

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223
Minutes of the
Board of Directors Meeting
September 17, 2018

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

Directors Absent: David Fenn, President

Staff Present: Jeff Davis, General Manager
Jeff Ferre, General Counsel
Thomas Todd, Finance Manager
Cheryle Stiff, 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 Vice President Duncan at 1:30 p.m., September 17, 2018 in the Agency Boardroom located at 1210 Beaumont Avenue, Beaumont, California. *Vice President Duncan led the Pledge of Allegiance to the flag. Director Thompson gave the invocation. A quorum was present.*
2. **Adoption and Adjustment of Agenda:** *Vice President Duncan asked if there were any adjustments to the agenda. There were no adjustments to the agenda. The agenda was adopted as published.*
3. **Public Comment:** *Vice President Duncan 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 that are not on today's agenda. 1) Steve Anderson (BB&K), Legal Counsel for Cabazon Water District addressed the Board regarding its action on an amendment to the San Gorgonio Pass GSA MOA at the September 4 Board meeting. 2) Mark Krause, General Manager - Desert Water Agency, addressed the Board on the same issue. 3) Dan Jaggars, General Manager (BCVWD) provided the Board with a copy of his "White Sheet" and a copy of BCVWD's water supply order. He also stated that he emailed to General Manager Davis his District's conditional water supply order for next year. There were no other members of the public that wished to comment at this time.*
4. **Consent Calendar:**
 - A. Approval of the Minutes of the Regular Board Meeting, September 4, 2018
 - B. Approval of the Minutes of the Engineering Workshop, September 10, 2018

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

5. Reports:

A. General Manager's Report:

(1) Operations Report: (a) SWP Water Deliveries: 1) The Agency has delivered a total of 651 acre-feet to the Noble Creek Connection, so far this month. General Manager Davis summarized the water deliveries for the year so far.

(2) General Agency Updates: General Manager Davis reported on the following: **(a) DWR-SWC Contract Extension:** A legislative informational hearing took place on September 11th; the contract extension can be ready for signatures in 60 days. This item will be presented to the Board for action most likely in November. **(b) Cal WaterFix:** According to law the Cal WaterFix is a "covered action" and therefore the Delta Stewardship Council must find that it is consistent with the Delta Plan. They did so, but that has been appealed by numerous parties. This is the first time an appeal has ever been heard; it will be administrative, not quasi-judicial. The hearing is to be held October 24-26. **(c) Cal WaterFix:** The hearing on the Change in Point of Diversion (change petition) for the Cal WaterFix is continuing before the State Board. The hearing will end in October, with a ruling expected late January at the very earliest. **(d) Groundwater Models:** Two of the four models have been received. Last we heard was that the last two models were going through quality control.

B. Directors Reports:

1) Director Stephenson reported on the following: **a)** He attended the Calimesa Chamber meeting on September 11th. Discussion took place on ham radios and the need for them during an emergency when normal communications are down. Director Stephenson suggested that the Agency also look into purchasing ham radios for the Agency. **b)** Director Stephenson attended the YVWD workshop on September 11th. **c)** He also reported that he attended South Mesa Water District Board meeting. It was disclosed that during a recent Yucaipa Sub-Basin GSA a consultant was chosen to perform a GSA plan. Director Stephenson reported that our voting member, General Manager Davis was unable to attend this meeting, as well as the voting member for SBVMWD as they were both attending meetings in Sacramento. He informed the Board that there were two qualifying bids, one from Dudek and the other from Todd Groundwater. Todd Groundwater's bid came in at \$477k, whereas Dudek's bid came in at over \$1.1 million. Someone from the GSA contacted Dudek to ask them for a rebid. Dudek's rebid came in at \$814k. It was noted at the last minute that Dudek currently has two contracts with YVWD. A vote was taken and the contract was awarded to Dudek. Director Stephenson is concerned that the grant monies will mostly be used for the Dudek contract, and that the remaining costs will end up being paid by the GSA, of which this Agency is a member. Director Stephenson suggested that an alternate voting member be appointed and that he is willing to be that alternate voting member. General Manager Davis stated that he will review the MOU on the governance structure to determine if an alternate voting member is allowed, and that he will

report back to the Board on this issue. **d)** Director Stephenson reported that he attended the Agency's Water Rate workshop on 09/13. **e)** Director Stephenson reported on the Beaumont Chamber of Commerce meeting that he attended on 09/14. **3) Director Castaldo** shared that the City of Beaumont does have an emergency plan that involves ham operators.

6. New Business:

A. Consideration and Possible Action on Sponsorship for John Husing's Pass Area Region Economic Presentation: A staff report and sponsorship information were included in the agenda packet. General Manager Davis informed the Board that a request for sponsorship was sent by the Beaumont Chamber of Commerce. He noted that the Chamber brings Dr. Husing to the Pass area to do an annual update on the economy of the region. Dr. Husing's talks do not directly relate to water, however the state of local economy does have an impact on water, and vice versa. The water conservation and education committee has mentioned that the Agency is to take on a higher public profile within the region, this sponsorship does provide that. Director Castaldo stated that Dr. Husing provides a good indication of current and future development. His knowledge of the Inland Empire spans 3-4 decades. Director Stephenson made a motion, seconded by Director Lehtonen, to sponsor the event at \$300. Director Ball was concerned that with the impending water rate sponsoring an event of this type is sending a bad message to the people. Director Thompson was also not in favor of sponsoring this event. Vice President Duncan asked for a vote. The motion failed due to a 3-3 vote, with President Fenn absent. Directors Stephenson, Lehtonen, and Castaldo voted aye, with Directors Ball, Thompsons, and Duncan voting no.

B. Update on Construction of Fiesta Recharge Facility: General Manager Davis provided his most recent pictures of the recharge facility. He reviewed with the Board the layout of the facility and how it will work. He also reviewed with the Board the Mountain View connection site. A pre-construction meeting will take place next week; construction of the connection starts most likely next week. The timeline of the construction will be discussed at the pre-construction meeting, which General Manager Davis will report back to the Board. Director Ball asked about the design change orders and was concerned about possible breach of the ponds. General Manager Davis responded to his concern and explained to him how the water will flow into the existing storm drain system. The amount of water within the ponds is a small amount and due to the infiltration of the ponds the water will not flow at a fast rate. General Manager Davis explained that the reason for the design change was due to the reduction of seepage collars, which will equate to a reduction in cost.

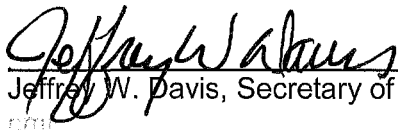
7. Topics for Future Agendas: Director Stephenson requested a review of all of both GSA's alternate voting rights and appointment of alternates. He also requested discussion on purchasing a ham radio. **Director Castaldo** noted that at the November 4th Board meeting there was an item on the agenda pertaining to the consideration of amendment to the Memorandum of Agreement forming the San Gorgonio Pass Groundwater Sustainability Agency. Director Castaldo requested that this item be brought back to Board during an Engineering workshop and to invite all of the GSA parties for their input in order to have a better

discussion and try to work out a resolution. He suggested that both the Agency's attorney and Cabazon Water District's attorney present the Board with a resolution or other options to be transparent, but still make it easier for the general managers to work together. **Director Thompson** requested to have discussion on the Manager's meetings. **Director Ball** requested an update on the Noble Creek connection. General Manager Davis responded that we are currently waiting on the final sign off by DWR on the drawings.

8. Announcements:

- A. Finance & Budget Workshop, September 24, 2018 at 1:30 p.m.
- B. San Geronio Pass Regional Water Alliance, September 26, 2018 at 5:00 p.m. – Banning City Hall
- C. Regular Board Meeting, October 1, 2018 at 1:30 p.m.

9. Adjournment: Vice President Duncan adjourned the meeting at 2:36 pm



Jeffrey W. Davis, Secretary of the Board