. Adjournment:** The Finance and Budget workshop of the San Gorgonio Pass Water Agency Board of Directors was adjourned at 5:30 pm.

Draft - Not Approved

Jeffrey W. Davis, Secretary of the Board

Finance and Budget Workshop Report

From Treasurer Lenny Stephenson, Chair of the Finance and Budget Committee

The Finance and Budget Workshop was held on July 24, 2017. The following recommendations were made:

1. The Board ratify payment of Invoices of \$943,242.29 and Payroll of \$34,741.43 as detailed in the Check History Report for Accounts Payable and the Check History Report for Payroll for June, 2017 for a combined total of \$977,983.72

2. The Board authorize payment of the following vendor's amounts:

Best, Best & Krieger LLP	\$26,332.39
--------------------------	-------------

3. The Board acknowledge receipt of the following:
 - A. Wells Fargo bank reconciliation for June, 2017
 - B. Budget Report for June, 2017

SAN GORGONIO PASS WATER AGENCY

1210 Beaumont Ave, Beaumont, CA 92223

Board Finance & Budget Workshop

Agenda

July 24, 2017, at 4:00 p.m.

**Teleconference Location: Conference Room Holiday Inn Express
611 Lakehurst Rd, Waukegan, Ill**

- 1. Call to Order, Flag Salute**
- 2. Statement Regarding Teleconferencing**
 - This meeting is also being held at a Teleconference Location which has been identified on the agenda.**
- 3. Adoption and Adjustment of Agenda**
- 4. 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.
- 5. New Business (Discussion and possible recommendations for action at a future regular Board meeting)**
 - A. Ratification of Paid Invoices and Monthly Payroll for June, 2017 by Reviewing Check History Reports in Detail*
 - B. Review of Pending Legal Invoices*
 - C. Review of June, 2017 Bank Reconciliation*
 - D. Review of Unaudited Budget Report for June, 2017*
 - E. Review of Proposed Debt Service Fund Budget for FY 2017-18*
 - F. Discussion about FY 2017-18 Tax Rate (handouts at meeting)
- 6. Announcements**
 - A. San Gorgonio Pass Regional Water Alliance, July 26, 2017
 1. Regular Meeting at 5:30 pm – Banning City Hall
 - B. Regular Board Meeting, August 7, 2017, 7:00 pm
- 7. 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 to make a request for a disability-related modification or accommodation.

San Geronio Pass Water Agency
Check History Report
 June 1 through June 30, 2017

ACCOUNTS PAYABLE

Date	Number	Name	Amount
06/05/2017	118466	BDL ALARMS, INC.	78.00
06/05/2017	118467	BEST BEST & KRIEGER	18,424.45
06/05/2017	118468	JEFFREY W. DAVIS	213.09
06/05/2017	118469	DELOACH ASSOCIATES	2,750.00
06/05/2017	118470	KENNETH M. FALLS	140.00
06/05/2017	118471	COUNTY OF RIVERSIDE	61,600.00
06/05/2017	118472	SAN BERDO COUNTY REGISTRAR	4.00
06/05/2017	118473	UNDERGROUND SERVICE ALERT	12.00
06/05/2017	118474	UNLIMITED SERVICES BUILDING MAINT.	295.00
06/05/2017	118475	U. S. GEOLOGICAL SURVEY	11,497.29
06/05/2017	118476	VALLEY OFFICE EQUIPMENT, INC.	214.04
06/05/2017	118477	WASTE MANAGEMENT INLAND EMPIRE	94.80
06/12/2017	118478	ALBERT WEBB ASSOCIATES	3,948.75
06/12/2017	118479	FRONTIER COMMUNICATIONS	1,203.65
06/12/2017	118480	OFFICE SOLUTIONS	167.52
06/12/2017	118481	THE RECORD-GAZETTE	24.95
06/12/2017	118482	SOUTHERN CALIFORNIA GAS	33.17
06/12/2017	118483	WELLS FARGO REMITTANCE CENTER	3,984.06
06/15/2017	118484	CALPERS RETIREMENT	4,618.73
06/15/2017	118485	CALPERS 457-SIP	1,150.00
06/16/2017	118486	SMART SOLAR POWER	1,264.00
06/26/2017	118487	ARMSTRONG & BROOKS ENGINEERS	6,200.00
06/26/2017	118488	AT&T MOBILITY	259.56
06/26/2017	118489	BEAUMONT-CHERRY VALLEY WATER DISTRICT	467.26
06/26/2017	118490	DAVID TAUSSIG & ASSOCIATES, INC.	2,100.00
06/26/2017	118491	GOPHER PATROL	48.00
06/26/2017	118492	INCONTACT, INC.	92.09
06/26/2017	118493	I. E. RESOURCE CONSERVATION DISTRICT	8,200.00
06/26/2017	118494	MATTHEW PISTILLI LANDSCAPE SERVICES	325.00
06/26/2017	118495	MST BACKFLOW	160.00
06/26/2017	118496	THE PRESS-ENTERPRISE	124.20
06/26/2017	118497	PROVOST & PRITCHARD	920.00
06/26/2017	118498	SOUTHERN CALIFORNIA EDISON	99.54
06/26/2017	118499	THOMAS W. TODD, JR.	1,204.04
06/28/2017	118500	CALPERS RETIREMENT	4,527.27
06/28/2017	118501	CALPERS 457-SIP	1,150.00
06/28/2017	118502	STANDARD INSURANCE COMPANY	417.02
06/29/2017	118503	AUTOMATION PRIDE	100.00
06/29/2017	118504	DAVID J. CASTALDO	734.00
06/29/2017	118505	DELOACH ASSOCIATES	5,950.00
06/29/2017	118506	STEPHEN J. LEHTONEN	141.23
06/29/2017	118507	VALLEY OFFICE EQUIPMENT, INC.	166.28
06/29/2017	118508	WATER RESOURCES CONSULTING	2,564.68

San Gorgonio Pass Water Agency
Check History Report
 June 1 through June 30, 2017

ACCOUNTS PAYABLE (CON'T)

Date	Number	Name	Amount
06/15/2017	562385	EMPLOYMENT DEVELOPMENT DEPARTMENT	1,027.50
06/28/2017	516452	EMPLOYMENT DEVELOPMENT DEPARTMENT	993.27
06/15/2017	504092	ELECTRONIC FEDERAL TAX PAYMENT SYSTEM	6,024.59
06/28/2017	513174	ELECTRONIC FEDERAL TAX PAYMENT SYSTEM	7,375.26
06/29/2017	900138	DEPARTMENT OF WATER RESOURCES	780,154.00
TOTAL ACCOUNTS PAYABLE CHECKS			943,242.29

PAYROLL

Date	Number	Name	Amount
06/14/2017	801386	JEFFREY W. DAVIS	4,428.03
06/14/2017	801387	KENNETH M. FALLS	2,868.83
06/14/2017	801388	CHERYLE M. RASMUSSEN	2,163.30
06/14/2017	801389	THOMAS W. TODD, JR.	3,466.67
06/28/2017	801390	BLAIR M. BALL	2,102.22
06/28/2017	801391	DAVID J. CASTALDO	1,167.90
06/28/2017	801392	JEFFREY W. DAVIS	4,428.03
06/28/2017	801393	RONALD A. DUNCAN	1,167.90
06/28/2017	801394	KENNETH M. FALLS	2,646.98
06/28/2017	801395	DAVID L. FENN	1,167.90
06/28/2017	801396	STEPHEN J. LEHTONEN	1,167.90
06/28/2017	801397	CHERYLE M. RASMUSSEN	2,163.30
06/28/2017	801398	LEONARD C. STEPHENSON	1,167.90
06/28/2017	801399	MICHAEL D. THOMPSON	1,167.90
06/28/2017	801400	THOMAS W. TODD, JR.	3,466.67
TOTAL PAYROLL			34,741.43
TOTAL DISBURSEMENTS FOR JUNE, 2017			<u>977,983.72</u>

SAN GORGONIO PASS WATER AGENCY

New Vendors List

July, 2017

Vendor - Name and Address

Expenditure Type

California Newspapers Partnership
Formerly Press Enterprise
P O Box 54880; Los Angeles, CA 90054-0880

Administrative

SAN GORGONIO PASS WATER AGENCY

**LEGAL INVOICES
ACCOUNTS PAYABLE INVOICE LISTING**

VENDOR	_INVOICE NBR	COMMENT _____	_AMOUNT_
BEST, BEST & KRIEGER	170630	LEGAL SERVICES JUN17	26,332.39

TOTAL PENDING INVOICES FOR JUNE 2017 26,332.39

**SAN GORGONIO PASS WATER AGENCY
BANK RECONCILIATION
June 30, 2017**

BALANCE PER BANK AT 06/30/2017 - CHECKING ACCOUNT 176,129.36

LESS OUTSTANDING CHECKS

CHECK NUMBER	AMOUNT	CHECK NUMBER	AMOUNT
118486	1,264.00	118502	417.02
118488	259.56	118503	100.00
118489	467.26	118504	734.00
118490	2,100.00	118505	5,950.00
118495	160.00	118506	141.23
118500	4,527.27	118507	166.28
118501	1,150.00	118508	2,564.68
	<u>9,928.09</u>		10,073.21

TOTAL OUTSTANDING CHECKS (20,001.30)

BALANCE PER GENERAL LEDGER 156,128.06

BALANCE PER GENERAL LEDGER AT 05/31/2017 232,368.83

CASH RECEIPTS FOR JUNE 901,742.95

CASH DISBURSEMENTS FOR JUNE


ACCOUNTS PAYABLE - CHECK HISTORY REPORT (943,242.29)

NET PAYROLL FOR JUNE (34,741.43) (977,983.72)

BANK CHARGES -

BALANCE PER GENERAL LEDGER AT 06/30/2017 156,128.06

REPORT PREPARED BY:



 Cheryl Rasmussen

**SAN GORGONIO PASS WATER AGENCY
DEPOSIT RECAP
FOR THE MONTH OF JUNE 2017**

DATE	RECEIVED FROM	DESCRIPTION	AMOUNT	TOTAL DEPOSIT AMOUNT
DEPOSIT TO CHECKING ACCOUNT				
6/2/17	RIVERSIDE COUNTY	PROPERTY TAXES	337,428.63	337,428.63
6/6/17	RIVERSIDE COUNTY	PROPERTY TAXES	32,761.94	32,761.94
6/9/17	RIVERSIDE COUNTY	PROPERTY TAXES	4,398.56	4,398.56
6/12/17	BCVWD	WATER SALES	397,835.00	397,835.00
6/12/17	STATE OF CALIF/DWR	REFUND	1,505.00	1,505.00
6/27/17	ACWA	MEAL REFUND - LCS	23.93	
6/27/17	CERBT	OPEB REIMBURSEMENT	22,460.10	
6/27/17	YVWD	WATER SALES	27,649.32	50,133.35
6/27/17	RIVERSIDE COUNTY	PROPERTY TAXES	500.14	500.14
6/27/17	STATE OF CALIF/DWR	DAVIDSDOLWIG REIMBURSEMENT	63,272.00	63,272.00
6/27/17	TVI	CD - BOND INTEREST	13,880.33	13,880.33
6/28/17	MISCELLANEOUS	CASH	28.00	28.00
TOTAL FOR JUNE 2017			901,742.95	901,742.95

UNAUDITED

**SAN GORGONIO PASS WATER AGENCY
BUDGET REPORT FY 2016-17
BUDGET VS. REVISED BUDGET VS. ACTUAL
FOR THE TWELVE MONTHS ENDING ON JUNE, 2017**

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

	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
GENERAL FUND - INCOME				Compare:	0%
INCOME					
WATER SALES	3,993,000		3,993,000	4,150,800.12	-3.95%
TAX REVENUE	2,240,000		2,240,000	2,275,490.61	-1.58%
INTEREST	64,000		64,000	121,421.76	-89.72%
CAPACITY FEE	0		0	0.00	0.00%
GRANTS	0		0	0.00	0.00%
OTHER (REIMBURSEMENTS, TRANSFERS)	69,000		69,000	68,525.96	0.69%
TOTAL GENERAL FUND INCOME	6,366,000	0	6,366,000	6,616,238.45	-3.93%
GENERAL FUND - EXPENSES					
COMMODITY PURCHASE					
PURCHASED WATER	3,875,000		3,875,000	3,075,480.30	20.63%
TOTAL COMMODITY PURCHASE	3,875,000	0	3,875,000	3,075,480.30	20.63%
SALARIES AND EMPLOYEE BENEFITS					
SALARIES	431,000		431,000	431,383.84	-0.09%
PAYROLL TAXES	39,000		39,000	37,093.59	4.89%
RETIREMENT	108,000		108,000	107,448.38	0.51%
OTHER POST-EMPLOYMENT BENEFITS (OPEB)	23,000		23,000	22,460.10	2.35%
HEALTH INSURANCE	52,000		52,000	55,225.15	-6.20%
DENTAL INSURANCE	4,500		4,500	4,290.24	4.66%
LIFE INSURANCE	1,100		1,100	1,233.90	-12.17%
DISABILITY INSURANCE	4,500		4,500	4,456.56	0.97%
WORKERS COMP INSURANCE	3,700		3,700	2,611.88	29.41%
SGPWA STAFF MISC. MEDICAL	10,000		10,000	6,063.94	39.36%
EMPLOYEE EDUCATION	1,000		1,000	0.00	100.00%
TOTAL SALARIES AND EMPLOYEE BENEFITS	677,800	0	677,800	672,267.58	0.82%

21 / 51

UNAUDITED

**SAN GORGONIO PASS WATER AGENCY
BUDGET REPORT FY 2016-17
BUDGET VS. REVISED BUDGET VS. ACTUAL
FOR THE TWELVE MONTHS ENDING ON JUNE, 2017**

FOR THE FISCAL YEAR JULY 1, 2016 - JUNE 30, 2017					
	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
GENERAL FUND - EXPENSES					
ADMINISTRATIVE & PROFESSIONAL					
DIRECTOR EXPENDITURES					
DIRECTORS FEES	105,000		105,000	100,803.28	4.00%
DIRECTORS TRAVEL & EDUCATION	20,000		20,000	5,699.87	71.50%
DIRECTORS MISC. MEDICAL	32,000		32,000	16,230.12	49.28%
OFFICE EXPENDITURES					
OFFICE EXPENSE	18,000		18,000	20,785.85	-15.48%
POSTAGE	1,000		1,000	530.05	47.00%
TELEPHONE	10,000		10,000	10,463.04	-4.63%
UTILITIES	5,000		5,000	4,658.08	6.84%
SERVICE EXPENDITURES					
COMPUTER, WEB SITE AND PHONE SUPPORT	9,000		9,000	3,341.93	62.87%
GENERAL MANAGER & STAFF TRAVEL	20,000		20,000	23,476.03	-17.38%
INSURANCE & BONDS	23,000		23,000	22,108.00	3.88%
ACCOUNTING & AUDITING	22,000		22,000	21,301.17	3.18%
STATE WATER CONTRACT AUDIT	5,000		5,000	5,012.00	-0.24%
DUES & ASSESSMENTS	29,000		29,000	29,902.50	-3.11%
SPONSORSHIPS	8,000		8,000	1,000.00	87.50%
OUTSIDE PROFESSIONAL SERVICES	650		650	9,600.00	-1376.92%
BANK CHARGES	1,600		1,600	1,142.78	28.58%
MISCELLANEOUS EXPENSES	1,000		1,000	6.78	99.32%
MAINTENANCE & EQUIPMENT EXPENDITURES					
TOOLS PURCHASE & MAINTENANCE	3,500		3,500	28.38	99.19%
VEHICLE REPAIR & MAINTENANCE	9,000		9,000	7,067.48	21.47%
MAINTENANCE & REPAIRS - BUILDING	11,000		11,000	15,684.41	-42.59%
MAINTENANCE & REPAIRS - FIELD	6,500		6,500	4,611.77	29.05%
CONTRACT OPERATIONS AND MAINTENANCE	150,000		150,000	65,837.80	56.11%
COUNTY EXPENDITURES					
LAFCO COST SHARE	5,000		5,000	4,440.49	11.19%
ELECTION EXPENSE	175,000		175,000	61,604.00	64.80%
TAX COLLECTION CHARGES	9,500		9,500	11,302.05	-18.97%
TOTAL ADMINISTRATIVE & PROFESSIONAL	679,750	0	679,750	446,637.86	34.29%

22 / 51

UNAUDITED

**SAN GORGONIO PASS WATER AGENCY
BUDGET REPORT FY 2016-17
BUDGET VS. REVISED BUDGET VS. ACTUAL
FOR THE TWELVE MONTHS ENDING ON JUNE, 2017**

FOR THE FISCAL YEAR JULY 1, 2016 - JUNE 30, 2017					
	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
GENERAL FUND - EXPENSES					
GENERAL ENGINEERING					
RECHARGE					
B.A.R.F. DESIGN + CONSTRUCTION			CAPITAL EXPENDITURE		
B.A.R.F. ENVIRONMENTAL MITIGATION			CAPITAL EXPENDITURE		
FERC/FLUME					
FLUME SUPPORT	40,000		40,000	33,419.58	16.45%
NEW WATER					
PROGRAMATIC EIR	75,000		75,000	0.00	100.00%
UPDATED STUDY ON AVAILABLE SOURCES	45,000		45,000	23,081.45	48.71%
SITES RESERVOIR	300,000		300,000	360,677.00	-20.23%
BCVWD CONNECTION					
ENGINEERING	30,000		30,000	5,200.00	82.67%
CEQA	15,000		15,000	1,147.60	92.35%
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	115,640.01	-15.64%
WATER RATE NEXUS STUDY	50,000		50,000	0.00	100.00%
WATER RATE FINANCIAL MODELING	30,000		30,000	8,987.50	70.04%
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	43,149.28	-331.49%
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	43,407.21	-24.02%
TOTAL GENERAL ENGINEERING	791,000	0	791,000	654,889.63	17.21%

23 / 51

UNAUDITED

SAN GORGONIO PASS WATER AGENCY
BUDGET REPORT FY 2016-17
BUDGET VS. REVISED BUDGET VS. ACTUAL
FOR THE TWELVE MONTHS ENDING ON JUNE, 2017

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

	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
GENERAL FUND - EXPENSES					
LEGAL SERVICES					
LEGAL SERVICES - GENERAL	175,000		175,000	237,933.45	-35.96%
TOTAL LEGAL SERVICES	175,000	0	175,000	237,933.45	-35.96%
CONSERVATION & EDUCATION					
SCHOOL EDUCATION PROGRAMS	10,000		10,000	13,200.00	-32.00%
ADULT EDUCATION PROGRAMS	5,000		5,000	0.00	100.00%
OTHER CONSERVATION, EDUCATION AND P. R.	20,000	15,000	35,000	21,263.87	39.25%
TOTAL CONSERVATION & EDUCATION	35,000	15,000	50,000	34,463.87	31.07%
GENERAL FUND CAPITAL EXPENDITURES					
BUILDING	15,000		15,000	0.00	100.00%
FURNITURE & OFFICE EQUIPMENT	5,000		5,000	0.00	100.00%
OTHER EQUIPMENT	0		0	0.00	0.00%
TRANSPORTATION EQUIPMENT	37,000		37,000	0.00	100.00%
MT. VIEW TURNOUT + B.A.R.F. CONSTRUCTION	0		0	41,376.76	
SBVMWD PIPELINE CAPACITY PURCHASE	330,000		330,000	0.00	100.00%
TOTAL GENERAL FUND CAPITAL EXPENDITURES	387,000	0	387,000	41,376.76	89.31%
TRANSFERS TO OTHER FUNDS	0	0	0	0.00	
TOTAL GENERAL FUND EXPENSES	6,620,550	15,000	6,635,550	5,163,049.45	22.19%
TRANSFERS FROM RESERVES	300,000		300,000	360,677.00	
TOTAL TRANSFERS FROM RESERVES	300,000	0	300,000	360,677	
GENERAL FUND NET INCOME YEAR TO DATE	45,450	-15,000	30,450	1,813,866.00	

24 / 51

UNAUDITED

SAN GORGONIO PASS WATER AGENCY
BUDGET REPORT FY 2016-17
BUDGET VS. REVISED BUDGET VS. ACTUAL
FOR THE TWELVE MONTHS ENDING ON JUNE, 2017

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

	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
DEBT SERVICE FUND - INCOME					
INCOME					
TAX REVENUE	19,350,000		19,350,000	20,720,156.19	-7.08%
INTEREST	170,000		170,000	317,349.78	-86.68%
GRANTS	0		0	0.00	0.00%
DWR CREDITS - BOND COVER, OTHER	3,170,000		3,170,000	3,347,861.66	-5.61%
TOTAL DEBT SERVICE FUND INCOME	22,690,000	0	22,690,000	24,385,367.63	-7.47%
DEBT SERVICE FUND - EXPENSES					
EXPENSES					
SALARIES	52,000		52,000	53,771.82	-3.41%
PAYROLL TAXES	4,000		4,000	4,113.43	-2.84%
BENEFITS	28,000		28,000	26,428.73	5.61%
SWC CONTRACTOR DUES	33,000		33,000	40,558.00	-22.90%
STATE WATER CONTRACT PAYMENTS	18,600,000		18,600,000	18,485,723.00	0.61%
PURCHASED WATER	5,000		5,000	539.00	89.22%
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	86,436.92	27.97%
SWP ENGINEERING	30,000		30,000	93,717.31	-212.39%
DEBT SERVICE UTILITIES	10,000		10,000	10,055.32	-0.55%
TAX COLLECTION CHARGES	60,000		60,000	64,071.90	-6.79%
TOTAL DEBT SERVICE FUND EXPENSES	18,942,000	0	18,942,000	18,865,415.43	0.40%
TRANSFERS FROM RESERVES			0	0.00	
DEBT SERVICE NET INCOME YEAR TO DATE	3,748,000	0	3,748,000	5,519,952.20	

25 / 51

**SAN GORGONIO PASS WATER AGENCY
DEBT SERVICE EXPENSE REQUIREMENTS
FOR THE FISCAL YEAR 2017-18**

DEBT SERVICE EXPENDITURES

DEPARTMENT OF WATER RESOURCES - STATEMENT OF CHARGES

INVOICE NUMBER	FOR THE PERIOD JUL - DEC 17	FOR THE PERIOD JAN - JUN 18
xx-022-T - ATTACHMENT 1 (Water Supply)	2,920,985	1,136,286
xx-005-DCC - ATTACHMENT 1A (Devil Canyon)	140,888	133,202
xx-020-O - ATTACHMENT 1-1 (OAP)	4,646	0
xx-087-U - ATTACHMENT 1-2 (RAS)	0	0
xx-002-X - ATTACHMENT 1-5 (EBX)	8,631,799	4,550,762
xx-012-TAB - ATTACHMENT 1-6 (TEHACHAPI)	22,917	22,069
DWR FIXED CHARGES	11,721,235	5,842,319
TOTAL DWR STATEMENT OF CHARGES		17,563,554
OTHER DWR EXPENSES		0
TOTAL PROJECTED DWR EXPENDITURES		17,563,554
ADDITIONAL DEBT SERVICE EXPENSES		
DEBT SERVICE SALARIES		54,000
DEBT SERVICE PAYROLL TAXES		4,100
DEBT SERVICE BENEFITS		29,000
DEBT SERVICE UTILITIES		10,000
TAX COLLECTION CHARGES		76,000
SWC CONTRACTOR DUES		42,000
SWP LEGAL SERVICES		0
U.S.G.S CONTRACT		0
CONTRACT OPERATIONS AND MAINTENANCE		180,000
SWP ENGINEERING - EBX1, EBX2		75,000
TOTAL ADDITIONAL EXPENSES		470,100
GRAND TOTAL DEBT SERVICE EXPENDITURES		18,033,654

**SAN GORGONIO PASS WATER AGENCY
DEBT SERVICE EXPENSE REQUIREMENTS
FOR THE FISCAL YEAR 2017-18**

DEBT SERVICE REVENUE			
ESTIMATED DWR REFUNDS + INTEREST			
ESTIMATE OF BOND REFUNDS			2,797,882
DWR ~ ALLOCATION OF EARNED INTEREST 2017			30,000
TOTAL ESTIMATE OF DWR REFUNDS + INTEREST			2,827,882
SGPWA ALLOCATED EARNED INTEREST			300,000
TOTAL REFUNDS + INTEREST			3,127,882
DEBT SERVICE TAX REVENUE			
DEBT SERVICE INCOME FY 2016-17	20,720,156		
TAX REVENUE PER CENT OF TAX LEVY			
(Current Tax Rate: 18.5 Cents)	1,120,008		
Projection for FY 2017-18			
3% increase	33,600		
ESTIMATED TAX REVENUE PER CENT OF TAX LEVY, FY 2017-18	1,153,609		
ESTIMATED REVENUE AT 18.50 CENTS	18.50		21,341,761
TAX REVENUE ESTIMATE			21,341,761
TOTAL ESTIMATED REVENUE (REFUNDS + TAX)			24,469,643
DEBT SERVICE EXPENDITURES COMBINED WITH REVENUE AT TAX RATE OF 18.5 CENTS			6,435,989

**SAN GORGONIO PASS WATER AGENCY
DEBT SERVICE EXPENSE REQUIREMENTS
FOR THE FISCAL YEAR 2017-18**

DEBT SERVICE REVENUE		
ESTIMATED DWR REFUNDS + INTEREST		
ESTIMATE OF BOND REFUNDS		2,797,882
DWR ~ ALLOCATION OF EARNED INTEREST 2017		30,000
TOTAL ESTIMATE OF DWR REFUNDS + INTEREST		2,827,882
SGPWA ALLOCATED EARNED INTEREST		300,000
TOTAL REFUNDS + INTEREST		3,127,882
DEBT SERVICE TAX REVENUE		
DEBT SERVICE INCOME FY 2016-17	20,720,156	
TAX REVENUE PER CENT OF TAX LEVY		
(Current Tax Rate: 18.5 Cents)	1,120,008	
Projection for FY 2017-18		
3% increase	33,600	
ESTIMATED TAX REVENUE PER CENT OF TAX LEVY, FY 2017-18	1,153,609	
ESTIMATED REVENUE AT 18.25 CENTS	18.25	21,053,359
TAX REVENUE ESTIMATE		21,053,359
TOTAL ESTIMATED REVENUE (REFUNDS + TAX)		24,181,241
DEBT SERVICE EXPENDITURES COMBINED WITH REVENUE AT TAX RATE OF 18.5 CENTS		6,147,587

MEMORANDUM

TO: Board of Directors

FROM: General Manager

RE: Adoption of Resolution 2017-13 Setting the Ad Valorem Tax Rate for 2017-2018

DATE: August 7, 2017

Summary:

After reviewing financial and budgetary data at the July Finance and Budget workshop and a lengthy discussion, the Board voted 4-3 on July 24 to recommend that the Agency's tax rate remain at \$0.185 per \$100 of assessed valuation for fiscal year 2017-2018. The purpose of this Board action is to further discuss and potentially implement that recommendation.

Background:

The Burns-Porter Act of 1960 authorized residents of California to vote on a \$1.75 billion bond that would fund construction of the State Water Project. The bill explicitly stated that the State's General Fund would not pay off the bonds sold for the Project, but that any water agencies who contracted with the State to purchase the water would have to back the bonds by levying property taxes within their service areas or through other revenue streams. The bond issue passed.

This is the purpose of the Agency's ad valorem tax levied by the Board each year—to pay the Agency's share of the debt service on the State Water Project, along with miscellaneous other costs associated with operating and maintaining the Project.

When the Agency constructed Phase 1 of the East Branch Extension (EBX 1) in the 1990's, the Board raised the tax rate significantly to pay the additional debt service (from 8.83 cents in 1992 to 17 cents in 2000). In return, the region was finally able to receive State Water Project water through the East Branch Extension and to begin alleviating long-term groundwater overdraft.

The Board decided to phase the construction of the EBX partly to reduce costs and partly because it recognized that water demands at the time were not high enough to justify paying a higher amount for a pipeline that would be only partially utilized for a number of years. Now that the Agency is completing construction of EBX 2, debt service payments have increased significantly.

EBX 2 is needed so that the Agency can import all available water in wet years (like this one). With only Phase 1 of the pipeline installed, the Agency could not import all the water available in any year with an allocation greater than 60%. With EBX 2 online, and with additional facilities to store the water, the future of the area will be more secure, as the Agency will be able to import and store more water in wet years to help offset lesser amounts of water available in dry and average years. The 60% average reliability of the State Water Project is reduced even more if the Agency cannot take all available water in wet years. The construction of EBX 2 and the ability to convey the additional water out of the pipeline and into storage are absolute necessities for the region. The long-term regional water supply depends on it.

In order to prepare for paying off EBX 2 bonds, the Board voted six years ago to increase the ad valorem tax rate from \$0.17 to \$0.185 after eleven years at the same rate. As discussed at the workshop, the Agency is currently in a good situation financially with its debt service fund and has options related to setting the tax rate this year and in the future. After a lengthy discussion, the Board voted 4-3 to recommend maintaining the tax rate at \$0.185 for the 2017-2018 fiscal year.

The Board also considered the desire to construct the California Water Fix, Sites Reservoir, and acquisition of additional Table A water, all potentially funded through the tax rate, along with the need to maintain large reserves in the future as reasons to maintain the current tax rate at this time. The Board discussed the tax rate extensively, and there was a strong feeling from some members of the Board that it should reduce the tax rate by a quarter of a cent this year, to \$0.1825. Staff noted during the meeting that a strong case can be made either way—to keep the tax rate where it is, or to lower

it by a quarter of a cent. Data presented by staff showed that the quarter of a cent would represent approximately \$300,000 in revenue to the Agency.

Detailed Report:

Data presented by staff at the Finance and Budget workshop showed that, based on conservative revenue projections, the Agency should be able to fund the California Water Fix, Sites Reservoir, and the acquisition of up to 7700 acre-feet of additional Table A water, all funded through the tax rate, and still maintain positive funds in the Agency's debt service accounts through 2035. However, under the conservative revenue projections presented, the reserves would potentially drop below desirable levels in the late 2020's. Under a slightly more optimistic revenue projection, these actions could be funded and adequate reserves maintained, even during the four years of balloon payments from 2026 to 2029.

The Board, working with staff, has been proactive in taking steps to reduce future State Water Project costs. A few years ago, the Agency requested that DWR sell bonds for EBX at a time when interest rates were at historic lows, thus lowering debt service costs. At that time, Agency staff worked with DWR to structure those bonds to partly smooth out the large balloon payments from 2026 through 2029. Those balloon payments, though still present, represent a much smaller financial hill for the Agency to climb in those years.

Finally, the Agency, along with other Contractors, has worked closely with DWR staff over the past several years to find ways to reduce O&M costs. These costs have declined significantly as a result of these efforts.

Fiscal Impact:

Regardless of the Board's action on the tax rate, the Agency should realize a surplus of over \$6 million this fiscal year in its debt service fund. This is primarily because of a one-time credit, explained by staff at the workshop, of approximately \$2 million from DWR.

Recommendation:

As mentioned at the workshop, staff can make a strong case to either leave the tax rate as is or to lower it by a quarter of a cent this year.

Either action would put the Board in a good position to meet future obligations on the State Water Project.

RESOLUTION NO. 2017-13

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN GORGONIO PASS WATER AGENCY DETERMINING THE AMOUNT OF MONEY NEEDED TO MAKE ANNUAL PAYMENTS FOR THE INTEREST AND PRINCIPAL ON GENERAL OBLIGATION BONDS AND FOR OTHER INDEBTEDNESS APPROVED BY THE VOTERS PRIOR TO JULY 1, 1978, AND/OR FOR WHICH A TAX LEVY IS REQUIRED UNDER ARTICLE 1, SECTION 10 OF THE UNITED STATES CONSTITUTION AND MAKING A TAX LEVY THEREOF.

WHEREAS, the Attorney General of the State of California has ruled in his opinion No. CV 78/90 that property taxes levied by local water districts necessary to provide for payments to the state under the state water supply contract fall within Section 1 (b) of Article XIII A of the California Constitution; now therefore,

BE IT RESOLVED by the Board of Directors of the San Gorgonio Pass Water Agency, as follows:

1. That said Board of Directors has determined that the amount of money needed to make annual payments during the fiscal year beginning July 1, 2017, and ending June 30, 2018, for the interest and principal on general obligation bonds and other indebtedness approved by the voters prior to July 1, 1978, and/or required by Article 1, Section 10 of the United States Constitution is **\$18,033,654** for payments on the Contract between the State of California Department of Water Resources and San Gorgonio Pass Water Agency for a water supply dated November 16, 1962, and hereby fixes the rate of tax which will raise the amount of money required by said Agency at the following amounts per hundred dollars of assessed valuation of taxable property within said Agency:

\$__0.185_ State Water Contract

2. That the Board of Directors of the San Gorgonio Pass Water Agency does hereby certify the rate so fixed, and as herein before set forth, to the Board of Supervisors of the County of Riverside, State of California, and to the County Auditor of said County.

3. That pursuant to California Water Code - Appendix Section 101-27 the determination of the amount necessary to be raised by taxation for such purpose during the fiscal year and the order fixing the rate of tax made herein shall constitute a valid assessment of the property within the Agency and a valid levy of the taxes so fixed. Said levy is permitted by California Revenue and Taxation Code Section 93 and/or required by Article 1, Section 10 of the United States Constitution.

4. That a certified copy of this resolution be transmitted to the County Auditor of said County, and that when so transmitted, said certified copy shall constitute the certification required in Section 101-27 of the California Water Code - Appendix.

5. That funds received by the San Geronio Pass Water Agency pursuant to the aforesaid tax levy shall be placed in a separate fund identified for such indebtedness set forth above and shall be disbursed only for lawful payments on such indebtedness.

Said Resolution was adopted by roll call vote as follows:

AYES:
NOES:
ABSTAIN:
ABSENT:

I certify that the foregoing is a true and correct copy of Resolution No. 2017-13, adopted by the Board of Directors of the San Geronio Pass Water Agency at its regular meeting held on August 7, 2017.

Jeffrey W. Davis, Secretary to the Board

RESOLUTION NO. 2017-13

STATE OF CALIFORNIA)
:
COUNTY OF RIVERSIDE)

I, Jeffrey W. Davis, the duly elected and acting Secretary of the Board of Directors of the San Geronio Pass Water Agency, hereby certify the foregoing to be a full and correct copy of Resolution No. 2017-13 adopted by the Board of Directors on August 7, 2017, at a duly held meeting at which a quorum was present.

I, Jeffrey W. Davis, also hereby certify that a copy of this Resolution No. 2017-13 has been forwarded to the County Auditor/Controller's office for recording as of the date stated below and to the officer whose signature appears below.

Jeffrey W. Davis
Secretary of the Board

DATE _____

Officer - County Auditor/Controller

DATE _____

MEMORANDUM

TO: Board of Directors

FROM: General Manager

RE: Fiscal Year 2017-2018 Debt Service Budget

DATE: August 7, 2017

Summary:

The Board passed the General Fund Fiscal Year 2017-2018 budget at the July 10 special board meeting. The Board cannot adopt a debt service budget until it adopts a tax rate for the fiscal year. The purpose of this Board action is to approve a debt service budget for fiscal year 2017-2018. The Board reviewed the proposed debt service budget in detail and recommended it for approval at the Finance and Budget workshop on July 24.

Background:

The Agency has two funds that it adopts budgets for each year—a General Fund, which is used to operate the Agency, and a Debt Service Fund, used to pay annual debt service and other costs associated with the State Water Project. The Debt Service Fund is funded with ad valorem tax dollars. The General Fund is funded with what is commonly referred to as 1% tax dollars, as well as revenues from water sales. The 1% tax dollars are tax revenues from the County and are not tied to the Agency's ad valorem tax.

Detailed Report:

Staff reviewed the proposed debt service budget with the Board on July 24. The expenditures were detailed at that time. Revenues were identified based on two different tax rates.

As the budget shows, total debt service expenditures are expected to be approximately \$18,034,000, based on the information available today. At a tax rate of 18.5 cents, total debt service revenues (including bond cover refunds and interest) are expected to be approximately \$24,470,000. At a tax rate of 18.25 cents, total debt

service revenues are expected to be approximately \$24,181,000. This leaves a budgeted debt service surplus of between \$6.1 million and \$6.4 million for the year. The Board recognized at the workshop that debt service payments for EBX will increase significantly in 2026-2029, and the Board wishes to ensure that the Agency will not have to raise taxes at that time to pay off these higher annual payments.

Fiscal Impact:

The impact of adopting this budget will be to increase debt service reserves. The Board's plan of maintaining a constant tax rate or a slightly reduced tax rate should be able to sustain debt service payments well into the future, assuming that property values do not undergo a sharp decrease similar to the one from 2008 to 2012.

Recommendation:

Staff recommends that the Board adopt the attached debt service budget, discussed in detail and recommended for approval at the Finance and Budget workshop July 24, with one of the two revenue scenarios presented.

**SAN GORGONIO PASS WATER AGENCY
DEBT SERVICE EXPENSE REQUIREMENTS
FOR THE FISCAL YEAR 2017-18**

DEBT SERVICE EXPENDITURES

DEPARTMENT OF WATER RESOURCES - STATEMENT OF CHARGES

INVOICE NUMBER	FOR THE PERIOD JUL - DEC 17	FOR THE PERIOD JAN - JUN 18
xx-022-T - ATTACHMENT 1 (Water Supply)	2,920,985	1,136,286
xx-005-DCC - ATTACHMENT 1A (Devil Canyon)	140,888	133,202
xx-020-O - ATTACHMENT 1-1 (OAP)	4,646	0
xx-087-U - ATTACHMENT 1-2 (RAS)	0	0
xx-002-X - ATTACHMENT 1-5 (EBX)	8,631,799	4,550,762
xx-012-TAB - ATTACHMENT 1-6 (TEHACHAPI)	22,917	22,069
DWR FIXED CHARGES	11,721,235	5,842,319
TOTAL DWR STATEMENT OF CHARGES		17,563,554
OTHER DWR EXPENSES		0
TOTAL PROJECTED DWR EXPENDITURES		17,563,554
ADDITIONAL DEBT SERVICE EXPENSES		
DEBT SERVICE SALARIES		54,000
DEBT SERVICE PAYROLL TAXES		4,100
DEBT SERVICE BENEFITS		29,000
DEBT SERVICE UTILITIES		10,000
TAX COLLECTION CHARGES		76,000
SWC CONTRACTOR DUES		42,000
SWP LEGAL SERVICES		0
U.S.G.S CONTRACT		0
CONTRACT OPERATIONS AND MAINTENANCE		180,000
SWP ENGINEERING - EBX1, EBX2		75,000
TOTAL ADDITIONAL EXPENSES		470,100
GRAND TOTAL DEBT SERVICE EXPENDITURES		18,033,654

**SAN GORGONIO PASS WATER AGENCY
DEBT SERVICE EXPENSE REQUIREMENTS
FOR THE FISCAL YEAR 2017-18**

DEBT SERVICE REVENUE		
ESTIMATED DWR REFUNDS + INTEREST		
ESTIMATE OF BOND REFUNDS		2,797,882
DWR ~ ALLOCATION OF EARNED INTEREST 2017		30,000
TOTAL ESTIMATE OF DWR REFUNDS + INTEREST		2,827,882
SGPWA ALLOCATED EARNED INTEREST		300,000
TOTAL REFUNDS + INTEREST		3,127,882
DEBT SERVICE TAX REVENUE		
DEBT SERVICE INCOME FY 2016-17	20,720,156	
TAX REVENUE PER CENT OF TAX LEVY		
(Current Tax Rate: 18.5 Cents)	1,120,008	
Projection for FY 2017-18		
3% increase	33,600	
ESTIMATED TAX REVENUE PER CENT OF TAX LEVY, FY 2017-18	1,153,609	
ESTIMATED REVENUE AT 18.50 CENTS	18.50	21,341,761
TAX REVENUE ESTIMATE		21,341,761
TOTAL ESTIMATED REVENUE (REFUNDS + TAX)		24,469,643
DEBT SERVICE EXPENDITURES COMBINED		
WITH REVENUE AT TAX RATE OF 18.5 CENTS		
		6,435,989

**SAN GORGONIO PASS WATER AGENCY
DEBT SERVICE EXPENSE REQUIREMENTS
FOR THE FISCAL YEAR 2017-18**

DEBT SERVICE REVENUE		
ESTIMATED DWR REFUNDS + INTEREST		
ESTIMATE OF BOND REFUNDS		2,797,882
DWR ~ ALLOCATION OF EARNED INTEREST 2017		30,000
TOTAL ESTIMATE OF DWR REFUNDS + INTEREST		2,827,882
SGPWA ALLOCATED EARNED INTEREST		300,000
TOTAL REFUNDS + INTEREST		3,127,882
DEBT SERVICE TAX REVENUE		
DEBT SERVICE INCOME FY 2016-17	20,720,156	
TAX REVENUE PER CENT OF TAX LEVY (Current Tax Rate: 18.5 Cents)	1,120,008	
Projection for FY 2017-18 3% increase	33,600	
ESTIMATED TAX REVENUE PER CENT OF TAX LEVY, FY 2017-18	1,153,609	
ESTIMATED REVENUE AT 18.25 CENTS	18.25	21,053,359
TAX REVENUE ESTIMATE		21,053,359
TOTAL ESTIMATED REVENUE (REFUNDS + TAX)		24,181,241
DEBT SERVICE EXPENDITURES COMBINED WITH REVENUE AT TAX RATE OF 18.5 CENTS		6,147,587

MEMORANDUM

TO: Board of Directors

FROM: General Manager

RE: Contract with IERCD to Produce Water Conservation Outreach Programs

DATE: August 7, 2017

Summary:

The Agency has contracted with the Inland Empire Resource Conservation District for a number of years to produce water conservation programs in local schools. The purpose of this proposed Board action is to consider the IERCD's proposal for the 2017-2018 school year.

Background:

The Agency has been involved in water conservation programs for a number of years. As a wholesale agency, it is somewhat problematic to implement meaningful conservation programs, which are traditionally more the role of the retail water agency. Nonetheless, the Agency has presented conservation programs in schools for three years. These programs could be given for any grade level and have been; however the most common program presented is at the elementary school level.

Detailed Report:

The IERCD has put together a number of programs for different grade levels—one for Kindergarten, one for first grade, one for second and third grades, one for fourth and fifth grades, one for middle school, and one for high school. All of the presentations follow the state education standards. This past year, the IERCD presented 44 programs to approximately 1320 students at seven different schools. The Agency contracted for 48 programs but only 44 were given.

For the 2017-2018 school year, the IERCD has proposed two teacher workshops for fourth through sixth grade teachers, to be held in the Agency board room, and 43 programs. Staff and the IERCD feel that the teach workshops will add a new dimension to the overall program, encouraging and training teachers to teach water issues to their students.

The total proposed amount of \$10,000 is the same as the past two years.

The Water Conservation and Education Committee discussed this proposal during its July 21 meeting, and members of that Committee may want to share their views at the Board meeting.

Fiscal Impact:

The Board included funds for this in the 2017-2018 General Fund budget, so there would be no impact to approving the proposal.

Recommendation:

Staff recommends that the Board approve the proposal and authorize the General Manager to sign a contract with the Inland Empire Resource Conservation District for water conservation outreach programs for the 2017-2018 school year.

*CONTRACT FOR PERFORMANCE OF
WATER CONSERVATION PUBLIC
OUTREACH PROGRAMS*

2017-18 Academic Year

Proposal To:

*San Geronio Pass Water Agency (SGPWA)
Contact: Jeff Davis, General Manager
1210 Beaumont Ave
Beaumont, Ca 92223*

Proposal From:

*Inland Empire Resource Conservation District
Contact: Mandy Parkes, District Manager
25864-K Business Center Drive
Redlands, CA 92374*



INLAND EMPIRE
RESOURCE
CONSERVATION DISTRICT

INLAND EMPIRE RESOURCE CONSERVATION DISTRICT BACKGROUND:

This proposal is being presented to the San Gorgonio Pass Water Agency (SGPWA), from the Inland Empire Resource Conservation District (IERCD/the "District"). The IERCD is a public agency, headquartered in the City of Redlands and serving the residents of both cities and unincorporated areas of San Bernardino and Riverside Counties. The District operates under the principle that the quality of the environment determines the corresponding quality of life; accordingly, IERCD board and staff work to perform the restoration, conservation, and education and outreach work designed to benefit local residents, wildlands, and dependent environs. Tasks associated with this work include preservation of open space, removal of invasive vegetation and replacement with appropriate native species, and dissemination of conservation information to area students and community groups.

The performance of environmental education programs to a variety of audiences within the District's service area is a key function of the Inland Empire Resource Conservation District. Three full-time educators and one part-time educator, overseen by one full-time education coordinator are tasked with presentation of eight core programs directly correlated to the Next Generation Science Standards for California Public Schools as well as the nationwide Common Core standards as part of the District's service to its residents. IERCD education programming has steadily increased since inception, with a total of 970 programs presented to 29,100 students in the 2015-16 school year, up from a total of 48 programs presented to 1,440 students in the 2003-04 school year. This significant increase in number of annual presentations has been accompanied by multi-disciplinary educator training, development of detailed lesson plans and pre/post-program activities to build content comprehension, and an improved distribution of programs among IERCD's service area. These improvements to IERCD presentations have resulted in a program package that is both highly attractive to requesting educators and effective for participating students as evidenced by administration of post-program content quizzes.

The 2017-18 proposal for water conservation programming on behalf of the San Gorgonio Pass Water Agency is being presented for consideration and possible adoption in the 2017-18 fiscal year.

BUDGET DESCRIPTION

CLASSROOM PROGRAMS

Total Classroom Programs: 43, to be performed in a range of K-12 classrooms and including all of the following services:

- *Outreach to educators and community groups:*
 - Creation and distribution of SGPWA hard copy and electronic flyers

- Presentations directly to district-wide administrator meetings and/or grade level and full staff school meetings.
- Incentives for booking programs advertised to schools and community leaders
- Email outreach to SGPWA-service area partners advertising WUE programs
- *Each individual program will be performed to the following standards:*
 - Consistency with newly and in-progress education standards including:
 - Common Core Standards
 - Next Generation Science Standards
 - Program preparation and post-performance reinforcement of content: each requesting educator will receive grade-appropriate preparation vocabulary/abbreviated activity ideas to prepare students for program concepts, in addition to questions and activities designed to maximize content retention following program performance.
 - Minimization of waste through use of the following educational tools
 - Electronic presentation using Prezi rather than hard copy materials
 - Using portable hand-held white boards to minimize use of paper and maximize student engagement throughout all segments of programming
 - Hands-on activities consisting of one of the following:
 - Water Conservation Enviroscope® model or aquifer model
 - Native plant activity involving student planting of drought-tolerant wildflower/shrub seeds in individual peat pots to take home
 - Check for comprehension: at the end of every program, the educator will administer a short quiz entitled "Do you remember" focusing on major concepts of the Water Use Efficiency presentation
 - Other activities, time permitting:
 - Question wheel with small conservation-themed prizes for correct answers
 - Additional activities and short games designed to increase content retention for participating students.

FEE BREAKDOWN FOR CLASSROOM PROGRAMS:

Task	Description	Approximate Cost
Program Preparation/ Clean-up	Assembling materials, Travel, Set-up, Clean-Up	\$30.00
Presentation	Classroom content portion	\$60.00
Materials/Mileage/Outreach/ Misc Program Development	Enviroscope® Materials, Handouts, Mileage	\$60.00
Per-Program Total		\$150.00
Total Programs Proposed		43
Set-Up Fee		\$550.00
Total Potential Cost for FY 2017-18 Classroom Programs		\$7,000.00

UPPER ELEMENTARY EDUCATOR WORKSHOP

Total Proposed Budget: \$3,000

Total Workshops: 2, to be performed at SGPWA Headquarters, marketed to members of the education community working with 4th – 6th grade students within SGPWA service area boundaries. The workshop will last four hours with lunch, and consist of the following elements:

- **Design of training materials:**
- **Day-of Facilitation including:**
 - Registration table for attendees, to track origin of workshop participants and store contact information for follow-up messaging
 - Printing/binding of training materials to be distributed to all attendees, to include at least agenda; updated 4th – 6th grade environmental science classroom standards relative to the critical uses and need for conservation of water; example lessons plans; pre/post-program activities to introduce content and reinforce it following lesson; additional resources for information, trainings, and student field trips; and invitation to follow up with IERCD for additional post-workshop educational support
 - Three presenters from the environmental education/conservation community, addressing attendees on water conservation education foundation, correlation to standards, and available resources for content extension
 - Q/A panel with presenters
 - Lunch, beverages, snacks
- **Post-Presentation Follow-Up**
 - Survey on effectiveness/utility of presentation
 - Electronic versions of all workshop materials and presenter PowerPoints
 - Additional resources in support of water conservation awareness/education and upcoming educational and training opportunities for students, teachers, and parents

FEE BREAKDOWN FOR EDUCATOR WORKSHOP

Task	Description	Cost
IERCD Staff Time	Planning, Designing, Facilitating Educator Workshop	\$1,250
Materials Reproduction	Workshop advertising, handouts	\$100
Lunch for attendees	Sandwiches, drinks, snacks	\$150
Per Workshop total		\$1,500
Workshops proposed		2
TOTAL		\$3,000

FINAL SGPWA BUDGET PROPOSAL FOR 2017-18

Task	Description	Approximate Cost
Water Conservation Classroom Programs	Performance of 43 programs plus set-up fee	\$7,000
Educator Workshop	2 four-hour upper elementary educator workshop	\$3,000
Total Potential Cost for all FY 2017-18 Water Conservation Proposed Programming		\$10,000

SIGNATURES

San Geronio Pass Water Agency
1210 Beaumont Ave
Beaumont, CA 92223

Inland Empire Resource Conservation District
25864-K Business Center Drive
Redlands, CA 92374

Jeff Davis, General Manager

Mandy Parkes, District Manager

Date

Date

MEMORANDUM

TO: Board of Directors

FROM: General Manager

RE: Discussion of Board Meeting Times

DATE: August 7, 2017

Summary:

In November 2015, the Board adopted Ordinance 12 establishing a new time for board meetings. Prior to that time, Board meetings had been held at 1:30 pm for many years. At the time, the Board considered this a trial in order to determine if more members of the public would attend evening Board meetings. The Board made it clear at the time that it wished to revisit the issue at some point in the near future to discuss attendance and whether the change in Board meeting times resulted in higher attendance. The purpose of this agenda item, which is for discussion only, is to discuss this issue and to provide guidance to staff with regard to future Board meeting times.

Detailed Report:

The purpose of moving Board meetings from the afternoon to the evening was to attempt to increase attendance at these meetings, particularly among members of the public. The Board made it clear when it adopted the ordinance that it wished to review this issue at some point in the near future, and to potentially change the time of Board meetings if the public did not attend meetings in the evening.

The Board has a number of new members since that time, so staff waited to bring this to the Board until new members have had an opportunity to observe the level of attendance from the public at Board meetings.

Individual Board members have discussed with staff the length of some Board meetings, and the fact that they sometimes last until late in the evening. Some of these individual Board members have

brought up the possibility of moving Board meeting times to earlier in the evening in order to avoid meetings that end very late.

Staff has brought this item to the Board for discussion only at this meeting. Staff is not asking for any decision from the Board. Staff wishes to provide the Board with an opportunity to discuss this issue and determine if the 7:00 Board meeting time is acceptable to the Board, or if the Board wishes to move the Board meeting time to an earlier time, either earlier in the evening or perhaps to the afternoon.

In the event that the Board wishes to change the Board meeting time, this item would be placed on a later agenda for discussion and action. That action would likely be the adoption of a new ordinance changing the time of Board meetings.

Recommendation:

As indicated above, staff has no recommendation on this issue. Staff is bringing this item to the Board for discussion only at the request of an earlier Board of Directors.

**SAN GORGONIO PASS WATER AGENCY
ORDINANCE NO. 12**

**AN ORDINANCE ESTABLISHING A NEW TIME FOR
BOARD MEETINGS AND AFFIRMING THE DATE AND
PLACE OF BOARD MEETINGS**

WHEREAS, the San Gorgonio Pass Water Agency (“Agency”) is a State Water Project (“SWP”) Contractor and wholesale water agency organized and operating under the Chapter 101 of the San Gorgonio Pass Water Agency Law set forth in the Water Code Appendix (“Law”). Section 11 of the Law provides that the Board of Directors shall provide for the time and place of holding its meetings and the manner in which its special meetings may be called; and

WHEREAS, the Board has adopted a number of ordinances and resolutions over the years designating changes in the date, time and place of Board meetings; and

WHEREAS, the Board desires to change the time for Board meetings to the evening, as set forth below. This change is in response to input from the public and representatives of retail water purveyors within the Agency’s service area. The intent is to provide a time of day when more individuals may be able to attend when it does not conflict with the work day; and

WHEREAS, it is the intent of the Board to revisit the designation of evening Board meeting times in the future, perhaps every three (3) and/or six (6) months, to review whether this decision has resulted in increased public attendance at Board meetings. In addition, the Board has the authority under the Law, and pursuant to the requirements of the Ralph M. Brown Act (Government Code Section 54950 et seq.), to change the date, time, and/or place of Board meetings for a particular meeting or on a more permanent basis so long as certain procedures are followed.

BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE SAN GORGONIO PASS WATER AGENCY AS FOLLOWS:

Section 1 Incorporation Of Recitals All of the foregoing Recitals are true and correct and the Board so finds and determines. The Recitals set forth above are incorporated herein and made an operative part of this Ordinance.

Section 2 Place Of Board Meetings Board Meetings shall be held at the Agency offices located at 1210 Beaumont Avenue, Beaumont, CA.

Section 3 Regular Board Meetings Regular meetings of the Board shall convene at 7:00 PM on the first and third Monday of each month.

Section 4 Engineering Workshop Meetings of the Board of Directors Engineering Workshop shall convene at 4:00 PM on the second Monday of each month.

Section 5 Finance And Budget Workshop Meetings of the Board Finance And Budget Workshop shall convene at 4:00 PM on the fourth Monday of each month.

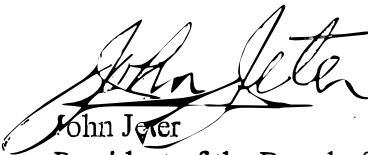
Section 6 Ordinance To Be Controlling All ordinances, resolutions, or other Board actions, or parts thereof, that are inconsistent with any provision of this Ordinance are hereby superseded to the extent of such inconsistency.

Section 7 New Schedule Commences January 2016 The President of the Board of Directors shall sign this Ordinance and the Secretary of the Board of Directors shall attest thereto, and this Ordinance shall be in full force and effect immediately upon adoption. However, the new and affirmed date, time and place of Board meetings, as set forth herein, shall not go into effect until the first such Board meetings in January of 2016.

Section 8 Severability If any section, subsection, clause or phrase in this Ordinance is for any reason held invalid, the validity of the remainder of this Ordinance shall not be affected thereby. The Board hereby declares that it would have passed this Ordinance and each section, subsection, sentence, clause, or phrase thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses or phrases or the application thereof be held invalid.

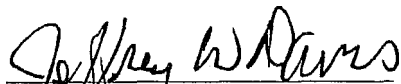
ADOPTED this 16th day of November of 2015, by the Board of Directors of the San Gorgonio Pass Water Agency.

SAN GORGONIO PASS WATER AGENCY



John Jeter
President of the Board of Directors

ATTEST:



Jeffrey Davis
Secretary of the Board of Directors