

**SAN GORGONIO PASS WATER AGENCY**  
**1210 Beaumont Avenue, Beaumont, California 92223**  
**Minutes of the Board of Directors Meeting**  
**January 7, 2019**

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

**Staff Present:** Jeff Davis, General Manager  
Jeff Ferré, 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 President Fenn at 1:30 p.m., January 7, 2019 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. **Election of Board Officers:** President Fenn initiated the election process.
  - a. ***Nominations for Board President -***  
President Fenn nominated Director Duncan for Board President; this nomination was seconded by Director Castaldo. Hearing no other nominations, President Fenn requested a vote on the nomination of Director Duncan for Board President. Ronald Duncan was elected President by unanimous vote, 7-0. The meeting was turned over to President Duncan.
  - b. ***Nominations for Vice President -***  
President Duncan nominated Director Stephenson for Board Vice President; this nomination was seconded by Director Castaldo. Hearing no other nominations, President Duncan requested a vote on the nomination of Director Stephenson for Board Vice President. Leonard Stephenson was elected Board Vice President by unanimous vote, 7-0.
  - c. ***Nominations for Treasurer -***  
President Duncan called for nominations for Board Treasurer. Director Fenn nominated Steve Lehtonen for Board Treasurer; this nomination was seconded by Director Thompson. Director Lehtonen nominated Blair Ball for Board Treasurer. Director Ball declined the nomination. Hearing no other nominations, President Duncan requested a vote on the nomination of Stephen Lehtonen for Board Treasurer. Stephen Lehtonen was elected Treasurer by unanimous vote, 7-0.
  - d. ***Nominations for Secretary/Assistant Treasurer -***  
President Duncan nominated Jeff Davis for Board Secretary; this nomination was seconded by Director Castaldo. Hearing no other nominations, President Duncan requested a vote on the nomination of Jeff Davis for Board Secretary. Jeff Davis was elected Board Secretary/Assistant Treasurer by unanimous vote, 7-0.

3. **Adoption and Adjustment of the Agenda:** Director Ball requested adding a closed session item pertaining to General Manager Performance. General Counsel Ferre informed the Board that unless there was an emergency that said item could not be added to today's agenda, as it would go against the Brown Act. After discussion, the Board was in agreement to add a closed session item on the January 22, 2019 agenda pertaining to General Manager Performance.
4. **Public Comment:** *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.* General Manager Dan Jagers (BCVWD) requested that there be more communications to water retailers pertaining to any EBX shutdowns. There were no other members of the public that wished to comment at this time.
5. **Consent Calendar:**
  - A. Approval of the Minutes of the Regular Board Meeting, December 17, 2018
  - B. Approval of the Minutes of the Finance and Budget Workshop, December 20, 2018
  - C. Approval of the Finance and Budget Workshop Report, December 20, 2018

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

## 6. Reports:

### A. General Manager's Report:

1. **Operations Report:** General Manager Davis reported on the following: **(a) SWP Water Deliveries:** The Agency delivered 1149 acre-feet to Beaumont Cherry Valley Water District ponds, for the month of December. **(b)** For the year, we delivered approximately 13,150 AF (YVWD deliveries for December not included). This includes 12,121 to BCVWD, 500 to Banning, and about 530 to YVWD. **(c)** Our 35% allocation of Table A water would have been just 6,055 AF. We delivered over twice this amount due to Board actions related to obtaining additional water supplies. **(d)** At our current 10% allocation for this year, we have about 8500 AF to deliver this year, including carryover, our 10%, and our Nickel water; less than the total requested from our retail customers. **(e)** We started dumping the Rhombo Hexoshield floating balls in Citrus Reservoir this morning. We have delivered 279 AF so far this month at 20 cfs.

2. **Construction Update:** General Manager Davis presented slides to the Board showing the progress of the Beaumont Avenue Recharge Facility and the Mountain View connection.

3. **Water Supply Report:** DWR's first manual snow survey was taken last week. Snowpack at Phillips Station was at 80% of normal for the date. Throughout the Sierras, snowpack was at 67%. Despite a number of early storms this year, precipitation and snowpack are both below normal for this time of year. General

Manager Davis reviewed with the Board DWR's January 7, 2019 precipitation and storage graphs for Lake Oroville, Northern Sierra, San Joaquin Valley, and Tulare Lake Basin.

**4. General Agency Updates:** General Manager Davis reported on the following:

**a).** All permits for drilling monitoring wells have been received; however the government is shut down so USGS cannot start drilling until shutdown ends. **b).** Legislative Report - Water tax not high on Legislators' list for the first half of this legislative session but will likely be later. Key objective for the first six months will be wildfires. But there will almost certainly be an effort to put the SWP on budget, as there has been in the past. There has also been a bill submitted (SB 43) to replace the cap and trade system with a carbon tax on retail products. We are waiting to hear who the new Governor will nominate for key water-related posts. **c).** Pertaining to the Delta Stewardship Council action remanding five actions to DWR, and DWR withdrawing consistency certification. DWR believes courts will likely back an agency's interpretation of its own mission, even if it is overreaching. We are going to wait until new members of the DSC take office and try again. **d).** Water rate discussion will not take place at the next Engineering workshop as there are too many agenda items already. Therefore, we will discuss this at next Board meeting on January 22. This will be a follow up to the last workshop in December and will include numbers the Board asked for. Director Ball inquired about the surplus water contract between the Agency and San Bernardino Valley Water District. General Manager Davis stated that the agreement has been approved by all parties. Director Ball asked General Manager Davis to update the Board on what the contract entails directly to the Agency. General Manager Davis will provide the requested information at a future meeting.

**B. General Counsel Report:**

**a).** General Counsel Jeff Ferré deferred from reporting.

**C. Director Reports:**

**(1) Director Fenn** reported that he attended the YVWD December Board meeting. He reported on the BCVWD Finance and Audit Committee meeting. During that meeting he was questioned by a member of the public on the Nickel water. He also attended the Beaumont Basin Watermaster meeting. He reported that the analysis for the return flow methodology for the basin is expected to be available at the February or March meeting. **(2) Director Castaldo** thanked Director Fenn for his outstanding leadership as Board President during the past two years.

**C. Committee Reports: None.**

**7. New Business:**

**A. Update on Social Media Initiative:** General Manager Davis stated that the Conservation and Education Committee has been working towards establishing a social media footprint for the Agency. As stated at the last Board meeting Casmir Olaivar is our intern and has been working on three different social media platforms, Facebook, Twitter and Instagram. The Agency has been posting to all three platforms. General Manager Davis shared with the Board some of the posts that have been added to these social media accounts. Director Thompson stated that the main objective is to educate

the public as to who we are, where we are, and what it is that the Agency does. Director Fenn suggested boosting certain posts, such as special events, public hearings, etc. Director Thompson commended the Agency's intern Casmir, stating that she works well with staff and has been doing a good job on the social media platforms.

**8. Announcements**

- A. Engineering Workshop, January 14, 2019 at 1:30 p.m.
- B. Office closed **Monday**, January 21, 2019 in observance of Martin Luther King, Jr. Day
- C. Regular Board Meeting, **Tuesday**, January 22, 2019 at 1:30 p.m.
- D. Southern California Water Coalition Quarterly Luncheon  
**Friday**, January 25, 2019 at 12:00 p.m.  
Irvine Ranch Water District  
15600 Sand Canyon Avenue, Irvine

**9. Topics for Future Agendas:** Director Castaldo asked that General Manager Davis put together a policy on planned maintenance and shutdowns of EBX. Director Fenn asked that at the next Finance and Budget Committee meeting that there be discussion on the Agency's ability to pre-pay some of the EBX bonds. He also requested that President Duncan update the Board on any committee changes. Director Ball announced that YVWD has an upcoming Ethics Training class and also FPPC has a fee free Ethics course.

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

**Time: 2:40**

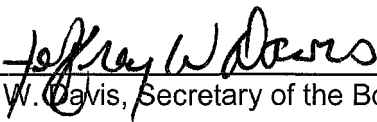
- A. CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION  
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code Section 54956.9  
One potential case

**The meeting reconvened to open session at:**

**Time: 3:56 pm**

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

**11. Adjournment** The meeting adjourned at 3:57 p.m.

  
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Jeffrey W. Davis, Secretary of the Board  
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