

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, CA 92223
Minutes of the
Board of Directors Engineering Workshop
February 10, 2014

Directors Present: John Jeter, President
Bill Dickson, Vice President
Ron Duncan, Director
Ted Haring, Director
Mary Ann Melleby, Director
Ray Morris, Director
Barbara Voigt, Director

Staff Present: Jeff Davis, General Manager
Ken Falls, Operations and Maintenance Manager
Cheryle Rasmussen, Executive Assistant

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 President John Jeter at 1:30 p.m., February 10, 2014 in the Agency Board room at 1210 Beaumont Avenue, Beaumont, California. President Jeter led the Pledge of Allegiance to the flag. A quorum was present.

2. Public Comment: There was no public comment at this time. President Jeter turned the meeting over to Bill Dickson, Chairman of the Engineering Committee.

3. Review Draft Policy for Meeting Future Supplemental Water Demands. A copy of the draft policy was included in the agenda package. General Manager Davis reviewed the draft policy with the Board, noting that some changes had occurred since the last workshop, including insertion of water quality language and deletion of most of the wheeling language. The Board requested that the policy make reference to the Agency's planned water shortage policy. After discussion, Director Morris moved, seconded by Director Melleby, that the draft policy be brought to the Board for consideration as revised. The motion passed unanimously. General Manager Davis noted that it would likely be in resolution form.

4. Review Draft Policy Regarding Ordering of Water. A copy of the draft policy was included in the agenda package. General Manager Davis noted that the version included in the agenda package did not include clauses relating to an ordinance, for simplicity. Only the policy language itself was included. General Manager Davis noted that changes had been made since the last workshop,

including dropping the purchase commitment and dropping arbitration as an option for retail water agencies who do not agree with the Board's decision. General Manager Davis noted that General Counsel Behrens had indicated that the Board cannot delegate its authority over Agency water to an arbitration board or any other entity. General Manager Davis noted that the word "Purchasers" had been used in the policy because it is a revision of the Agency's Ordinance 8, which uses this word in lieu of "retail water agency." The Board requested that "Purchasers" be replaced throughout the ordinance with "retail water agencies" or other similar language, and that the retail water agencies be listed in the ordinance. It was noted that a retail water agency could include both direct deliveries and replenishment deliveries on its order form. After discussion, President Jeter moved, seconded by Director Duncan, that the draft policy be brought to the Board for adoption. The motion passed unanimously. General Manager Davis noted that, since this would require several changes to Ordinance 8, that it would likely not be brought to the Board at the next Board meeting on February 18.

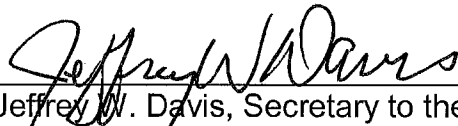
5. Review Draft Policy Establishing a Water Shortage Plan. A copy of the draft policy was included in the agenda package. General Manager Davis noted the changes since the last workshop, including adding a new first priority for the Agency in order to comply with Section 15.5 of the Agency's Act, and changing the name to a water shortage policy from a drought contingency policy. General Manager Davis noted that the addition of the new first priority is intended solely to meet the Agency's Act, and was written to place no additional burdens on any retail water agency. He explained why the Agency needs some amount of water to use at its discretion, noting that the Agency has agreed to repay Crestline-Lake Arrowhead Water Agency water from two previous exchanges, that the Agency needs to be able to carry over water in order to meet needs of direct delivery customers in the event of a zero allocation year, and in order to be able to possibly participate in an exchange which could bring more water to the region in future years. He suggested that the word "recreational" in the paragraph on second priority water be deleted. After discussion President Jeter moved, seconded by Director Haring, that the draft policy be brought forward to the Board for consideration and approval. The motion failed on a 3-4 vote, with Directors Morris, Haring, and President Jeter voting in favor and Directors Voigt, Dickson, Duncan, and Melleby opposed. The Board requested that General Manager Davis bring the policy back for discussion at a future workshop.

6. Announcements:

- A. The office will be closed Monday, February 17, 2014 in observance Presidents' Day.
- B. Regular Board Meeting, Tuesday, February 18, 2014 at 1:30 p.m.
- C. Finance and Budget Workshop, February 24, 2014 at 1:30 p.m.
- D. San Gorgonio Pass Regional Water Alliance—Technical Committee, Wednesday, February 26, 2014 at 4:00 pm, Banning City Council Chambers.

E. San Geronio Pass Regional Water Alliance—Wednesday,
February 26, 2014 at 6:00 pm, Banning City Council Chambers.

7. **Adjournment:** Chairman Dickson adjourned the meeting at 3:11 p.m.



Jeffrey W. Davis, Secretary to the Board