

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223
Minutes of the
Board of Directors Meeting
December 5, 2016

Directors Present: John Jeter, President
Blair Ball, Director
David Castaldo, Director
Ron Duncan, Director
David Fenn, Director
Leonard Stephenson, Director
Michael Thompson, Director

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

1. **Call to Order, Flag Salute and Roll Call:** The meeting of the San Gorgonio Pass Water Agency Board of Directors was called to order by Board President John Jeter at 7:00 p.m., December 5, 2016 in the Agency Boardroom at 1210 Beaumont Avenue, Beaumont, California. Director Fenn led the Pledge of Allegiance to the flag. A quorum was present.
2. **Swearing in of Directors Castaldo, Duncan, Fenn, Stephenson, and Thompson.** General Manager Davis asked that all directors repeat after him the Oath of Office. The new board members were congratulated.
3. **Roll Call:** President Jeter announced that all members of the board were present.
4. **Adoption and Adjustment of the Agenda:** *President Jeter asked if there were any adjustments to the agenda.* There being none the agenda was adopted as published.
5. **Public Comment:** *President Jeter asked if there were any members of the public that wished to make a public comment on items that are within the jurisdiction of the Agency.* Tom Shalhoub welcomed the new board members and spoke on his appreciation of President Jeter. Mary Ann Melleby also welcomed the new board members. She thanked President Jeter, stating that it has been an honor and privilege to sit next to him for the past 5 ½ years. Bill Dickson thanked everyone for all of the support that he was given while on the board.
6. **Break for Celebration of President Jeter's 15 years of service.**
7. **Consent Calendar:**
 - A. Approval of the Minutes of the Regular Board Meeting, November 21, 2016
 - B. Approval of the Minutes of the Finance and Budget Workshop, November 28, 2016
 - C. Approval of the Finance and Budget Workshop Report, November 28, 2016

Director Stephenson made a motion, seconded by Director Duncan, to adopt the consent calendar as presented. Motion passed 5-0, with Directors Castaldo and Thompson abstaining.

8. Reports:

A. General Manager's Report:

(1) Operations Report: General Manager Davis reported on the following: **A.** The Agency delivered 1275 acre-feet for the month of November. **B.** Flows will be increasing to 24 cfs for December. **C.** The Department of Water Resources announced an initial 2017 State Water Project Table A Water Allocation of 20%. **D.** Statewide Precipitation: Autumn 2016 has brought impressive rainfall to the Pacific Northwest and the northern third of California, but so far it has not impacted Lake Oroville storage. In Southern California, conditions remain dry.

(2) General Agency Updates: **1: Report on ACWA conference:** General Manager Davis attended the ACWA Conference that took place in Anaheim from November 29 thru December 2. He reported on the following: **a)** ACWA's new branding/logo. **b)** Keynote session on Atmospheric Rivers. **c)** Keynote speaker Mary Nichols, Chairperson of the California Air Resources Board. **d)** Keynote speaker Antonio Villaragosa, who served as Mayor of Los Angeles from 2005-13, also had been speaker of the California State Assembly and is now a declared candidate for Governor in 2018. **e)** Sessions on SGMA. **f)** Newly proposed conservation regulations. **2: Retirements:** A number of experienced water industry officials will soon be retiring including: Mark Cowin, Carl Torgersen, Terry Erlewine, and two members of the State Board, DWR Finance. **3: SGPRWA - Eastern Sub-Committee: Integrated Regional Water Management Plan (IRWMP):** A \$1 million planning grant has been awarded with contingencies. **#1:** To include the Upper Whitewater River. **#2:** Work with Coachella Valley Integrated Regional Water Management group to submit an implementation grant proposal. Matching funds will be required, which will include in-kind contributions. **4. Capacity Fee Cooperative Agreement:** Weekly meetings are taking place with YVWD, City of Calimesa, and SGPWA staff. An agreement has been drafted and under is under review by staff, and our attorney Jeff Ferre. **5. Noble Creek Connection Expansion:** The Agency is in receipt of BCVWD's application to expand its connection from 20 cfs to 34 cfs. An application package will be brought before the Board for consideration sometime in January or February. BB&K is looking into potential CEQA issues. **6. Next Engineering Workshop:** The December 12th Engineering Workshop will begin at 1:00 p.m. The meeting time change will allow time for the field trip to Crafton Hills Reservoir, Crafton Hills Pump Station, and Citrus Reservoir. General Manager Davis answered a number of questions from the board members related to the IRWMP and Noble Creek Connection Expansion.

B. General Counsel Report: General Counsel Ferre passed on reporting.

C. Directors Reports: **1) Director Stephenson** reported on the ACWA/JPIA meeting that he attended on November 28th in Anaheim. He informed the Board that as of October 1st of this year JPIA initiated cyber liability. Director Stephenson also attended the ACWA conference. He reported on the Atmospheric River session, stating that it was one of the most interesting meetings that he has attended at ACWA. **2) Director Castaldo** reported on the BCVWD Special meeting that took place on December 1st. **3) Director Fenn** read the Agency's Mission Statement and the Agency's Vision. He provided his perception of what qualities officers should have for the upcoming term.

9. New Business: (Discussion and Possible Action)

A. Election of Officers: A staff report was included in the agenda packet. General Counsel Ferre stated that the SGPWA Act requires the Board to elect officers at the first meeting in January every two years, which will be January 3, 2017. However, after the December 5, 2016 meeting, the Board will not have officers for the remainder of December due to election results and the resignation of President Jeter. It is recommended that the Board have officers in place, in case there are any documents that need to be signed before the first board meeting in January. A vote for officers could take place tonight and then again in January, to either confirm the votes from tonight or to take another vote. General Counsel Ferre explained the process of voting. Director Castaldo asked what would need to take place to change the term of officers to one year. General Manager Davis and General Counsel Ferre stated that it would require a change in the Act.

I. Nominations for President -

General Counsel Ferre called for nominations for Board President. Director Stephenson nominated Director Duncan for Board President. Director Ball nominated Director Fenn for Board President. Director Castaldo requested that the two nominees explain why they would be best suited for the position. Director Fenn and Director Duncan spoke on their qualifications. General Counsel Ferre requested from the board members their vote for President.

<u>Roll Vote:</u>	<i>Duncan</i>	<i>Fenn</i>
Director Stephenson	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Ball	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Director Fenn	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Director Castaldo	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Director Duncan	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Thompson	<input type="checkbox"/>	<input checked="" type="checkbox"/>
President Jeter	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Director Duncan received 3 votes, Director Fenn received four votes. The vote resulted in Director Fenn becoming the new Board President.

II. Nominations for Vice President -

President Fenn called for nominations for Board Vice President. Director Duncan nominated Director Stephenson. Director Stephenson nominated Director Duncan. President Fenn requested a roll call vote.

<u>Roll Vote:</u>	<i>Stephenson</i>	<i>Duncan</i>
Director Stephenson	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Ball	<input type="checkbox"/>	<input checked="" type="checkbox"/>
President Fenn	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Director Castaldo	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Director Duncan	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Director Thompson	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Director Jeter	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Director Stephenson received one vote, Director Duncan received six votes. The vote resulted in Director Duncan becoming the new Board Vice President.

III. Nominations for Treasurer -

President Fenn called for nominations for Treasurer. Director Duncan nominated Director Stephenson. Director Ball nominated Director Thompson. President Fenn requested a roll call vote.

<u>Roll Vote:</u>	Stephenson	Thompson
Director Stephenson	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Ball	<input type="checkbox"/>	<input checked="" type="checkbox"/>
President Fenn	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Castaldo	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Duncan	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Thompson	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Jeter	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Director Stephenson received six votes, Director Thompsons received one vote. The vote resulted in Director Stephenson becoming the new Board Treasurer.

IV. Nominations for Secretary -

President Fenn made a motion, seconded by Director Duncan, to select General Manager Davis to serve as Secretary. Hearing no objection President Fenn requested a vote. Motion passed 7-0.

B. Consideration of Representative and Alternate to San Gorgonio Pass Regional Water Alliance (SGPRWA): A staff report was included in the agenda packet. President Fenn referred to page 28 of the agenda packet. He requested that General Manager Davis go into more detail as to what is involved with being a representative of the SGPRWA. General Manager Davis explained that Mary Ann Melleby was the Vice-Chair and that the Alliance meets once a month. He invited Ms. Melleby to elaborate on her experience. Ms. Melleby explained that the Alliance is made up of thirteen agencies. They were brought together to improve collaboration and communication amongst the agencies. Director Castaldo stated that it was his suggestion to Supervisor Ashley to have the committee formed. He had served on the committee for two years while a councilmember for the city of Beaumont and would be willing to serve as the representative for the Agency. President Fenn stated that he appreciated Director Castaldo volunteering. Director Ball moved, seconded by Director Stephenson, to appoint Director Castaldo to serve on the Alliance committee. Motion passed 7-0. Director Ball moved, seconded by Director Stephenson, to appoint Director Thompson to serve as alternate on the Alliance committee. Motion passed 7-0.

10. Topics for Future Agendas: Director Ball requested that the SGPWA Act be reviewed. General Counsel Ferre will review the Act and report back to the Board. Director Castaldo asked to have a benediction, invocation or prayer at the beginning of

the meeting. Counsel Ferre stated that he will report back to the Board on the limitations and requirements at the next meeting.

11. Announcements: *Vice President Dickson reviewed the following announcements:*

- A. Engineering Workshop December 12, 2016 at 1:00 p.m.
- B. Regular Board Meeting, December 19, 2016 at 7:00 p.m.
- C. Office closed Friday, December 23rd and Monday, December 26th in observance of the Christmas holiday.
- D. Canceled – Finance and Budget Workshop, December 26, 2016

12. Closed Session (One Item)

Time: 8:35 p.m.

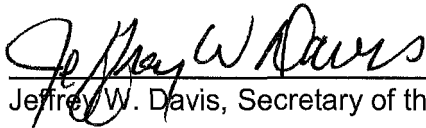
- A. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Pursuant to Government Code Section 54956.8
Property: Nickel Farms, LLC, Bakersfield, CA – Water Rights
Agency Negotiator: Jeff Davis, General Manager
Negotiating Party: Dwayne Chisum, General Manager – AVEK
Under negotiation: price and terms of payment

The meeting reconvened to open session at: Time: 9:17 pm

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

13. Adjournment

Time: 9:17 pm



Jeffrey W. Davis, Secretary of the Board