

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, CA 92223
Minutes of the
Board of Directors Engineering Workshop
February 13, 2017

Directors Present: David Fenn, President
Blair Ball, Director (arrived 4:13 pm)
Ron Duncan, Director
Steve Lehtonen, Director
Leonard Stephenson, Director
Mike Thompson, Director

Directors Absent: David Castaldo

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 Vice President Ron Duncan at 4:00 p.m., February 13, 2017 in the Agency Board room at 1210 Beaumont Avenue, Beaumont, California. President Fenn 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. Discussion of USGS Program Letter. A copy of the program letter was included in the agenda package. General Manager Davis reviewed the history of the Agency's partnership with the United States Geological Survey and noted that he has gradually reduced the scope of work over the past three years. He reviewed the proposed scope for the next year, noting that the Agency must approve this outside the normal budgeting process because of the USGS's fiscal year timetable and the fact that the Agency wants to take advantage of available matching funds. After discussion, it was the consensus of the Board that the program letter should be brought to the Board for consideration at the February 21 Board meeting.

4. Discussion of Draft Agreement with Beaumont Cherry Valley Water District Regarding Capacity in Sites Reservoir. A copy of a draft agreement and of three pieces of correspondence between the Agency and the District were included in the agenda package. General Manager Davis reviewed the history of the Agency committing to purchase 10,000 AF of capacity in Sites Reservoir, and BCVWD accepting the Agency's invitation to participate by purchasing 4000 AF of capacity. The Sites counteroffer to the Agency included both Class 1 and

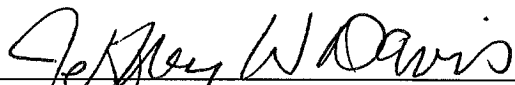
Class 2 water, with Class 2 water having a higher risk than Class 1. BCVWD indicated that it wanted only Class 1 water for its 4000 acre-feet. The draft agreement, as presented, included offering BCVWD the same percentage of Class 1 water as the Agency. General Manager Davis asked the Board for direction regarding what should be offered to BCVWD. After discussion, it was the consensus of the Board that General Manager Davis talk to General Manager Fraser regarding the possibility of BCVWD's Board considering something other than only Class 1 water.

5. Discussion of Wheeling and Possible Development of a Wheeling Policy. General Manager Davis presented a Power Point summarizing some key issues that the Board may want to consider if it adopts a wheeling policy, some potential components of a wheeling charge, and the portion of the water code that covers wheeling. He asked the Board for direction on how to proceed. After discussion, it was the consensus of the Board that the General Manager should put together an outline of a wheeling policy and to bring it back to the Board for discussion prior to going any further.

6. Announcements:

- A. Office closed February 20, 2017 in observance of Presidents Day
- B. Regular Board Meeting, **Tuesday**, February 21, 2017 at 7:00 pm.
- C. Finance and Budget Workshop, February 27, 2017 at 4:00 pm.

7. Adjournment: Vice President Duncan adjourned the meeting at 5:26 pm.



Jeffrey W. Davis, Secretary to the Board