

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, CA 92223
Minutes of the
Board of Directors Engineering Workshop
January 14, 2019

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

Staff Present: Jeff Davis, General Manager
Jeff Ferré, General Counsel
Cheryle Stiff, Executive Assistant
Tom Todd, Finance Manager
Casmir Olaivar, student 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., January 14, 2019 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: There were no members of the public who wished to comment at this time.

3. Discussion of Agreement with SBVMWD and DWR Regarding Deliveries to Yucaipa Valley Water District. A copy of the agreement and a Valley District staff report to its board was included in the agenda package. General Manager Davis informed the Board that this was a "housekeeping" item needed so that DWR could directly bill the Agency for water sold in Calimesa by YVWD, but that is conveyed through a Valley District connection. He reviewed the agreement with the Board. He noted that there will be no financial difference with the agreement. It will simply memorialize actions that have been ongoing for over a decade. After discussion and a number of questions, it was the consensus of the Board to bring this back for action next week.

4. Discussion of Continued Participation in Sites Reservoir for 2019. A copy of the 2019 Sites Participation Agreement was included in the agenda package. General Manager Davis showed a Power Point summarizing the status of the Sites project and projecting what will occur in 2019. He then reviewed the agreement with the Board. The agreement stipulates that participation in 2019 will cost the Agency no more than \$60 per AF, or \$600,000 for 10,000 AF. He informed the Board that the permits currently being applied for will be key to whether water agencies will feel that participation will be worth it. If permits require too much water to be left in the river, thus increasing the cost per acre-foot, he noted that many participants may drop out at some point. General Manager Davis informed the Board that he had sent a letter to BCVWD informing them of the cost of 2019 participation and indicating that if BCVWD wishes to continue participation at 4,000 acre-feet, a check would be required by February 15. Dan Jagers, BCVWD General Manager,

informed the Board that he would prefer an agreement between the Agency and BCVWD that would guarantee that BCVWD could continue with its participation even if the Agency dropped out. He added that the agreement should be provided to identify BCVWD's participation level of 4,000 acre-feet in 2019 Sites Reservoir Participation Agreement. General Counsel Ferre noted that such an agreement would be fraught with risks for the Agency and advised against any such agreement, while agreeing that a very simple agreement could probably be worked out before the February 15 deadline. After discussion, the Board asked that further discussion on this issue be put on the January 22 Board agenda. It was the consensus of the Board to bring the Sites 2019 Participation Agreement to the Board for consideration on January 22.

5. Review of Draft 2017 Water Conditions Report. A copy of the draft report was included in the agenda package. General Manager Davis informed the Board that the Agency produces this report each year to make public much of the data it keeps on local groundwater basins. He reviewed the draft report with the Board, pointing out some of the key facts and trends. It was the consensus of the Board to bring it back for approval on January 22 with one minor change in the report text.

6. Sustainable Groundwater Management Act (SGMA) Update. A copy of the Rules of Conduct for the San Geronio Pass Sub-Basin Working Group was included in the agenda package. General Manager Davis updated the Board on Agency efforts to implement SGMA in the San Geronio Pass Sub-basin. He reported on the progress of the development of an RFP for a consultant, the web site, and the stakeholder outreach effort. The next action items for the Agency Board will be a cost sharing agreement and award of contract to the consultant.

7. Announcements:

- A. Office closed Monday, January 21, 2019 for the Martin Luther King, Jr. Holiday
- B. Regular Board Meeting, Tuesday, January 22, 2019 at 1:30 p.m.
- C. Southern California Water Coalition Quarterly Luncheon Friday, January 25, 2019 at 12:00 pm at Irvine Ranch Water District, 15600 Sand Canyon Avenue, Irvine
- D. Finance and Budget Workshop, January 28, 2019 at 1:30 pm

8. Adjournment: Vice President Stephenson adjourned the meeting at 3:43 pm



Jeff Davis, Secretary to the Board

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