

**SAN GORGONIO PASS WATER AGENCY**  
**1210 Beaumont Avenue, Beaumont, CA**  
**Board of Directors Meeting**  
**Agenda**  
**October 2, 2017**

- 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 Regular Board Meeting, September 18, 2017\* (p. 3)
  - B. Approval of the Minutes of the Finance and Budget Workshop, September 25, 2017\* (p. 7)
  - C. Approval of the Finance and Budget Workshop Report, September 25, 2017\* (p.9)
  - D. Acceptance of August 2017 Bank Reconciliation\* (p. 15)
- 5. Reports:**
  - A. General Manager's Report
    1. Operations Report
    2. General Agency Updates
  - B. General Counsel Report\*(p. 25)
  - C. Directors' Reports
- 6. New Business:**
  - A. Presentation on California Water Fix\* (p. 26)
  - B. Consideration and Possible Action on Resolution No. 2017-14 Regarding Support of the California Water Fix\* (p. 43)
  - C. Discussion and Possible Action Regarding Changing the Number of Paid Meetings for Board Members\* (p. 47)
- 7. Topics for Future Agendas**
- 8. Announcements:**
  - A. Engineering Workshop, October 9, 2017 at 1:30 p.m.
  - B. Finance & Budget Committee Meeting, October 6, 2017 at 2:00 p.m.
  - B. Regular Board Meeting, October 16, 2017 at 1:30 p.m.
  - C. Finance and Budget Workshop, October 23, 2017 at 1:30 p.m.
- 9. Closed Session (2 Items)**
  - A. 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

**B. CONFERENCE WITH REAL PROPERTY NEGOTIATORS**

Pursuant to Government Code section 54956.8

Property: Potential water rights/supplies offers from the Priest Valley

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](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 18, 2017**

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

**Director(s) Absent:** Blair Ball, Director

**Staff Present:** Jeff Davis, General Manager  
Jeff Ferre, General Counsel  
Thomas Todd, Finance Manager  
Cheryle Rasmussen, Executive Assistant

1. **Call to Order, Flag Salute, Invocation, and Roll Call:** The meeting of the San Gorgonio Pass Water Agency Board of Directors was called to order by Board President David Fenn at 1:30 p.m., September 18, 2017 in the Agency Boardroom at 1210 Beaumont Avenue, Beaumont, California. President Fenn led the Pledge of Allegiance to the flag. President Fenn gave the invocation. A quorum was present.
2. **Adoption and Adjustment of Agenda:** *President Fenn asked if there were any adjustments to the agenda. There being none the Agenda was adopted as presented.*
3. **Public Comment:** *President Fenn asked if there were any members of the public that wished to make a public comment on items that are within the jurisdiction of the Agency. There were no members of the public that wished to comment at this time.*
3. **Consent Calendar:**
  - A. Approval of the Minutes of the Regular Board Meeting, September 5, 2017
  - B. Approval of the Minutes of the Engineering Workshop, September 11, 2017

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

**4. Reports:**

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

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

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

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

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

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

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

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

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

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

## **6. New Business:**

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

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

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

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

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

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

**8. Announcements:**

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

**9. Adjournment**

**Time: 3:33 pm**

*Draft - Subject to Board Approval*

Jeffrey W. Davis, Secretary of the Board

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**SAN GORGONIO PASS WATER AGENCY**  
**1210 Beaumont Avenue**  
**Beaumont, California 92223**  
**Minutes of the**  
**Board Finance and Budget Workshop**  
**September 25, 2017**

**Directors Present:** Ron Duncan, Vice President  
Lenny Stephenson, Treasurer  
David Castaldo, Director; arrived at 1:36 pm  
Blair Ball, Director; arrived at 1:36 pm.  
Steve Lehtonen, Director  
Mike Thompson, Director

**Directors Absent:** David Fenn, President

**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 1:30 pm, September 25, 2017, in the Agency Board Room at 1210 Beaumont Avenue, Beaumont, California. Director Stephenson led the Pledge of Allegiance to the flag. A quorum was present.
2. **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 August, 2017 by Reviewing Check History Reports in Detail: After review and discussion, a motion was made by Director Thompson, seconded by Director Lehtonen, to recommend that the Board ratify paid monthly invoices of \$864,563.51 and payroll of \$34,151.26 for the month of August, 2017, for a combined total of \$898,714.77. The motion passed, 6 in favor, no opposed, with President Fenn absent.
  - B. Review Pending Legal Invoices: After review and discussion, a motion was made by Director Lehtonen, seconded by Director Thompson, to recommend that the Board approve payment of the pending legal invoices for August, 2017. The motion passed, 6 in favor, no opposed, with President Fenn absent.
  - C. Review of August, 2017 Bank Reconciliation: The record of the Wells Fargo bank deposits was missing from the agenda packet, so this item was tabled to the next Board meeting.

- D. Review of Budget Report for August, 2017: After review and discussion, a motion was made by Director Duncan, seconded by Director Castaldo, to recommend that the Board acknowledge receipt of the Budget Report for August, 2017. The motion passed, 6 in favor, no opposed, with President Fenn absent.
  - E. Discussion of General Fund Monies Previously Used for SWP: General Manager Jeff Davis briefly commented that some research has been done, but that more research was necessary to chronicle the sequence of events and the amounts involved before this matter could be presented to the Board. He noted that the previous figure that was mentioned is incorrect; staff need to complete their research before a new amount can be presented.
  - F. Discussion about Number of Paid Meetings for Board Members: General Manger Davis directed the Board's attention to the list that was previously published about State Water Contractors meetings and payments. The next item in the agenda packet was a new chart, listing the contractors and amounts paid to board members reported to the State Controller's Office. General Manager Davis also directed attention of the letter from President Fenn. After review and discussion, the consensus of the Board was to table this item to a future Board meeting.
5. **Announcements:** Director Stephenson referred to the announcements:
- A. San Gorgonio Pass Regional Water Alliance, September 27, 2017, 5:30 pm, Banning City Council Chambers
  - B. Regular Board Meeting, October 2, 2017, 1:30 pm
  - C. Engineering Workshop, October 9, 2017, 1:30 pm
6. **Adjournment:** The Finance and Budget workshop of the San Gorgonio Pass Water Agency Board of Directors was adjourned at 2:38 pm.

Draft - Not Approved

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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 September 25, 2017. The following recommendations were made:

1. The Board ratify payment of Invoices of \$864,563.51 and Payroll of \$34,151.26 as detailed in the Check History Report for Accounts Payable and the Check History Report for Payroll for August, 2017 for a combined total of \$898,714.77.
  
2. The Board authorize payment of the following vendor's amounts:  

Best, Best & Krieger LLP	\$32,429.35
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3. The Board acknowledge receipt of the following:  
Budget Report for August, 2017

# SAN GORGONIO PASS WATER AGENCY

1210 Beaumont Ave, Beaumont, CA 92223

Board Finance & Budget Workshop

Agenda

September 25, 2017, at 1:30 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, 2017 by Reviewing Check History Reports in Detail\*
- B. Review of Pending Legal Invoices\*
- C. Review of August, 2017 Bank Reconciliation\*
- D. Review of Budget Report for August, 2017\*
- E. Discussion of General Fund Monies Previously Used for SWP
- F. Discussion about Number of Paid Meetings for Board Members\*

**5. Announcements**

- A. San Gorgonio Pass Regional Water Alliance, September 27, 2017, 5:30 pm, Banning City Council Chambers
- B. Regular Board Meeting, October 2, 2017, 1:30 pm
- C. Engineering Workshop, October 9, 2017, 1:30 pm

**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 to request for a disability-related modification or accommodation.

**San Geronio Pass Water Agency**  
**Check History Report**  
**August 1 through August 31, 2017**

ACCOUNTS PAYABLE
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Date	Number	Name	Amount
08/07/2017	118544	BDL ALARMS, INC.	78.00
08/07/2017	118545	BEST BEST & KRIEGER	26,332.39
08/07/2017	118546	BEAUMONT CHAMBER OF COMMERCE	105.00
08/07/2017	118547	OFFICE SOLUTIONS	361.73
08/07/2017	118548	CHERYLE M. RASMUSSEN	814.00
08/07/2017	118549	UNDERGROUND SERVICE ALERT	23.20
08/07/2017	118550	UNLIMITED SERVICES BUILDING MAINT.	295.00
08/07/2017	118551	VALLEY OFFICE EQUIPMENT, INC.	155.76
08/07/2017	118552	WASTE MANAGEMENT INLAND EMPIRE	94.80
08/17/2017	118553	ACWA BENEFITS	780.88
08/17/2017	118554	ERNST & YOUNG LLP	1,032.00
08/17/2017	118555	KENNETH M. FALLS	557.50
08/17/2017	118556	FRONTIER COMMUNICATIONS	1,208.19
08/17/2017	118557	GOPHER PATROL	51.00
08/17/2017	118558	INCONTACT, INC.	112.54
08/17/2017	118559	MATTHEW PISTILLI LANDSCAPE SERVICES	325.00
08/17/2017	118560	STATE WATER RESOURCES CONTROL BOARD	90.00
08/17/2017	118561	MICHAEL D. THOMPSON	350.00
08/17/2017	118562	VISIONARY LOGICS	45.00
08/17/2017	118563	WELLS FARGO REMITTANCE CENTER	2,997.05
08/21/2017	118564	VOID	0.00
08/21/2017	118565	DAVID TAUSSIG & ASSOCIATES, INC.	2,050.00
08/21/2017	118566	PROVOST & PRITCHARD	5,950.06
08/21/2017	118567	SINGER LEWAK - AHERN ADCKOCK DEVILIN	650.00
08/28/2017	118568	AT&T MOBILITY	260.28
08/28/2017	118569	RONALD A. DUNCAN	642.13
08/28/2017	118570	SOUTHERN CALIFORNIA EDISON	136.22
08/28/2017	118571	THOMAS W. TODD, JR.	916.29
08/28/2017	118572	VALLEY OFFICE EQUIPMENT, INC.	111.70
08/30/2017	118573	STANDARD INSURANCE COMPANY	441.32
08/15/2017	583482	EMPLOYMENT DEVELOPMENT DEPARTMENT	1,144.15
08/15/2017	554897	ELECTRONIC FEDERAL TAX PAYMENT SYSTEM	6,772.14
08/30/2017	538007	EMPLOYMENT DEVELOPMENT DEPARTMENT	1,090.66
08/30/2017	531235	ELECTRONIC FEDERAL TAX PAYMENT SYSTEM	7,263.41
08/15/2017	900146	CALPERS RETIREMENT	6,068.72
08/17/2017	900147A	CALPERS FINANCIAL REPORTING	350.00
08/17/2017	900147B	CALPERS HEALTH	7,747.81
08/30/2017	900148	CALPERS RETIREMENT	5,927.58
08/31/2017	900149	DEPARTMENT OF WATER RESOURCES	781,232.00
TOTAL ACCOUNTS PAYABLE CHECKS			864,563.51

**San Geronio Pass Water Agency**  
**Check History Report**  
**August 1 through August 31, 2017**

PAYROLL
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Date	Number	Name	Amount
08/14/2017	801414	JEFFREY W. DAVIS	4,700.95
08/14/2017	801415	RONALD A. DUNCAN	1,167.90
08/14/2017	801416	KENNETH M. FALLS	3,168.35
08/14/2017	801417	CHERYLE M. RASMUSSEN	2,213.51
08/14/2017	801418	MICHAEL D. THOMPSON	233.58
08/14/2017	801419	THOMAS W. TODD, JR.	3,548.19
08/29/2017	801420	JEFFREY W. DAVIS	4,700.95
08/29/2017	801421	RONALD A. DUNCAN	1,167.90
08/29/2017	801422	KENNETH M. FALLS	2,819.07
08/29/2017	801423	DAVID L. FENN	1,167.90
08/29/2017	801424	STEPHEN J. LEHTONEN	1,167.90
08/29/2017	801425	CHERYLE M. RASMUSSEN	2,212.54
08/29/2017	801426	LEONARD C. STEPHENSON	1,167.90
08/29/2017	801427	MICHAEL D. THOMPSON	1,167.90
08/29/2017	801428	THOMAS W. TODD, JR.	3,546.72
TOTAL PAYROLL			34,151.26
TOTAL DISBURSEMENTS FOR AUGUST, 2017			898,714.77

SAN GORGONIO PASS WATER AGENCY  
New Vendors List  
September, 2017

Vendor - Name and Address	Expenditure Type
Eadie and Payne LLP 1839 W. Redlands Blvd; Redlands, CA 92373 P O Box 9360 Redlands, CA 92375 Eadie and Payne are in the process of moving to Riverside, so this address will change.	Accounting

**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	170831	LEGAL SERVICES AUG17	32,429.35

TOTAL PENDING INVOICES FOR AUGUST 2017

32,429.35

**SAN GORGONIO PASS WATER AGENCY  
BANK RECONCILIATION  
AUGUST 31, 2017**

BALANCE PER BANK AT 8/31/2017 - CHECKING ACCOUNT 229,707.15

PENDING TRANSFER TO LAIF

229,707.15

LESS OUTSTANDING CHECKS

CHECK NUMBER	AMOUNT	CHECK NUMBER	AMOUNT
118504	734.00	118569	642.13
118564	VOID	118570	136.22
118566	5,950.06	118573	441.32
118568	260.28	900148	5,927.58
	6,944.34		7,147.25

TOTAL OUTSTANDING CHECKS

(14,091.59)

BALANCE PER GENERAL LEDGER

215,615.56

BALANCE PER GENERAL LEDGER AT 7/31/2017

179,702.01

CASH RECEIPTS FOR AUGUST

1,184,707.79

CASH DISBURSEMENTS FOR AUGUST

ACCOUNTS PAYABLE - CHECK HISTORY REPORT

864,563.51

NET PAYROLL

34,151.26

(898,714.77)

BANK CHARGES

(79.47)

TRANSFERS FROM LAIF

2,250,000.00

TRANSFERS TO TVI

(2,250,000.00)

TRANSFERS TO W F SAVINGS

(250,000.00)

VOIDED CHECKS FROM PRIOR MONTH

-

BALANCE PER GENERAL LEDGER AT 8/31/2017

215,615.56

REPORT PREPARED BY:

*Thomas W. Poole, Jr.*

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

<u>DATE</u>	<u>RECEIVED FROM</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>TOTAL DEPOSIT AMOUNT</u>
<b>DEPOSIT TO CHECKING ACCOUNT</b>				
8/1/17	RIVERSIDE COUNTY	PROPERTY TAXES	103,507.78	103,507.78
8/1/17	RIVERSIDE COUNTY	PROPERTY TAXES	168,062.30	168,062.30
8/1/17	RIVERSIDE COUNTY	PROPERTY TAXES	18,990.37	18,990.37
8/1/17	RIVERSIDE COUNTY	PROPERTY TAXES	212,316.25	212,316.25
8/7/17	CITY OF BANNING	WATER SALES MAR-JUN17	187,981.00	187,981.00
8/14/17	RIVERSIDE COUNTY	PROPERTY TAXES	8,066.48	8,066.48
8/14/17	AMERICAN CELL TOWER	CELL TOWER RENT	26,225.45	26,225.45
8/24/17	BCVWD	WATER SALES	410,832.00	410,832.00
8/24/17	YWWD	WATER SALES	29,861.76	29,861.76
8/28/17	TVI	CD - BOND INTEREST	18,864.40	18,864.40
TOTAL FOR AUGUST, 2017			1,184,707.79	1,184,707.79



**SAN GORGONIO PASS WATER AGENCY**  
**BUDGET REPORT FY 2017-18**  
**BUDGET VS. REVISED BUDGET VS. ACTUAL**  
**FOR THE TWO MONTHS ENDING ON AUGUST 31, 2017**

FOR THE FISCAL YEAR JULY 1, 2017 - JUNE 30, 2018					
	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
<b>GENERAL FUND - INCOME</b>				Comparison:	83%
<b>INCOME</b>					
WATER SALES	5,500,000		5,500,000	628,674.76	88.57%
TAX REVENUE	2,350,000		2,350,000	104,936.51	95.53%
INTEREST	110,000		110,000	11,602.29	89.45%
DESIGNATED REVENUES	0		0	0.00	0.00%
OTHER (REIMBURSEMENTS, TRANSFERS)	456,000		456,000	26,225.45	94.25%
<b>TOTAL GENERAL FUND INCOME</b>	<b>8,416,000</b>	<b>0</b>	<b>8,416,000</b>	<b>771,439.01</b>	<b>90.83%</b>
<b>GENERAL FUND - EXPENSES</b>					
<b>CC 17 / 50</b>					
<b>MODITY PURCHASE</b>					
<b>PURCHASED WATER</b>	6,230,000		6,230,000	351,307.03	94.36%
<b>TOTAL COMMODITY PURCHASE</b>	<b>6,230,000</b>	<b>0</b>	<b>6,230,000</b>	<b>351,307.03</b>	<b>94.36%</b>
<b>SALARIES AND EMPLOYEE BENEFITS</b>					
SALARIES	454,000		454,000	75,427.54	83.39%
PAYROLL TAXES	38,000		38,000	6,814.52	82.07%
RETIREMENT	123,000		123,000	41,119.42	66.57%
OTHER POST-EMPLOYMENT BENEFITS (OPEB)	25,000		25,000	5,599.84	77.60%
HEALTH INSURANCE	61,000		61,000	14,859.34	75.64%
DENTAL INSURANCE	4,500		4,500	1,072.56	76.17%
LIFE INSURANCE	1,300		1,300	333.41	74.35%
DISABILITY INSURANCE	4,700		4,700	784.44	83.31%
WORKERS COMP INSURANCE	3,400		3,400	0.00	100.00%
SGPWA STAFF MISC. MEDICAL	10,000		10,000	2,393.25	76.07%
EMPLOYEE EDUCATION	1,000		1,000	0.00	100.00%
<b>TOTAL SALARIES AND EMPLOYEE BENEFITS</b>	<b>725,900</b>	<b>0</b>	<b>725,900</b>	<b>148,404.32</b>	<b>79.56%</b>

**SAN GORGONIO PASS WATER AGENCY**  
**BUDGET REPORT FY 2017-18**  
**BUDGET VS. REVISED BUDGET VS. ACTUAL**  
**FOR THE TWO MONTHS ENDING ON AUGUST 31, 2017**

FOR THE FISCAL YEAR JULY 1, 2017 - JUNE 30, 2018					
	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
<b>GENERAL FUND - EXPENSES</b>				Comparison:	83%
<b>ADMINISTRATIVE &amp; PROFESSIONAL</b>					
<b>DIRECTOR EXPENDITURES</b>					
DIRECTORS FEES	108,000		108,000	13,658.22	87.35%
DIRECTORS TRAVEL & EDUCATION	15,000		15,000	864.00	94.24%
DIRECTORS MISC. MEDICAL	23,000		23,000	1,391.33	93.95%
<b>OFFICE EXPENDITURES</b>					
OFFICE EXPENSE	24,000		24,000	754.71	96.86%
POSTAGE	650		650	0.00	100.00%
TELEPHONE	11,000		11,000	1,773.49	83.88%
UTILITIES	5,000		5,000	208.52	95.83%
<b>SERVICE EXPENDITURES</b>					
COMPUTER, WEB SITE AND PHONE SUPPORT	10,000		10,000	270.00	97.30%
GENERAL MANAGER & STAFF TRAVEL	22,000		22,000	2,483.27	88.71%
INSURANCE & BONDS	23,000		23,000	0.00	100.00%
ACCOUNTING & AUDITING	21,000		21,000	650.00	96.90%
STATE WATER CONTRACT AUDIT	5,500		5,500	2,579.00	53.11%
DUES & ASSESSMENTS	31,500		31,500	1,127.00	96.42%
OUTSIDE PROFESSIONAL SERVICES	2,000		2,000	350.00	82.50%
BANK CHARGES	1,500		1,500	102.96	93.14%
MISCELLANEOUS EXPENSES	500		500	0.00	100.00%
<b>MAINTENANCE &amp; EQUIPMENT EXPENDITURES</b>					
TOOLS PURCHASE & MAINTENANCE	1,000		1,000	0.00	100.00%
VEHICLE REPAIR & MAINTENANCE	7,000		7,000	441.12	93.70%
MAINTENANCE & REPAIRS - BUILDING	15,000		15,000	1,531.60	89.79%
MAINTENANCE & REPAIRS - FIELD	4,500		4,500	23.20	99.48%
CONTRACT OPERATIONS AND MAINTENANCE	150,000		150,000	0.00	100.00%
<b>COUNTY EXPENDITURES</b>					
LAFCO COST SHARE	5,000		5,000	5,368.12	-7.36%
ELECTION EXPENSE	0		0	0.00	0.00%
TAX COLLECTION CHARGES	10,500		10,500	280.43	97.33%
<b>TOTAL ADMINISTRATIVE &amp; PROFESSIONAL</b>	496,650	0	496,650	33,856.97	93.18%

**SAN GORGONIO PASS WATER AGENCY**  
**BUDGET REPORT FY 2017-18**  
**BUDGET VS. REVISED BUDGET VS. ACTUAL**  
**FOR THE TWO MONTHS ENDING ON AUGUST 31, 2017**

	FOR THE FISCAL YEAR JULY 1, 2017 - JUNE 30, 2018				
	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
<b>GENERAL FUND - EXPENSES</b>				Comparison:	83%
<b>GENERAL ENGINEERING</b>					
GRANT WRITER	10,000		10,000	0.00	100.00%
<b>NEW WATER</b>					
PROGRAMATIC EIR	50,000		50,000	0.00	100.00%
UPDATED STUDY ON AVAILABLE SOURCES	5,000		5,000	6,490.06	-29.80%
SGMA SUPPORT	10,000		10,000	0.00	100.00%
<b>STUDIES</b>					
USGS	100,000		100,000	0.00	100.00%
WATER RATE NEXUS STUDY	40,000		40,000	0.00	100.00%
WATER RATE FINANCIAL MODELING	20,000		20,000	2,050.00	89.75%
CAPACITY FEE NEXUS STUDY UPDATE	10,000		10,000	0.00	100.00%
WHEELING RATE STUDY	20,000		20,000	0.00	100.00%
<b>OTHER PROJECTS</b>					
BASIN MONITORING TASK FORCE	22,000		22,000	14,019.00	36.28%
GENERAL AGENCY - CEQA AND GIS SERVICES	15,000		15,000	0.00	100.00%
<b>TOTAL GENERAL ENGINEERING</b>	<b>302,000</b>	<b>0</b>	<b>302,000</b>	<b>22,559.06</b>	<b>92.53%</b>
<b>LEGAL SERVICES</b>					
LEGAL SERVICES - GENERAL	200,000		200,000	21,679.51	89.16%
<b>TOTAL LEGAL SERVICES</b>	<b>200,000</b>	<b>0</b>	<b>200,000</b>	<b>21,679.51</b>	<b>89.16%</b>
<b>CONSERVATION &amp; EDUCATION</b>					
SCHOOL EDUCATION PROGRAMS	14,000		14,000	0.00	100.00%
ADULT EDUCATION PROGRAMS	5,000		5,000	0.00	100.00%
OTHER CONSERVATION, EDUCATION AND P. R.	35,000		35,000	0.00	100.00%
<b>TOTAL CONSERVATION &amp; EDUCATION</b>	<b>54,000</b>	<b>0</b>	<b>54,000</b>	<b>0.00</b>	<b>100.00%</b>

**SAN GORGONIO PASS WATER AGENCY  
BUDGET REPORT FY 2017-18  
BUDGET VS. REVISED BUDGET VS. ACTUAL  
FOR THE TWO MONTHS ENDING ON AUGUST 31, 2017**

	FOR THE FISCAL YEAR JULY 1, 2017 - JUNE 30, 2018				
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<b>GENERAL FUND - EXPENSES</b>				Comparison:	83%
<b>GENERAL FUND CAPITAL EXPENDITURES</b>					
<b>BUILDING &amp; EQUIPMENT</b>					
BUILDING	10,000		10,000	0.00	100.00%
FURNITURE & OFFICE EQUIPMENT	10,000		10,000	0.00	100.00%
OTHER EQUIPMENT	0		0	0.00	0.00%
TRANSPORTATION EQUIPMENT	37,000		37,000	0.00	100.00%
<b>FIESTA RECHARGE FACILITY</b>					
POST DESIGN	250,000		250,000	0.00	100.00%
CONSTRUCTION	2,500,000		2,500,000	2,000.00	99.92%
FINANCING	120,000		120,000	0.00	100.00%
LANDSCAPING	15,000		15,000	0.00	100.00%
LANDSCAPING/POWER/WATER	0		0	0.00	0.00%
<b>BUNKER HILL CONJUNCTIVE USE PROJECT</b>	0		0	0.00	0.00%
<b>BCVWD TURNOUT EXPANSION</b>					
DESIGN	35,000		35,000	0.00	100.00%
CONSTRUCTION	162,000		162,000	0.00	100.00%
POST DESIGN	30,000		30,000	0.00	100.00%
<b>SITES RESERVOIR</b>	270,000		270,000	0.00	100.00%
<b>TOTAL GENERAL FUND CAPITAL EXPENDITURES</b>	3,439,000	0	3,439,000	2,000.00	99.94%
<b>TRANSFERS TO OTHER FUNDS</b>	0		0	0.00	
<b>TOTAL GENERAL FUND EXPENSES</b>	11,447,550	0	11,447,550	579,806.89	94.94%
<b>WITHDRAWALS FROM RESERVES</b>	3,155,000		3,155,000		
<b>TOTAL TRANSFERS FROM RESERVES</b>	3,155,000	0	3,155,000	0.00	
<b>GENERAL FUND NET INCOME YEAR TO DATE</b>	123,450	0	123,450	191,632.12	

**SAN GORGONIO PASS WATER AGENCY**  
**BUDGET REPORT FY 2017-18**  
**BUDGET VS. REVISED BUDGET VS. ACTUAL**  
**FOR THE TWO MONTHS ENDING ON AUGUST 31, 2017**

	FOR THE FISCAL YEAR JULY 1, 2017 - JUNE 30, 2018				
	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
<b>DEBT SERVICE FUND - INCOME</b>				Comparison:	83%
<b>INCOME</b>					
TAX REVENUE	21,053,359		21,053,359	719,329.98	96.58%
INTEREST	300,000		300,000	34,806.89	88.40%
GRANTS	0		0	0.00	0.00%
DWR CREDITS - BOND COVER, OTHER	2,827,882		2,827,882	350.66	99.99%
<b>TOTAL DEBT SERVICE FUND INCOME</b>	<b>24,181,241</b>	<b>0</b>	<b>24,181,241</b>	<b>754,487.53</b>	<b>96.88%</b>
<b>DEBT SERVICE FUND - EXPENSES</b>					
<b>EXPENSES</b>					
EMPLOYEES	54,000		54,000	9,087.54	83.17%
PROPERTY TAXES	4,100		4,100	695.16	83.04%
BENEFITS	29,000		29,000	8,668.41	70.11%
SWC CONTRACTOR DUES	42,000		42,000	39,308.00	6.41%
STATE WATER CONTRACT PAYMENTS	17,563,554		17,563,554	1,349,380.00	92.32%
PURCHASED WATER	0		0	345.97	0.00%
STATE WATER PROJECT LEGAL SERVICES	0		0	0.00	0.00%
USGS	0		0	0.00	0.00%
CONTRACT OPERATIONS AND MAINTENANCE	180,000		180,000	0.00	100.00%
SWP ENGINEERING	75,000		75,000	0.00	100.00%
DEBT SERVICE UTILITIES	10,000		10,000	1,678.50	83.22%
TAX COLLECTION CHARGES	76,000		76,000	1,589.13	97.91%
<b>TOTAL DEBT SERVICE FUND EXPENSES</b>	<b>18,033,654</b>	<b>0</b>	<b>18,033,654</b>	<b>1,410,752.71</b>	<b>92.18%</b>
<b>TRANSFERS FROM RESERVES</b>			<b>0</b>	<b>0.00</b>	
<b>DEBT SERVICE NET INCOME YEAR TO DATE</b>	<b>6,147,587</b>	<b>0</b>	<b>6,147,587</b>	<b>-656,265.18</b>	

# State Water Contractors - Inland Empire Meeting Survey

**ANTELOPE VALLEY-EAST KERN WATER AGENCY**  
6500 West Avenue N, Palmdale, CA 93551-2855  
Tel: (661) 943-3201, FAX: (661) 943-3204

AVEK – \$225.44 per day of service  
Up to 10 meetings

**CASTAIC LAKE WATER AGENCY**  
27234 Bouquet Canyon Road, Santa Clarita, CA 91350  
Tel: (661) 297-1600, FAX: (661) 297-1610

Castaic – \$195.00 per day of service  
Up to 10 meetings

**COACHELLA VALLEY WATER DISTRICT**  
85-995 Avenue 52  
P.O. Box 1058, Coachella, CA 92236-1058  
Tel: (760) 398-2651, FAX: (760) 398-3711

CVWD – \$223.00 per day of service  
Up to 10 meetings

**CRESTLINE-LAKE ARROWHEAD WATER AGENCY**  
24116 Crest Forest Drive  
P.O. Box 3880, Crestline, CA 92325-3880  
Tel: (909) 338-1779, FAX: (909) 338-3686

Crestline – \$200.00 per day of service  
Up to 10 meetings

**DESERT WATER AGENCY**  
1200 Gene Autry Trail South  
P.O. Box 1710, Palm Springs, CA 92263  
Tel: (760) 323-4971, FAX: (760) 325-6505

DWA – \$389.75 per day of service  
Up to 10 meetings

**MOJAVE WATER AGENCY**  
22450 Headquarters Drive, Apple Valley, CA 92307  
Tel: (760) 946-7000, FAX: (760) 240-2642

Mojave – \$179.57 per day of service  
Up to 10 meetings

**SAN BERNARDINO VALLEY MUNI WATER DISTRICT**  
1350 South E Street  
P.O. Box 5906, San Bernardino, CA 92412-5906  
Tel: (909) 387-9200, FAX: (909) 387-9247

SBVMWD – \$299.00 per day of service  
Up to 10 meetings

**SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT**  
549 East Sierra Madre Avenue  
P.O. Box 1299, Azusa, CA 91702-1299  
Tel: (626) 969-7911, FAX: (626) 969-7397

SGBMWD – \$200.00 per day of service  
Up to 10 meetings

**SAN GORONIO PASS WATER AGENCY**  
1210 Beaumont Avenue, Beaumont, CA 92223  
Tel: (951) 845-2577, FAX: (951) 845-0281

SGPWA – \$252.93 per day of service  
Up to 5 meetings

SAN GORGONIO PASS WATER AGENCY  
 State Water Contractors  
 Reports from State Controller's Office  
 Wages Paid in 2016

Special District	Rate - Day of Service	Maximum Number of Meetings	Calculated Annual Maximum	Lowest Amount Reported	Highest Amount Reported
Antelope Valley-East Kern Water Agency	225.44	10	27,053	19,108	25,764
Castaic Lake Water Agency	195.00	10	23,400	15,342	23,725
Coachella Valley Water District	223.00	10	26,760	18,063	26,760
Crestline-Lake Arrowhead Water Agency	200.00	10	24,000	2,000	2,600
Desert Water Agency	389.75	10	46,770	5,223	23,385
Inojave Water Agency	179.57	10	21,548	12,994	23,201
In Bernardino Valley Municipal Water District	299.00	10	35,880	33,088	44,733
In Gabriel Valley Municipal Water District*	200.00	10	24,000	8,986	25,272
In Gorgonio Pass Water Agency	252.93	5	15,176	13,572	14,806

\*The San Gabriel Valley Municipal Water District reported \$0 for all wages; the amounts listed above were in the 'Total Retirement & Health Cost' column.

9/21/17

To the SGPWA Board of Directors,

I will not be present at the Finance & Budget committee meeting on Monday 9/25 as I will be traveling back from Oxnard and will not be able meet the requirements of the Brown Act to call in via conference call. When sharing this information at our last board meeting our Vice President expressed his desire to hear my opinion on the matter of "the number of paid meetings per month". Therefore, I would like this letter to be included in our agenda packet so that the public and board can know where their board President stands on the matter.

The subject of director's pay can be a sensitive one. Some may view this as selfishness on the behalf of the board. I feel the intent to consider more paid meetings to be to the contrary. Here are just a few points I would like to make.

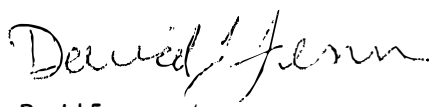
- As staff has pointed out, all other Southern California State Water Contractor's board members are paid up to 10 meetings per month (per the water code). We are the odd ones out at only 5.
- Our current directors and some of our past directors did not attend training opportunities on a regular basis. I'm sure this is due to differing circumstances such as available time, location of training, sacrificing day job pay, etc. Additional paid meetings would encourage additional training even if it was previously viewed upon as inconvenient.
- 10 Meetings might be excessive? If our board members agree to increase the meetings to 10 then I can support that as that is per the water code. Should the board feel that 10 is excessive and beyond the reasonable expectations for the issues that affect our service area then I could support 8 paid meetings per month.
- I feel that an additional 3 meetings per month will incentivize additional training, networking and general water knowledge that will impact our agency in a positive way. If we as a board can get out there more often we will learn from more than one source how to best cope with the issues that impact our agency. We will be able to better sort through the issues at hand, better determine facts versus opinions and therefore make the best decisions possible for our Agency, our Retailers and the Public that we respectively serve.
- I don't want to see any government agency in my area result in board members just rubberstamping the opinions of Staff. I want them to be well versed on the facts at hand. I don't want them to be swayed by just one point of view.

I would like to reiterate comments that I have made previously in that we should be diligent in reporting back on meetings that we attend so that the knowledge we gain can be shared with the rest of the board.

I am pleased with the contributions of our current board members and would like to commend them on the good job they do in learning about the subjects at hand and forming their own opinions but I think a few additional meetings will help us to improve. It is money well spent.

Thank you for your time and consideration.

Sincerely,



David Fenn  
Board President  
San Gorgonio Pass Water Agency





**BEST BEST & KRIEGER**  
ATTORNEYS AT LAW

**Memorandum**

**To:** President and Members of the Board of Directors  
San Geronio Pass Water Agency

**From:** Jeff Ferre, General Counsel

**Date:** October 2, 2017

**Re:** General Counsel Report - Board of Directors Meeting – October 2, 2017

LITTLE HOOVER COMMISSION REPORT

The Little Hoover Commission is an independent state oversight agency which issues reports to the Governor and the Legislature on how to promote efficiency and improved services at the state and local level. On August 30, 2017, the Commission released a report entitled “Special Districts: Improving Oversight & Transparency.” The report ultimately concludes that local institutions are best served by local decision-making, as opposed to top-down actions from the state. The report concludes that decisions on matters such as potential consolidations should be made at the local level by the Local Agency Formation Commission (“LAFCO”) in the applicable county. Here is a sampling of some of the recommendations made in the report.

1. The Legislature/Governor should curtail a growing practice of enacting bills that have the effect of overriding LAFCO procedures and which result in the state making decisions regarding operations and boundaries of special districts.

2. The Legislature should convene an advisory committee to review the LAFCO process for petitions to initiate, and protests to challenge, for consolidations and dissolutions of districts. The Legislature should then develop legislation to simplify the process.

3. The Legislature should require every district to have a published policy for reserve funds, including the size and purpose of reserves and how they are invested.

4. The Legislature should require that every district have a website with certain key components as listed in the report.

5. The Legislature should require districts with infrastructure subject to the effects of climate change to consider such impacts on their capital improvement plans and master plans. The examples given by the Commission were wastewater and flood control districts that must prepare for changing precipitation patterns - too much or too little water – which the Commission concludes is at the heart of climate change impacts.

## MEMORANDUM

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**TO:** Board of Directors


**FROM:** General Manager

**RE:** California Water Fix

**DATE:** October 2, 2017

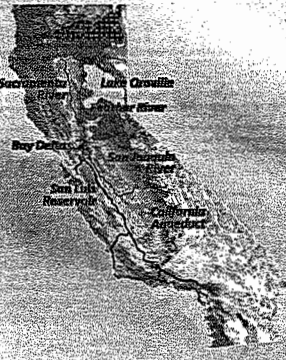
**Summary:**

Staff has frequently discussed the California Water Fix with the Board, but has not given a formal presentation on this project since 2015. The purpose of this presentation is to inform the Board of the project, its benefits to the Agency, and potential costs to the Agency. The presentation goes into more detail than previous presentations on this subject.



**Modernizing the System**  
California WaterFix Summary

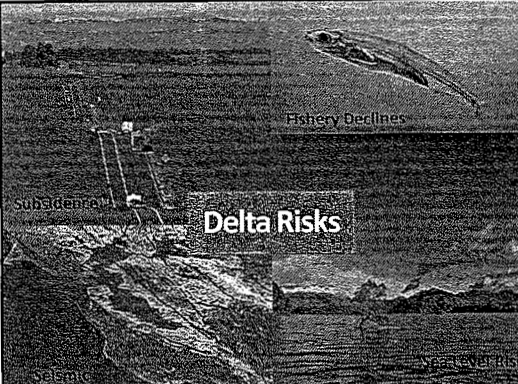
CPWA Board Meeting  
October 21, 2017



### State Water Project

- History**
  - 1931 – State Water Plan
  - 1933 – CVP Act
  - 1971 – First delivery
  - 1994 – Bay Delta Accord
  - 2000 – CALFED
  - 2017 – Cal WaterFix
- Facilities**
  - 19 Dams & Reservoirs
  - 20 Pumping Plants
  - 10 Power Plants
  - 662 Aqueduct Miles

Joint Special Committee on Bay-Delta and WPAES Item 2a - 5/16/2 July 30, 2017



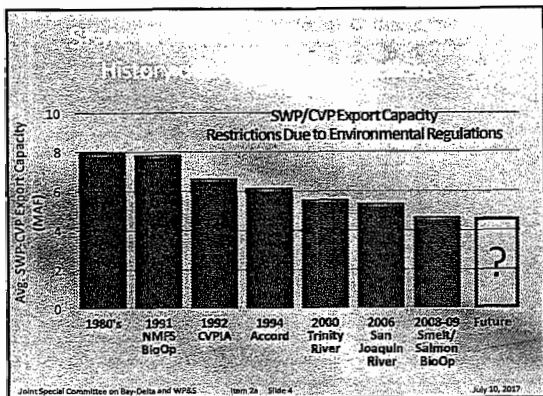
### Delta Risks

Fishery Declines

Subsidence

Sea Level Rise

27 / 50




### Four Decades of Analysis

#### 21<sup>st</sup> Century Approach

1982 - Peripheral Canal	2007 - Delta Water
21,800 cfs diversion	9,000 cfs diversion
Regulatory only approach	Science & adaptive management

Joint Special Committee on Bay-Delta and WPAES Item 2a - 5/16/2 July 30, 2017



### California WaterFix Infrastructure

### Presentation Objective

- What is the physical project?
  - Project features
- Is the project constructible?
  - Project comparisons
  - Schedule and cost
- Can we manage risk & protect Contractors' interests?
  - Risk management approach
  - Design and Construct Authority

Joint Special Committee on Bay-Delta and WFSJ Item 2a Slide 7 July 30, 2017

### What is the physical project?

Joint Special Committee on Bay-Delta and WFSJ Item 2a Slide 8 July 30, 2017

### California WaterFix – Physical Features

- North Delta
  - North Delta Intakes
  - North Tunnels
  - Intermediate Forebay
- Main tunnels
- South Delta
  - Clifton Court Pumping Plant
  - Clifton Court Forebay Modifications
  - Head of Old River Gate

Joint Special Committee on Bay-Delta and WFSJ Item 2a Slide 9 July 30, 2017

28 / 50

### California WaterFix - Overall Program

Joint Special Committee on Bay-Delta and WFSJ Item 2a Slide 10 July 30, 2017

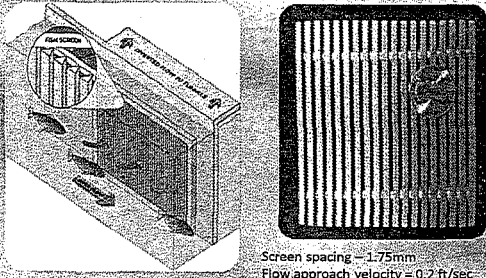
### River Intake Locations

Joint Special Committee on Bay-Delta and WFSJ Item 2a Slide 11 July 30, 2017

### River Intakes

Joint Special Committee on Bay-Delta and WFSJ Item 2a Slide 12 July 30, 2017

### Designed to Protect Fish



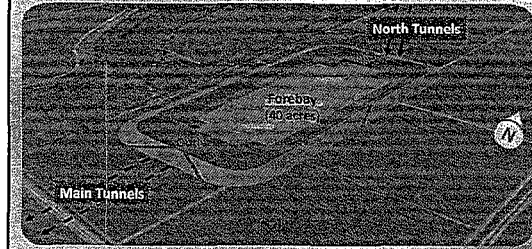
Joint Special Committee on Bay-Delta and WPLS Item 2a - Slide 13 July 10, 2017

### North Tunnels

- Three tunnel reaches
- Total 13.5 miles of tunnel
- Two 28-foot tunnels
- One 40-foot tunnel
- Collect water from intakes, deliver to intermediate forebay

Joint Special Committee on Bay-Delta and WPLS Item 2a - Slide 14 July 10, 2017

### Intermediate Forebay



Joint Special Committee on Bay-Delta and WPLS Item 2a - Slide 15 July 10, 2017

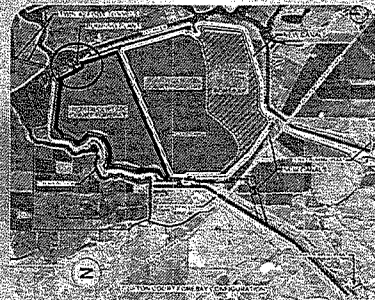
### Main Tunnels



- Twin bore main tunnels
- 30 miles long each
- 150-ft below grade
- 2-foot thick concrete liner
- Pressurized face tunnel boring machine
- ±45-ft excavated diameter
- 40-ft internal diameter

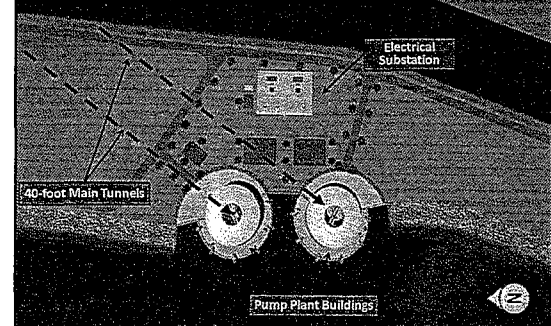
Joint Special Committee on Bay-Delta and WPLS Item 2a - Slide 16 July 10, 2017

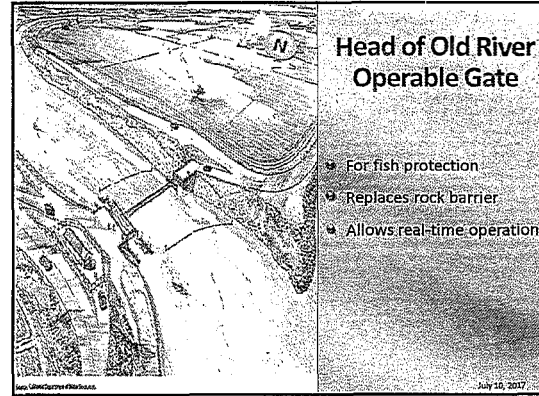
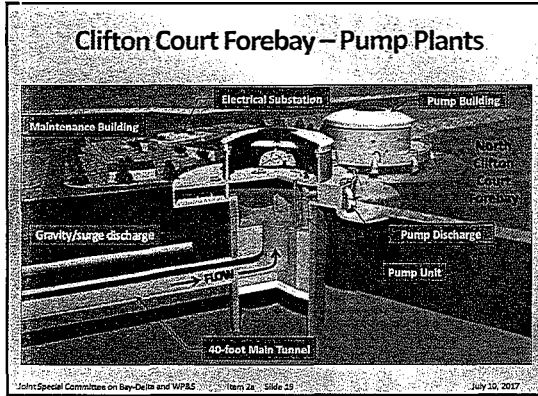
### Clifton Court Forebay – Expansion



Joint Special Committee on Bay-Delta and WPLS Item 2a - Slide 17 July 10, 2017

### Clifton Court Forebay – Pump Plants





30 / 50

### Approach to Program Constructability & Management

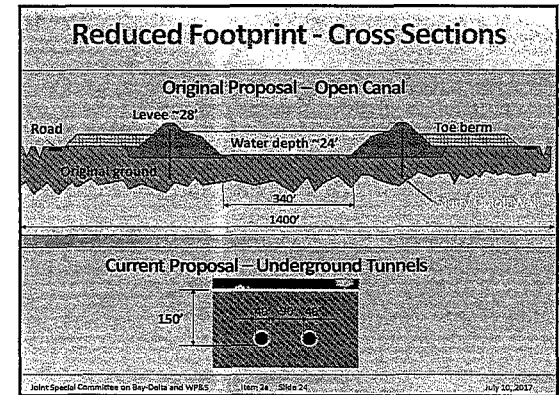
- Understand complexity of the program
- Establish an appropriate management structure
- Develop confidence in cost estimates
- Assess and manage program risks

Joint Special Committee on Bay-Delta and WPS 2017 Item 24 - Slide 22 July 10, 2017

### Project Modifications and Mitigation

- Minimized environmental footprint
- Reduced impacts to Delta communities
- Maximized use of public lands
- Reduced overall size of program
- Provided for gravity flow of diversions

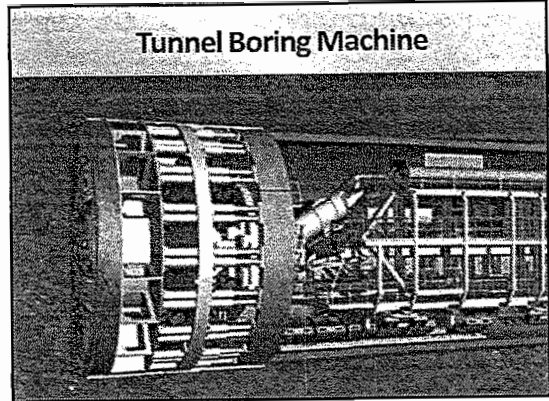
Joint Special Committee on Bay-Delta and WPS 2017 Item 24 - Slide 23 July 10, 2017



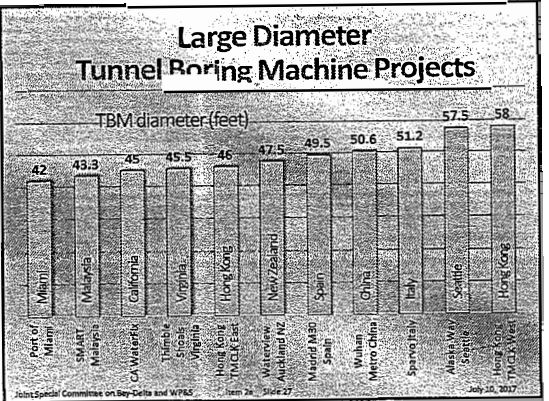
### Review of Other Mega-Tunnel Projects

- ✓ The Eurasia Tunnel – Turkey
- ✓ Lee Tunnel – London
- ✓ Port of Miami Tunnel – Florida
- ✓ East Side Access – New York
- ✓ Blue Plains Tunnel Project – District of Columbia
- ✓ Bay Tunnel – San Francisco
- ✓ Willamette River Sewer Overflow Program – Portland
- ✓ Gotthard Base Tunnel – Swiss Alps
- ✓ SR-99 Alaskan Way Replacement – Seattle
- ✓ Tuen Mun-Chek Lap Kok Link – Hong Kong

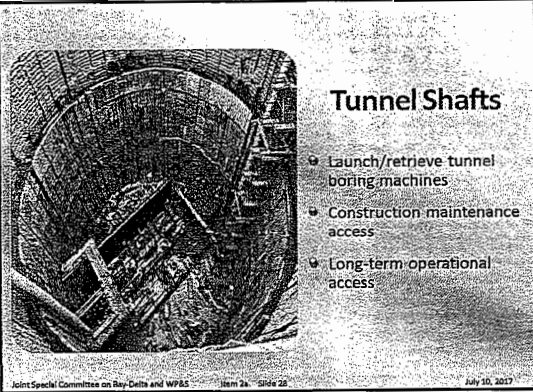
✓ = Projects visited by program team



Tunnel Boring Machine



31 / 50



### Tunnel Shafts

- Launch/retrieve tunnel boring machines
- Construction maintenance access
- Long-term operational access

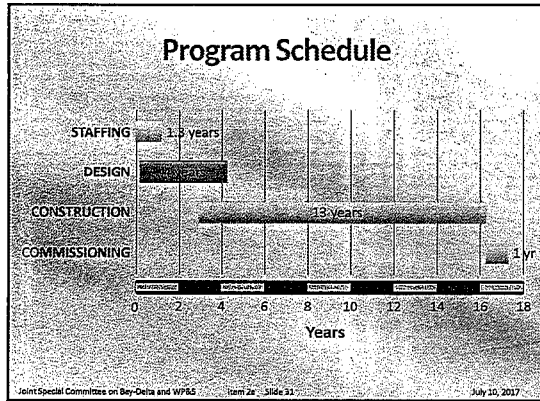
### Review of Other Mega-Programs

- ✓ Water Supply Improvements Program, SFPUC, San Francisco
- ✓ Lake Mead Third Intake, SNWA, Las Vegas
- ✓ Southern Delivery System, Colorado
- ✓ SFO Airport Expansion, San Francisco
- ✓ Thames Tideway Program, London
- ✓ Bay Bridge Replacement, SF/Oakland
- ✓ Panama Canal Expansion, Panama
- ✓ Channel Tunnel, England/France
- ✓ Big Dig, Boston

✓ = Programs investigated by program management team

### Lessons from Other Mega-Programs

- Proactive risk management
  - Control project scope
  - Active and continuous management of risk
  - Assign risk to the appropriate party
- Understand geotechnical setting
  - Owner always "owns the ground"
  - Conduct a thorough geotechnical program
- Address long lead time items early
  - Rights of way and property acquisition
  - Utilities and outside agencies
  - Logistical issues



### Cost Estimate Preparation

- Multiple estimates prepared
- Class 3 estimates based on Conceptual Engineering Report
- Bottoms up contractor's estimate
- 2014 dollars

Joint Special Committee on Bay-Delta and WPBS Item 2a Slide 32 July 10, 2017

### Program Estimate

ITEM	AMOUNT (\$ billions)
<b>Conveyance System</b>	
• Program Management, construction management, and engineering	\$1.91
• Tunnel & shaft construction	\$6.82
• Remaining construction	\$2.68
• Contingency (*36% for tunnels, shafts, remaining construction)	\$3.38
• Land acquisition (includes 20% contingency)	\$0.15
<b>Subtotal</b>	<b>\$14.94</b>
<b>Environmental Mitigation (includes 35% contingency)</b>	<b>\$0.80</b>
<b>OVERALL COST</b>	<b>\$15.74</b>

Program Estimate in 2014 dollars

Joint Special Committee on Bay-Delta and WPBS Item 2a Slide 33 July 10, 2017

32 / 50

### Cost Estimate Comparison

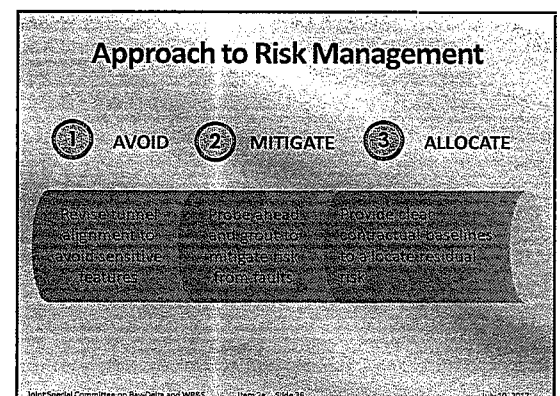
ITEM	Estimate 1	Estimate 2	Estimate 3
	SRMK Inc. (Billions)	Jacobs Engineering (Billions)	Risk Adjusted with Mitigation at 75% Confidence Interval (Billions)
Construction	\$9.50	\$8.86	\$10.66
Contingency	\$3.38	\$3.15	---
<b>Subtotal</b>	<b>\$12.88</b>	<b>\$12.01</b>	<b>\$10.66</b>
PM/CM/Eng	\$1.91	\$1.91	\$1.91
Land acquisition	\$0.15	\$0.15	\$0.15
<b>Overall Total</b>	<b>\$14.94</b>	<b>\$14.07</b>	<b>\$12.77</b>

1. Program estimates in 2014 dollars.  
 2. \*36% contingency on construction for SRMK and Jacob Engineering estimates  
 3. Based on risks known at time of assessment

Joint Special Committee on Bay-Delta and WPBS Item 2a Slide 24 July 10, 2017

How do we manage risk and protect Contractors' interests?

Joint Special Committee on Bay-Delta and WPBS Item 2a Slide 35 July 10, 2017



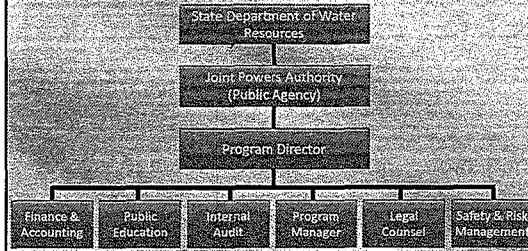


### Design and Construct Authority

- Single-purpose organization
- Under contract with State DWR
- Independent staffing
- World-class expertise and methods
- Sunsets at completion of project commissioning

Joint Special Committee on Bay-Delta and WFRS Item 2a - Slide 37 July 10, 2017

### Design and Construct Authority

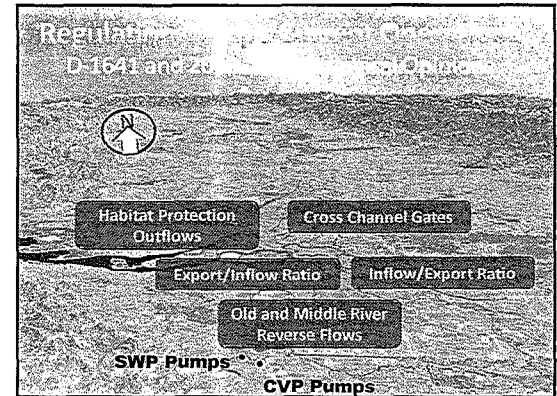
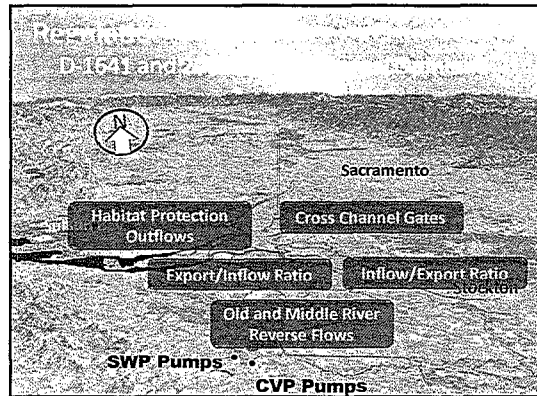
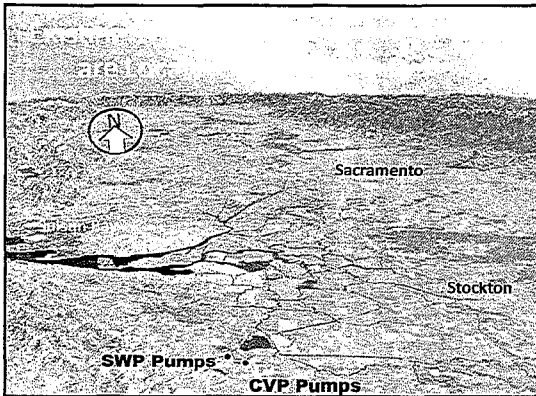


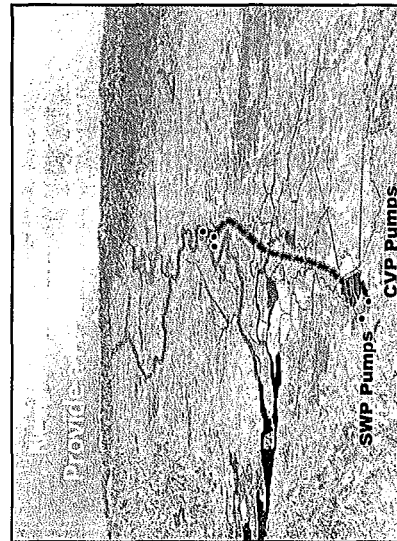
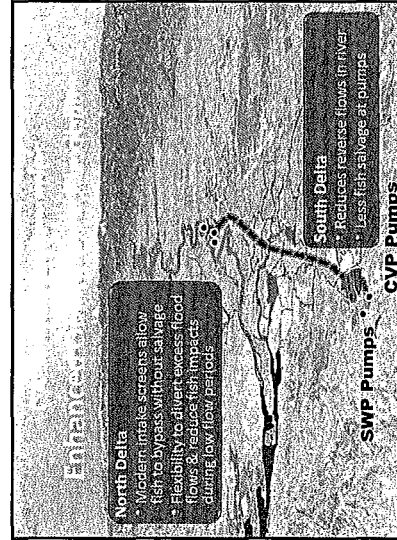
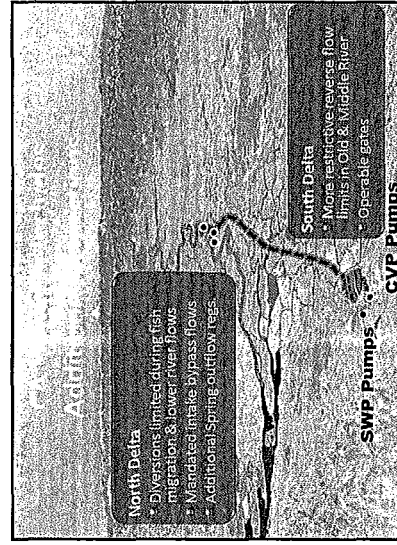
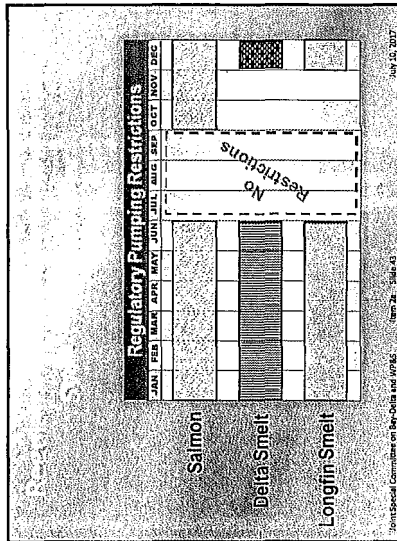
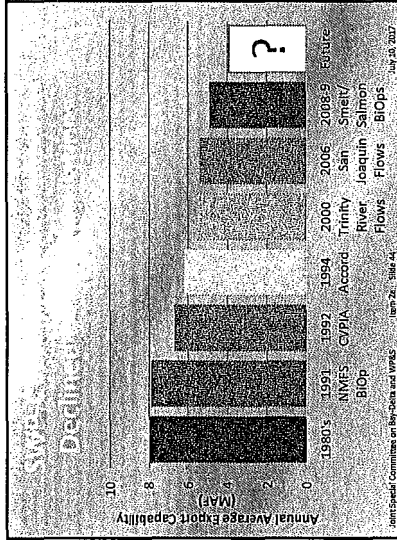
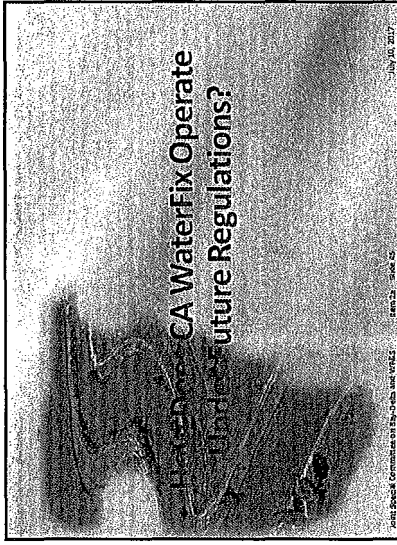
Joint Special Committee on Bay-Delta and WFRS Item 2a - Slide 38 July 10, 2017

### Do Regulations Affect Current Project Operations?

Joint Special Committee on Bay-Delta and WFRS Item 2a - Slide 39 July 10, 2017

33 / 50





Collaborative science and Adaptive Management Program

- Real-time Operations
- Environmental Commitments

July 20, 2017

What are the Benefits and Opportunities Surrounding CA WaterFix?

July 20, 2017

Provide Water Supply Reliability

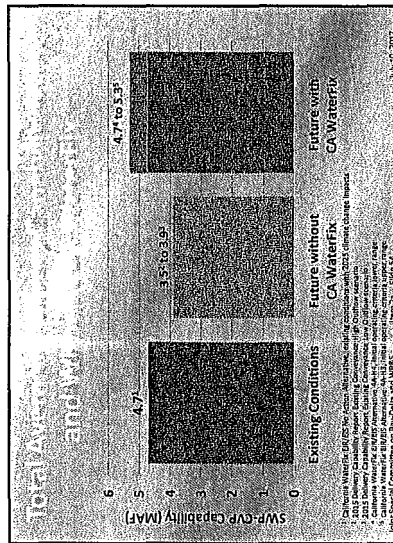
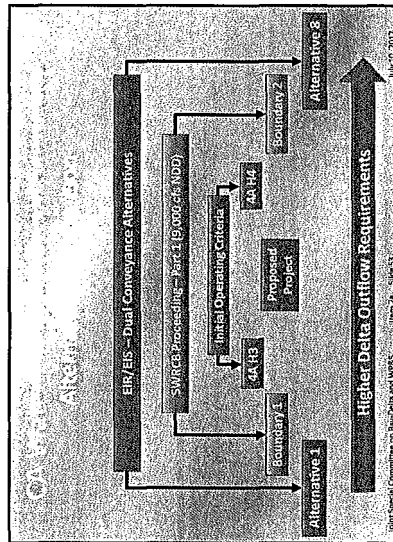
July 20, 2017

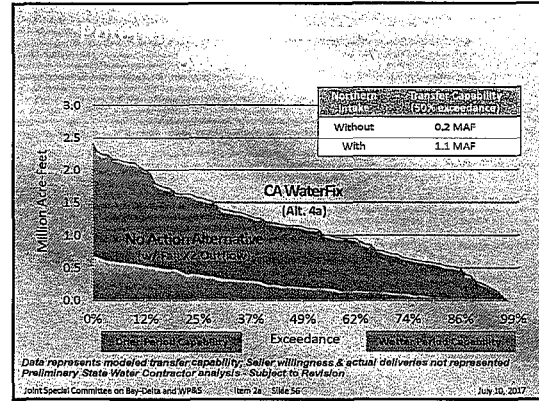
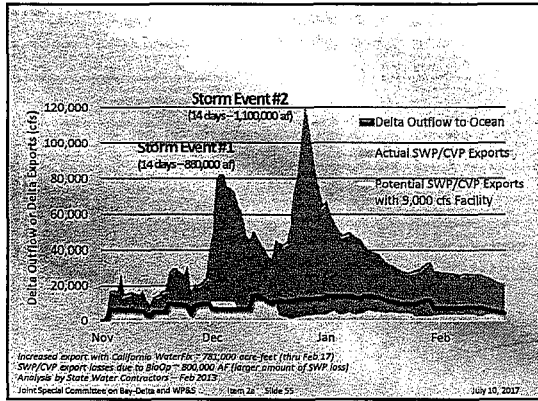
Assumed initial operations

Adaptive Management Program to apply science and operations to meet in-state

- Real-time operations to resolve in-state conditions

July 20, 2017





Improve Water Quality

Joint Special Committee on Bay-Delta and WPRS Item 2a Slide 57 July 10, 2017

36 / 50

**Actions**

- Continued compliance with D-1641 flow and salinity standards
- Improved export water quality
  - Protects human health
  - Enhances local water management programs

Water Quality Constraints	Improvement
Electrical Conductivity	18-22%
Total Dissolved Solids	17-22%
Bromide	31-34%
Dissolved Organic Carbon	2-11%
Nitrate	5-27%

Joint Special Committee on Bay-Delta and WPRS Item 2a Slide 58 July 10, 2017

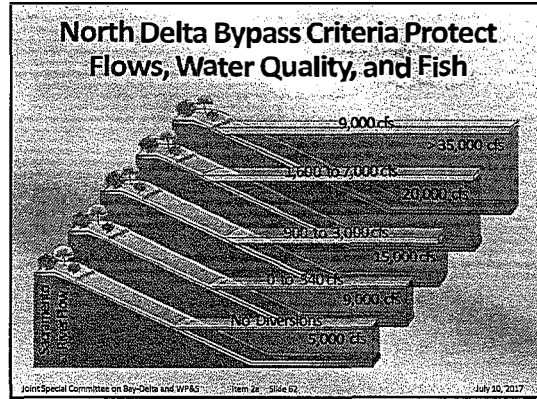
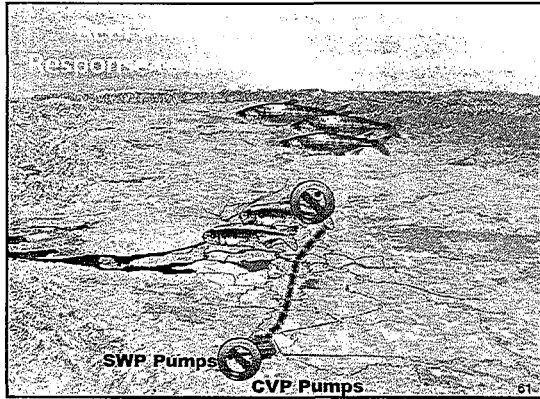
Allow Pumping Operations in a Dynamic Fishery Environment

Joint Special Committee on Bay-Delta and WPRS Item 2a Slide 59 July 10, 2017

**Flexible Pumping Operations in a Dynamic Fishery Environment**

- Real-time operations
- Bypass flow criteria
  - Fish screen sweeping velocities
  - Juvenile salmon migration period
  - Flows and downstream water quality

Joint Special Committee on Bay-Delta and WPRS Item 2a Slide 60 July 10, 2017



## Reduce Climate Change Risks

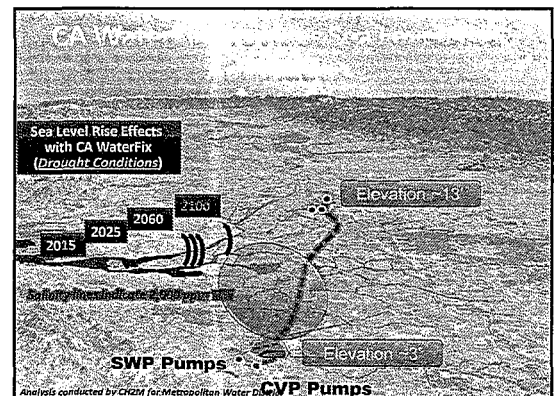
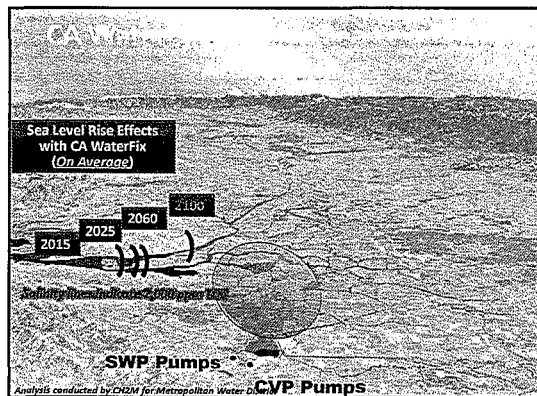
Joint Special Committee on Bay-Delta and WP&S Item 2a - Slide 63 July 10, 2017

37 / 50

### Climate Change Risk

- Sea Level Rise
- Reduced Snowpack
- Changing Precipitation Patterns
- Changing Runoff Timing and Intensity

Joint Special Committee on Bay-Delta and WP&S Item 2a - Slide 64 July 10, 2017



## Reduce Seismic Risks

Joint Special Committee on Bay-Delta and WP&S Item 2a Slide 67 July 10, 2017

DRMS Report  
63% probability of > 6.5 magnitude earthquake by 2032

### Bay-Delta Region Major Faults

Joint Special Committee on Bay-Delta and WP&S Item 2a Slide 71 July 10, 2017

CA WaterFix Environmental Commitments

- 6.5 earthquake
- 50 levee breaks
- 20 islands flooded

Joint Special Committee on Bay-Delta and WP&S Item 2a Slide 72 July 10, 2017

38 / 50

## Enhance Ecosystem Fishery Habitat Throughout Delta

Joint Special Committee on Bay-Delta and WP&S Item 2a Slide 70 July 10, 2017

### Enhance Ecosystem Fishery Habitat Throughout Delta

- Improved flow patterns
- Reduced risk of entrainment
- Physical habitat actions

Joint Special Committee on Bay-Delta and WP&S Item 2a Slide 71 July 10, 2017

### CA WaterFix Environmental Commitments EIR/EIS Physical Habitat Actions

Protection	
Valley/Foothill Riparian	Up to 103 acres
Grassland	Up to 1,060 acres
Vernal Pool and Alkali Seasonal Wetland Complex	Up to 188 acres
Nontidal Marsh	Up to 119 acres
Cultivated Lands	Up to 11,870 acres
Restoration	
Tidal	Up to 295 acres
Channel Margin Enhancement	Up to 4.6 levee miles
Riparian	Up to 251 acres
Grassland	Up to 1,070 acres
Vernal Pool and Alkali Seasonal Wetland Complex	Up to 48 acres
Nontidal Marsh	Up to 892 acres

Joint Special Committee on Bay-Delta and WP&S Item 2a Slide 72 July 10, 2017

### State Commitments to Restore Critical Habitat in the Bay-Delta

**CALIFORNIA ECO RESTORE**  
A STRONGER DELTA ECOSYSTEM

San Joaquin Water Balance Revisited 05/2012  
Delta Stewardship Strategy July 2014

### How Does CA WaterFix Consider Delta Communities and Environment?

Joint Special Committee on Bay-Delta and WP&S Item 24 - 5164-74 July 10, 2017

### Considering Delta Communities and Environment

- CA WaterFix was reconfigured to lessen impacts to Delta communities
  - Reduced visual impacts near Hood
  - Increased use of state-owned property
  - Eliminated pumping plant facilities at new intakes
  - Eliminated powerlines and reduced power requirements
  - Eliminated facilities on Staten Island to protect wildlife habitat and bird-watching activities

Joint Special Committee on Bay-Delta and WP&S Item 24 - 5164-74 July 10, 2017

39 / 50

### Considering Delta Communities and Environment

- CA WaterFix is sized to protect the Delta environment
- CA WaterFix is designed to protect in-Delta agricultural and municipal water quality

Joint Special Committee on Bay-Delta and WP&S Item 24 - 5164-74 July 10, 2017

### Managing Uncertainties

Joint Special Committee on Bay-Delta and WP&S Item 24 - 5164-74 July 10, 2017

### Adaptive Management

- Interagency Implementation and Coordination Group
  - Responsible for coordinating and implementing the Adaptive Management Program
  - DWR, Reclamation, USFWS, NMFS, CDFW, SWP Contractor, CVP Contractor

Joint Special Committee on Bay-Delta and WP&S Item 24 - 5164-74 July 10, 2017

- Broad purposes of the Program include:
  - A collaborative science program to inform decision making
  - Guiding development and implementation of scientific investigations and monitoring
  - Developing more effective management actions

Joint Special Committee on Bay-Delta and WFRS Item 2a Slide 79 July 10, 2017

### Summary

- ☑ CA WaterFix provides modernization and flexibility to better operate under future conditions
- ☑ CA WaterFix meets Contractor approved Delta conveyance criteria
- ☑ CA WaterFix enhances environmental commitments and address Delta communities
- ☑ Adaptive Management Program reduces uncertainty from future regulations

Joint Special Committee on Bay-Delta and WFRS Item 2a Slide 80 July 10, 2017

## What are the cost allocation principles & assumptions?

Joint Special Committee on Bay-Delta and WFRS Item 2a Slide 81 July 10, 2017

### California WaterFix Cost Allocation

**Cost of WaterFix 100%**

- Central Valley Project: 45% of total
- State Water Project: 55% of total

**Other SWCs: 53% of SWP, 29% of total**

**Metropolitan: 47% of SWP, 26% of total**

- Key Principles
  - Beneficiaries Pay
  - Costs follow water
- Key Financing Assumptions
  - 55% SWP / 45% CVP split
  - 26% – Metropolitan's share
  - 40-year bond term
  - 4%, 6%, 8% bond rate scenarios (current market rate ~ 3.9%)
  - Capital costs are debt financed
  - Operation & maintenance costs are paid as incurred

Joint Special Committee on Bay-Delta and WFRS Item 2a Slide 82 July 10, 2017

### California WaterFix SWP Contractor Beneficiaries



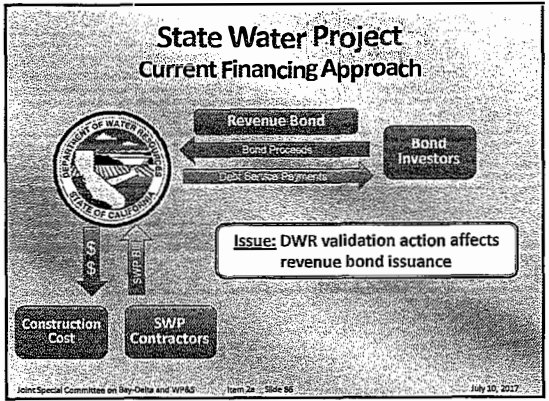
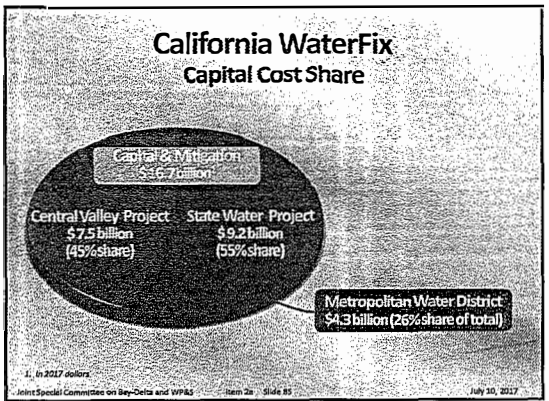
- 5 Non-Beneficiaries (2.8%)
  - Upper Feather River
  - North Bay Area
- 24 Beneficiaries (97.2%)
  - South Bay Area
  - San Joaquin Valley
  - Central Coast
  - Southern California

Joint Special Committee on Bay-Delta and WFRS Item 2a Slide 83 July 10, 2017

## What is the financing plan?

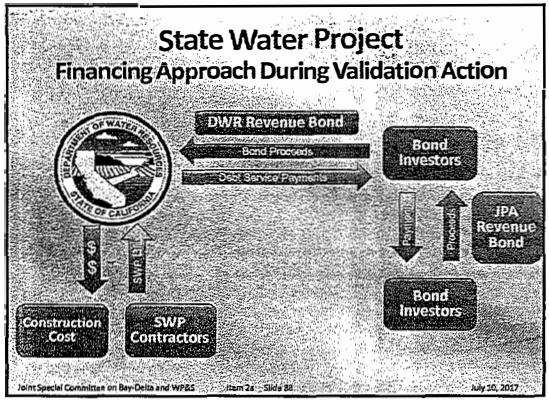
Joint Special Committee on Bay-Delta and WFRS Item 2a Slide 84 July 10, 2017





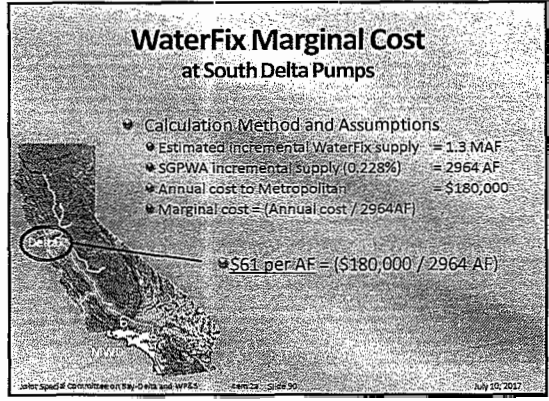
- ### California WaterFix DWR Court Filed Validation Action
- Judicial proceeding to affirm a public agency's authority over finance matters (e.g. issuance of bonds)
  - Common practice for public agencies to file validation action for major bond issuances & significant public financing actions
  - DWR filed a validation with Sacramento County Superior Court regarding its authority to issue revenue bonds for California WaterFix
  - Marketability of bonds affected during validation proceeding
- Joint Special Committee on Bay-Delta and WFGS Item 2a Slide 87 July 10, 2017

41 / 50



## What is the cost of project alternatives?

Joint Special Committee on Bay-Delta and WFGS Item 2a Slide 89 July 10, 2017



### WaterFix Marginal Cost Delivered & Treated to MWD Service Area

- Calculation Method and Assumptions
- Marginal cost of WaterFix at Delta pumps = \$61/AF
- Marginal cost to convey SWP supply = \$247/AF
- Marginal cost in Agency Service Area
  - Marginal Costs at Delta Pumps + Power

**\$308 per AF = \$61 + \$247**

Joint Special Committee on Bay-Delta and WFRS Item 2a - Slide 91 July 10, 2017

### Alternative Resource Costs Some Examples

California WaterFix	
Delivered <sup>1</sup>	\$308/AF
Recycled Water	
San Diego Pure Water Project <sup>2</sup>	\$1,975 - \$2,375/AF
Seawater Desalination	
Carlsbad Desalination Project <sup>3</sup>	\$2,412/AF

1. WaterFix in 2017 includes transfer costs to deliver and treat water to MWD's Service Area (Power=237/AF, Variable, inclusive SWAF)  
2. Unit costs in 2011 dollars and before grants or other cost avoided costs from the June 24, 2011, SOCHS Board presentation. In 2012 dollar estimate unit cost from the June 2012 SOCHS Board presentation is \$2.1/gallon  
3. Estimated unit cost from the June 2012 SOCHS Board presentation is \$2.1/gallon

Joint Special Committee on Bay-Delta and WFRS Item 2a - Slide 92 July 10, 2017

### Summary

- Cal WaterFix is consistent with Contractor principles that costs follow water and beneficiaries pay
- Finance plan utilizes the existing State Water Contract structure and a Finance JPA
- Cost impact is already factored into the existing Agency debt service costs
- California WaterFix compares favorably to the costs of other alternative supply projects

Joint Special Committee on Bay-Delta and WFRS Item 2a - Slide 93 July 10, 2017

## MEMORANDUM

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**TO:** Board of Directors

**FROM:** General Manager

**RE:** Support for California Water Fix

**DATE:** October 2, 2017

### **Summary:**

The purpose of this proposed Board action is to consider a resolution stating the Agency's support of the California Water Fix. The resolution is non-binding but is intended to show support for the project, including financial support.

### **Background:**

The California Water Fix, formerly known as the Bay Delta Conservation Plan or BDCP, is a proposed project (Project) that would update the State Water Project's infrastructure to enable more flexible deliveries through the Sacramento/San Joaquin Delta (Delta) and to better protect fish populations in that region.

It has been planned by the California Department of Water Resources as the lead agency. The Project would also serve Central Valley Contractors who derive their water supplies from the Delta. State Water Contractors have had input into the planning process.

Staff will provide a detailed presentation at the Board meeting regarding the project and how it helps the Agency and the region by maintaining and augmenting the reliability of the State Water Project.

### **Detailed Report:**

The California Water Fix is a 21<sup>st</sup> Century version of the 1982 "Peripheral Canal", with many environmental enhancements, a smaller size, and a lower physical profile. It has a lot more science behind it than was available in the 1980's. It has been thoroughly planned and the environmental impacts thoroughly discussed and

aired in an Environmental Impact Report/Environmental Impact Statement (a joint CEQA/NEPA document).

From the beginning, it has been planned as a joint facility for both the State Water Project and the Central Valley Project. Contractors for both projects would benefit from the project. As with the 1982 Peripheral Canal, however, cost is a concern, especially to agricultural water districts that do not have the tax base that urban water agencies have. This became newsworthy two weeks ago when the Board of Directors of the Westlands Water District, the largest agricultural water district in the country and a Central Valley Project Contractor, voted not to financially participate in the project as currently proposed with the cost allocation assumptions currently being made.

The Central Valley Project is structured differently than the State Water Project. In the case of the State Water Project, the California Department of Water Resources has the authority to construct the project and include the cost on the invoices it sends to SWP Contractors. Thus, SWP Contractors in essence do not get a choice as to whether to participate or not. Instead, SWP Contractors have the ability to “sell off” a portion of their Table A allotment to other Contractors in order to finance the additional costs associated with the Project, if necessary or desired. This has been the plan for some time. Central Valley Contractors do not have this flexibility, and some of them purchase their CVP water primarily for wildlife refuges, which do not generate revenues necessary to pay for such a large project.

Contrary to some media reports after the Westlands vote, that vote did not kill the Project. The Project is continuing with the planning and design phase. In a worst case scenario in which Westlands and perhaps other CVP Contractors do not participate in the financing (this scenario is by no means a certainty), the project would proceed as a SWP only project, somewhat smaller, and financed entirely by SWP Contractors. SWP Contractors by and large support the Project, but some agricultural Contractors will have to sell or lease a portion of their Table A water in order to finance their additional costs. Some north-State Contractors who do not benefit from the project will not be required to pay at all.

The Agency benefits greatly from the Project. Without it, the current 60% reliability of the State Water Project is projected to be reduced to approximately 48%, or perhaps even lower. This 12% loss in reliability means the loss of 2000 AFY to the Agency. The Agency would have to make this up from other sources, which would be more costly than the Project. The presentation at the Board meeting will provide further details of the cost of the Project to the Agency.

The proposed resolution, if adopted by the Board, would not commit the Agency to any costs (our SWP contract already commits the Agency to pay its proportionate share of the costs of the Project). The resolution would, however, show support for the Project, which both the Governor and Director of the Department of Water Resources have asked for. As written, it caps the Agency's financial share of the Project at 0.4146% (see below).

Many other State Water Contractors are considering similar resolutions in the next few weeks. Recently, the Zone 7 Water District in Alameda County and the Mojave Water Agency approved similar resolutions.

**Fiscal Impact:**

The Agency is allotted approximately 0.4146% of the State Water Project. Assuming the State Water Contractors were to pay for 55% of the Project (one of the current cost allocation assumptions), this would mean that approximately 0.228% of the cost of the Project would be borne by the Agency. On a per-acre-foot basis, this cost would be considerably smaller than the Agency's current cost of water from the State Water Project. In essence, the Project lowers the overall cost of SWP water for the Agency. This is because of the Agency's large costs associated with construction of the East Branch Extension.

**Recommendation:**

Staff recommends that the Board adopt Resolution 2017-14 supporting the California Water Fix.

**RESOLUTION 2017-14**  
**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE**  
**SAN GORGONIO PASS WATER AGENCY**  
**SUPPORTING THE CALIFORNIA WATERFIX**

**WHEREAS**, the San Gorgonio Pass Water Agency is a State Water Contractor and receives most of its water supply from the State Water Project and, by extension, the Sacramento/San Joaquin Delta; and

**WHEREAS**, the reliability of water supplies from the Delta has decreased over time for a number of reasons, including water quality regulations and reduced fish populations; and

**WHEREAS**, the California WaterFix is a critical component of the California Water Action Plan, the State of California’s blueprint for a “sustainable and resilient future”; and

**WHEREAS**, the California WaterFix is a unit of the State Water Project as defined by the Central Valley Project Act (California Water Code §§ 11100 et seq.), and a project such as California WaterFix has always been contemplated as part of the State Water Project; and

**WHEREAS**, the California WaterFix is critical to protecting and restoring the San Gorgonio Pass Water Agency’s water supply reliability by upgrading aging infrastructure, thereby reducing the State Water Project’s vulnerability to impacts from seismic events in the Sacramento/San Joaquin Delta and climate change; and

**WHEREAS**, the California Department of Water Resources proposes to construct the California WaterFix, which consists of three new intakes on the east bank of the Sacramento River in the northern Sacramento/San Joaquin Delta, tunnels connecting these intakes to a new, 30-acre intermediate forebay, and two 30-mile long tunnels carrying water from this forebay to a new pumping plant connected to an expanded and modified Clifton Court Forebay; and

**WHEREAS**, on July 21, 2017, the California Department of Water Resources certified the final Environmental Impact Report for the California WaterFix and signed the Notice of Determination, thereby approving California WaterFix as the proposed project under the California Environmental Quality Act.

**NOW THEREFORE BE IT RESOLVED** that the Board of Directors of the San Gorgonio Pass Water Agency does hereby find and determine as follows:

1. The San Gorgonio Pass Water Agency supports DWR’s approval of the California WaterFix.
2. The San Gorgonio Pass Water Agency’s participation allocation in the State Water Project under the State Water Contracts (determined by reference to Table A of such State Water Contracts) equals 0.4146% of the state water contractor share of the project or 0.2280% of the total project costs, provided, however, the San Gorgonio Pass Water Agency’s direct financial participation in the CWF Project Arrangement shall not exceed 0.4146% of the estimated overall \$16.7 billion total capital cost, in 2017 dollars.

**ADOPTED AND APPROVED** this 2nd day of October, 2017.

\_\_\_\_\_  
President, Board of Directors  
San Gorgonio Pass Water Agency

ATTEST:

\_\_\_\_\_  
Secretary, Board of Directors  
San Gorgonio Pass Water Agency

## MEMORANDUM

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**TO:** Board of Directors

**FROM:** General Manager

**RE:** Possible Change in Number of Paid Days of Service

**DATE:** October 2, 2017

**Summary:**

To support the Board's discussion on this issue, staff has included the following documents in the agenda package:

- A copy of the current ordinance governing the number of paid days of service (Ordinance 7), approved by the Board on May 18, 1998.
- A summary of what other State Water Contractors in Southern California pay to their Directors for each day of service.
- A summary of what directors from these Contractors actually were paid in 2016 (range of pay, including low and high).

**SAN GORGONIO PASS WATER AGENCY**

**ORDINANCE NO. 7,  
COMPENSATION OF DIRECTORS  
RESCINDING ORDINANCE # 6,  
COMPENSATION OF DIRECTORS**

**WHEREAS,** Chapter 2 of Division 10 of the Water Code of the State of California (Water Code Section 20200 et seq.) provides a State-wide uniform procedure for adjusting Director's compensation of water agencies; and

**WHEREAS,** the Agency's Directors are regularly called upon to spend in excess of 5 days per month in the performance of their duties, including the attendance of Board meetings, committee meetings and other functions related to carrying on the business of the Agency; and

**WHEREAS,** the duties of the Agency's Board members involve increasing responsibility and obligations and it is fair and equitable that they be compensated for their time, to the extent permitted by statute, in carrying out the business of the Agency.

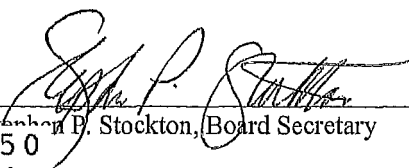
**NOW, THEREFORE, BE IT ORDAINED,** by the Directors of San Gorgonio Pass Water Agency as follows:

1. That Ordinance # 6, Compensation of Directors is rescinded.
2. That the compensation to the Directors of the San Gorgonio Pass Water Agency presently in effect has been increased to the maximum amount allowed and does automatically increase each year on January 1 by the maximum amount permitted by statute.
3. That the maximum number of days for which a director of San Gorgonio Pass Water Agency may receive compensation for each day's service rendered as a member of the Board of Directors shall not exceed five (5) in any calendar month.
4. That each day's paid service be defined by adopted Resolution.

**Said ordinance was adopted, on roll call, by the following vote:**

**AYES: Blakeney, Strickland, Lewis, Morris, Lamm**  
**NOES: Voigt, Zapp**  
**ABSENT: None**  
**ABSTAIN: None**

I hereby certify that the foregoing is a full, true and correct copy of an ordinance adopted by the San Gorgonio Pass Water Agency at its meeting held on May 18, 1998.

  
Stephen B. Stockton, (Board Secretary)  
48 / 50



## State Water Contractors - Inland Empire Meeting Survey

### **ANTELOPE VALLEY-EAST KERN WATER AGENCY**

6500 West Avenue N, Palmdale, CA 93551-2855  
Tel: (661) 943-3201, FAX: (661) 943-3204

AVEK – \$225.44 per day of service  
Up to 10 meetings

### **CASTAIC LAKE WATER AGENCY**

27234 Bouquet Canyon Road, Santa Clarita, CA 91350  
Tel: (661) 297-1600, FAX: (661) 297-1610

Castaic – \$195.00 per day of service  
Up to 10 meetings

### **COACHELLA VALLEY WATER DISTRICT**

85-995 Avenue 52  
P.O. Box 1058, Coachella, CA 92236-1058  
Tel: (760) 398-2651, FAX: (760) 398-3711

CVWD – \$223.00 per day of service  
Up to 10 meetings

### **CRESTLINE-LAKE ARROWHEAD WATER AGENCY**

24116 Crest Forest Drive  
P.O. Box 3880, Crestline, CA 92325-3880  
Tel: (909) 338-1779, FAX: (909) 338-3686

Crestline – \$200.00 per day of service  
Up to 10 meetings

### **DESERT WATER AGENCY**

1200 Gene Autry Trail South  
P.O. Box 1710, Palm Springs, CA 92263  
Tel: (760) 323-4971, FAX: (760) 325-6505

DWA – \$389.75 per day of service  
Up to 10 meetings

### **MOJAVE WATER AGENCY**

22450 Headquarters Drive, Apple Valley, CA 92307  
Tel: (760) 946-7000, FAX: (760) 240-2642

Mojave – \$179.57 per day of service  
Up to 10 meetings

### **SAN BERNARDINO VALLEY MUNI WATER DISTRICT**

1350 South E Street  
P.O. Box 5906, San Bernardino, CA 92412-5906  
Tel: (909) 387-9200, FAX: (909) 387-9247

SBVMWD – \$299.00 per day of service  
Up to 10 meetings

### **SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT**

549 East Sierra Madre Avenue  
P.O. Box 1299, Azusa, CA 91702-1299  
Tel: (626) 969-7911, FAX: (626) 969-7397

SGBMWD – \$200.00 per day of service  
Up to 10 meetings

### **SAN GORONIO PASS WATER AGENCY**

1210 Beaumont Avenue, Beaumont, CA 92223  
Tel: (951) 845-2577, FAX: (951) 845-0281

SGPWA – \$252.93 per day of service  
Up to 5 meetings

SAN GORGONIO PASS WATER AGENCY  
 State Water Contractors  
 Reports from State Controller's Office  
 Wages Paid in 2016

Special District	Rate - Day of Service	Maximum Number of Meetings	Calculated Annual Maximum	Lowest Amount Reported	Highest Amount Reported
Antelope Valley-East Kern Water Agency	225.44	10	27,053	19,108	25,764
Castaic Lake Water Agency	195.00	10	23,400	15,342	23,725
Coachella Valley Water District	223.00	10	26,760	18,063	26,760
Crestline-Lake Arrowhead Water Agency	200.00	10	24,000	2,000	2,600
Deer Creek Water Agency	389.75	10	46,770	5,223	23,385
McComb Water Agency	179.57	10	21,548	12,994	23,201
San Bernardino Valley Municipal Water District	299.00	10	35,880	33,088	44,733
San Gabriel Valley Municipal Water District*	200.00	10	24,000	8,986	25,272
San Gorgonio Pass Water Agency	252.93	5	15,176	13,572	14,806

\*The San Gabriel Valley Municipal Water District reported \$0 for all wages; the amounts listed above were in the 'Total Retirement & Health Cost' column.