

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223
Minutes of the
Board of Directors Meeting
October 21, 2019

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

Directors Absent: Stephen Lehtonen, Treasurer

Staff Present: Jeff Davis, General Manager
General Counsel Jeff Ferre
Thomas Todd, Finance Manager
Cheryle Stiff, Executive Assistant
Casmir Olaivar, Social Media Specialist

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 Duncan at 1:30 p.m., October 21, 2019 in the Agency Boardroom at 1210 Beaumont Avenue, Beaumont, California. President Duncan led the Pledge of Allegiance to the flag. Director Fenn gave the invocation. A quorum was present.
2. **Adoption and Adjustment of Agenda:** *President Duncan asked if there were any adjustments to the agenda.* There being none the agenda was adopted as published.
3. **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.* There were no members of the public that spoke at this time.
4. **Consent Calendar:**
 - A. Approval of the Minutes of the Regular Board Meeting, October 7, 2019
 - B. Approval of the Minutes of the Engineering Workshop, October 14, 2019

President Duncan asked for a motion on the Consent Calendar. Director Castaldo made a motion, seconded by Director Stephenson, to adopt the consent calendar. Motion passed 6-0, with Director Lehtonen absent.

5. **Reports:**
 - A. **General Manager's Report:** General Manager Davis reported verbally on the following: **Operations** – 1031 acre-feet has been delivered to the Noble Creek Connection, so far this month. Nickel water (1600 acre-feet) has been delivered for this year. Delivery of 100 acre-feet of Nickel water to LADWP will take place this week. Delivery of the 2000 acre-feet of water from Ventura began last week. Carryover of SWP water is anticipated to be between 2500 and 3000 acre-feet. **Biological Opinions:** The Federal Government is issuing new Biological Opinions for operations in the Delta. General Manager Davis summarized how the new Biological Opinions differ from the previous Biological Opinions. The Board

members and members of the public were provided a graph of the previous Biological Opinions – Reasonable and Prudent Alternatives, which were not science based. The new Biological Opinions will incorporate more of a science based approach to water and ecosystem management. **Sites Reservoir:** General Manager Davis reported on the Sites Reservoir meetings that he attended in Sacramento last week. At the last Board meeting General Manager Davis had informed the Board that Phase 2 is being delayed by 90 days (April 1, 2020). During the meetings that he attended last week it was determined that Phase 2 is to be delayed by 180 days (July 1, 2020). This will allow more time to acquire more information in order for all parties to determine if they wish to participate and for how much. **Voluntary Agreements:** Voluntary Agreements will provide more water for environmental purposes, funds to pay for habitat improvement projects, and flexibility for water users who depend on reliable water supplies to grow our food. These agreements are in lieu of State Water Resource Control Board issuing regulations for the Central Valley based on flow. It was noted that Governor Newsom supports VA's.

B. General Counsel Report: A written report was provided by Legal Counsel Jeff Ferre on the disposition of surplus land. President Duncan requested clarification on the General Counsel's report as to whether a public meeting would need to be noticed on the sale of surplus land. Legal Counsel Ferre explained the process of the sale of surplus property.

C. Directors Reports:

1) Director Stephenson reported that he attended YVWD's workshop on October 8th, South Mesa Water District's meeting on October 9th, YVWD's Board meeting on October 15th, and YVWD's Community meeting on October 16th. **2) President Duncan** reported on the City of Banning's - State of the City event that was held on October 10th. **3) Director Ball** reported on the City of Banning's - State of the City event that was held on October 10th. He reported on Beaumont Chamber's Breakfast on October 11th. He attended the Pass EDA's event that was held on October 16th, and he reported on the BCVWD's Rate Study workshop that was held on October 17th. **4) Director Castaldo** reported on the Pass EDA's event that was held on October 16th.

D. Committee Reports: **1) Director Castaldo** reported on the Director's Handbook Ad-Hoc Committee meetings. He presented to the Board a list of findings and recommendations. **2) Director Ball** reported on the Capacity Fee Ad-Hoc Committee that was held on October 14th. The next Committee meeting will be held on Tuesday, November 12th at 12:30 p.m. **3) Director Stephenson** announced that the Ad-Hoc Committee for the Facilitation of Water Deliveries to Calimesa will be meeting directly after today's Board meeting. **4) Director Thompson** reported on the Water Conservation and Education Committee meeting that took place on October 10th.

6. New Business:

A. Consideration and Possible Action on USGS 2019-2020 Work Plan. A staff report and a copy of the Joint Funding Agreement along with related materials were included in the agenda package. President Duncan stated that this item was discussed at the October 14th Engineering workshop. General Manager Davis reported that USGS has since revised the calculations on the work plan as the matching funds portion increased to \$18,590, with the

stipulation if the matching funds were available. He asked the Board to approve the maximum of \$132,100 in the event that there are no matching funds. However, the most likely scenario would be \$113,510 spread over two fiscal years. Director Stephenson moved, seconded by Director Castaldo, to authorize the General Manager to sign a cooperative agreement with USGS for 2019-2020 for a maximum of \$132,100 over two fiscal years. Motion passed 6-0, with Director Lehtonen absent.

B. Consideration and Possible Action Regarding Election of ACWA President and Vice President. A staff report and ACWA related materials were included in the agenda packet. General Counsel Ferre stated that the purpose for this item is to determine who from the Board will be representing the Agency to vote for ACWA's President and Vice-President at the Fall ACWA Conference. General Manager Davis stated that President Duncan informed him that he will be voting on behalf of the Agency and he has completed the proxy designation form. General Manager Davis stated that here is a slate recommended by the ACWA Nominating Committee; however, there will most likely be at least one additional candidate nominated from the floor. General Manager Davis explained the rotation of Vice President to President.

C. Discussion and Possible Appointment of SGPRWA Member Replacement. Director Fenn noted that at the last Board meeting he had announced that starting in January he will not be able to continue serving on the SGPRWA Committee, as he has personal obligations that interfere with the scheduled meetings. He requested that the Board contemplate appointing another member of the Board to replace him and to bring this action to a future board meeting. Director Fenn stated that since the previous Board meeting he had spoken to Director Lehtonen, and he volunteered to represent the Agency at the SGPRWA, should the Board wish him to do so. Director Fenn made a motion, seconded by Director Thompson, to appoint Director Lehtonen, replacing Director Fenn as Co-Chair of the SGPRWA. Motion passed 6-0, with Director Lehtonen absent.

7. Topics for Future Agendas: **1) General Counsel Ferre** requested that a revision to the Facilitation of Water Deliveries to Calimesa Ad-Hoc Committee be discussed at the next Board meeting. **2) Director Castaldo** stated that the Handbook Committee felt that the current handbook is adequate and requested that the recommendations be added to the handbook. General Counsel Ferre stated that adding recommendations to the handbook needs to be voted on at a future Board meeting. **3) Director Castaldo** requested discussion on why the Agency is participating in the SGPRWA and what the purpose and/or goals are of the Alliance. **4) Director Ball** requested discussion on employment qualifications for a general manager. General Council Ferre informed the Board that most agencies hire a consultant who can recruit, has the connections that can help facilitate the Board on what to look for, advertising of the general manager position, and to recruit someone that fits the needs of the job description. He stated that it can be a daunting process for a Board to take on; he recommended hiring a recruiting consultant. **5) Director Fenn** stated that there had been previous discussions regarding a yearly review of the water rate. The calendar year is ending soon and he would like a review of the current water rate, a review of the water orders for the 2020 calendar year, and discussion on what is the expected profit and/or loss will be based on the 2020 orders.

8. Announcements:

- A. Finance & Budget Workshop, October 28, 2019 at 1:30 p.m.
- B. Regular Board Meeting, November 4, 2019 at 1:30 p.m.
- C. Office closed **Monday**, November 11, 2019, in observance of Veterans Day
- D. Engineering Workshop, **Tuesday**, November 12, 2019 at 1:30 p.m.

9. Adjournment

Time: 2:25 pm



Jeffrey W. Davis, Secretary of the Board

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