

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, CA 92223
Minutes of the
Board of Directors Engineering Workshop
September 8, 2014

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

Directors Absent: Ray Morris

Staff Present: Jeff Davis, General Manager
Jeff Ferre, General Counsel
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., September 8, 2014 in the Agency Board room at 1210 Beaumont Avenue, Beaumont, California. Director Dickson 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, President Jeter turned the meeting over to Director Dickson, Chair of the Engineering Committee.

3. EBX Operations and Maintenance Agreement Discussion. A copy of the draft agreement was included in the agenda package. General Manager Davis reviewed the draft agreement with the Board, noting that management of the three parties (the Agency, Valley District, and DWR) had approved the draft agreement. He added that DWR attorneys are currently reviewing it. He reviewed it with the Board, indicating the improvements over the previous agreement. The creation of a Management Committee and an Operations Committee that meet on a regular basis, plus the Agency taking over maintenance on the buildings and other minor equipment, represents a clearly better deal for the Agency. He noted that the three parties still need to decide if they wish to add a formal alternative dispute resolution process to the agreement in the event the Management Committee cannot resolved a problem.

4. Review Procurement Policy. A copy of the current policy, approved by the Board in 2006, was included in the agenda package. General Manager Davis noted that the policy states that the Board will review the policy annually or upon change in Agency management. He reviewed the policy with the Board and indicated that there were a few minor "tweaks" that he would like to bring to the Board for consideration. This includes the authority regarding purchase of automobiles, procuring professional services, and the possibility of creating a

new policy that would set a firm limit on the spending authority of the General Manager. The Board agreed to consider any revisions General Manager Davis would bring to them, and agreed to discuss the issue of a spending limit at the Finance and Budget workshop later this month.

5. Flume Update – discussion of Alternative Supply Study. General Manager Davis shared three items with the Board. The first was a recent letter from the San Bernardino National Forest to FERC asking FERC to once again consider decommissioning the entire facility, which would jeopardize water supplies to the Banning Bench and the City of Banning. Next, he shared a new strategy on the part of the Participating Entities—to attempt to convince SCE and FERC to repair the original flume system in its original right of way, which would include construction of a new pipeline or tunnel downstream of Raywood Flat. If this were to be accomplished, he noted, the Participating Entities would not have to worry about the Forest Service any more, and the need for its approval would be obviated. This would mean that the temporary above-ground pipeline that the Forest Service has ordered removed would not be needed. Thirdly, he informed the Board that the City’s consultant has indicated that it is important to identify the mitigation cost of eliminating a water source for both Banning Heights and the City of Banning, and that a consultant should be hired to determine mitigation actions and the cost of them. He noted that both Banning Heights and the City have told him verbally that they would share costs in such a study. It was the consensus of the Board that General Manager Davis could bring such an action to the Board at the next meeting for consideration, even though it is not budgeted.

6. Construction Update. General Manager Davis presented a slide show summarizing construction of the Beaumont Avenue Recharge Facility Pipeline from the past week. He noted that the soil is gradually getting better, meaning less boulders, and that construction is beginning to move faster. He indicated that the contract should be completed this month, perhaps within two weeks or so.

7. Announcements:

- A. Water Conservation and Education Workshop, September 11, 2014 at 1:30 pm.
- B. Regular Board Meeting, September 15, 2014 at 1:30 pm.
- C. Finance and Budget Workshop, September 22, 2014 at 1:30 p.m.
- D. San Gorgonio Pass Regional Water Alliance - Technical Committee Meeting—Wednesday, September 24, 2014 at 4:30 p.m. - Banning City Hall Conference Room.
- E. San Gorgonio Pass Regional Water Alliance Meeting -Wednesday, September 24, 2014 at 6:00 p.m. – Banning City Council Chambers.

8. Adjournment: Chairman Dickson adjourned the meeting at 2:54 p.m.



Jeffrey W. Davis, Secretary to the Board