

**SAN GORGONIO PASS WATER AGENCY**  
**1210 Beaumont Avenue, Beaumont, CA 92223**  
**Minutes of the**  
**Board of Directors Engineering Workshop**  
**November 14, 2016**

**Directors Present:** John Jeter, President  
Blair Ball, Director  
Bill Dickson, Vice President  
Ron Duncan, Director  
David Fenn, Director  
Mary Ann Melleby, Director  
Leonard Stephenson, Director

**Staff Present:** Jeff Davis, General Manager  
Jeff Ferre, General Counsel  
Cheryle Rasmussen, Executive Assistant  
Dan Flory, Consultant

**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 4:00 p.m., November 14, 2016 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 member of the public wished to speak at this time.

**3. Second Follow-up Presentation on Allocation of Agency Water by Dan Flory, Provost & Pritchard.** A copy of the Water Allocation Analysis was included in the agenda package. Dan Flory reviewed his analysis of the Agency's allocation process and an alternate process that had previously been proposed. His conclusion was that the Agency's current method for allocating water is consistent with the San Gorgonio Pass Water Agency Act, the Water Code, and the Agency's contract with the Department of Water Resources. Also he indicated that the current process is not fatally flawed. His recommendation to the Agency was to acquire additional water supplies, noting that the real issue is water supply, not allocation of water supply. He reviewed ten categories of comments (a total of 62 individual comments) that were made at the May and July Engineering workshops. He answered questions from the Board and from the public.

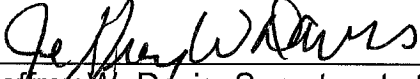
**4. Discussion of San Bernardino Valley Municipal Water District Term Sheet.** A copy of a term sheet from the San Bernardino Valley Municipal Water District regarding a potential deal for its surplus water was included in the agenda package. General Manager Davis reviewed the term sheet with the Board, including cost of the water, term of the agreement, and the fact that the Agency has the right of first refusal to the first 5000 acre-feet of surplus water declared by the Valley District's Board. The Agency's Board accepted the term sheet and

gave General Manager Davis direction to negotiate an agreement consistent with the term sheet and to bring it back to the Board for consideration.

**5. Announcements:**

- A. Regular Board Meeting, November 21, 2016 at 7:00 pm.
- B. Office closed November 24<sup>th</sup> and 25<sup>th</sup>, 2016 in observance of Thanksgiving
- C. Finance and Budget Workshop, November 28, 2016 at 4:00 p.m.

**6. Adjournment:** Chairman Dickson adjourned the meeting at 5:07 p.m.

  
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Jeffrey W. Davis, Secretary to the Board