

**SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, CA 92223
Minutes of the
Board of Directors Engineering Workshop
March 9, 2020**

Directors Present: Ron Duncan, President
Leonard Stephenson, Vice President
Blair Ball, Director
David Castaldo, Director
Steve Lehtonen, Director
Mike Thompson, Director

Directors Absent: David Fenn, Director

Staff Present: Jeff Davis, General Manager
Jeff Ferre, General Counsel
Cheryle Stiff, Executive Assistant
Casmir Olaivar, Intern

- 1. Call to Order, Flag Salute and Roll Call:** The Engineering workshop of the San Gorgonio Pass Water Agency Board of Directors was called to order by Vice President Stephenson at 1:30 p.m., March 9, 2020 in the Agency Board room at 1210 Beaumont Avenue, Beaumont, California. Vice President Stephenson led the Pledge of Allegiance to the flag. A quorum was present.
- 2. Public Comment:** No members of the public wished to address the Board at this time.
- 3. Further Discussion Regarding Water Delivery Charges and Revenues.** Three tables summarizing water charges and revenues for 2019, projecting them for 2020, and historical energy costs were included in the agenda package. General Manager Davis reviewed the tables with the Board, noting that these represented additional information that the Board requested at the last discussion. Dan Jaggers of the Beaumont Cherry Valley Water District noted that the Agency "overperformed" on its water rate in 2019 and there were discrepancies in Resolution 2019-02 that he hoped the Board would address.
- 4. Discussion on Dispensation of Nickel Water.** Vice President Stephenson began the discussion by noting that he requested this agenda item. He proposed using the interest earned by the Agency each year to purchase one half of each year's Nickel water and place it in the Agency's Beaumont Basin storage account for use in dry years. General Manager Davis reviewed the amount of interest earned by the Agency over the past three years, noting that the 2018-209 interest was enough to purchase half of that year's Nickel water. A discussion ensued on whether the Agency may use interest earned by the Debt Service fund to purchase Nickel water. General Counsel Ferre indicated that he would look into this and report back to the Board. The discussion ended pending this new information. Dan Jaggers of the Beaumont Cherry Valley Water District noted that new development is paying its fair share by increasing property tax revenues and indicated that the District would like to support the Agency in its efforts to set an appropriate water rate.

5. Discussion of Potential Revisions to Board Travel and Expense Policy. A copy of the current policy, adopted in 2011, as well as a proposed new policy, were included in the agenda package. General Counsel Ferre noted that the current policy is not consistent with recent changes to the Water Code, while the proposed policy is. General Manager Davis explained the reasons for some of the specific language in the existing policy while noting that he had reviewed and agreed with the proposed policy. Upon further discussion, President Duncan moved, seconded by Director Thompson, to bring the proposed new policy to the Board for consideration. The motion passed 6-0 with Director Fenn absent.

6. Announcements:

- A. Water Conservation and Education Committee, March 12, 2020 at 1:30 pm
- B. Regular Board Meeting, March 16, 2020 at 1:30 pm.
- C. Finance and Budget Workshop, March 23, 2020 at 1:30 pm.

9. Adjournment: Vice President Stephenson adjourned the meeting at 2:24 p.m.



Jeff Davis, Secretary to the Board
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