

**SAN GORGONIO PASS WATER AGENCY**  
**1210 Beaumont Avenue, Beaumont, CA 92223**  
**Minutes of the**  
**Board of Directors Engineering Workshop**  
**August 12, 2019**

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

**Directors Absent:** Mike Thompson, Director

**Staff Present:** Jeff Davis, General Manager  
Jeff Ferre, General Counsel  
Cheryle Stiff, 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 Duncan at 1:30 p.m., August 12, 2019 in the Agency Board room at 1210 Beaumont Avenue, Beaumont, California. President Duncan led the Pledge of Allegiance to the flag. A quorum was present. President Duncan turned the meeting over to Vice President Stephenson.

**2. Public Comment:** There were no members of the public who wished to speak at this time.

**3. Discussion and Update on Water Rate.** General Manager Davis noted that when the Board set a new water rate on May 1, it gave direction to discuss the rate later in the year. He told that Board that, since he had recently asked retail managers to complete their water order forms for 2020, he wanted the Board to have the opportunity to discuss the rate at this time. He also said that he would definitely come back to the Board with cost and rate information later in the year, as per the Board's request. A general discussion on the water rate and a potential capacity fee ensued.

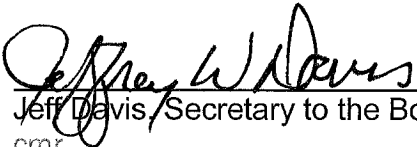
**4. Discussion of Participation Level in Delta Conveyance Project.** General Manager Davis reviewed for the Board the history of the Agency's participation in the Cal WaterFix, and described the ongoing process for the proposed Delta Conveyance project. The biggest difference, according to General Manager Davis, is that participation for the proposed project is expected to be optional for State Water Contractors. He explained that it is expected that Contractors would be able to participate either not at all, or at their full Table A amount, or at more than their Table A amount. While the Agency has 0.41% of Table A water, he explained that the Board had previously authorized ownership in Cal WaterFix of approximately 1.4%, which is where he has started in discussions with the Contractors. He emphasized that no decisions have been made as yet, since the project is not defined yet. He said that the negotiations with DWR are ongoing and he expects to update the Board on the progress frequently over the next few months.

5. **Update on Sites Reservoir.** General Manager Davis explained that there are a number of scheduled meetings and workshops regarding Sites Reservoir over the next month, including a workshop this week, and that he will have a lot to report in the next few meetings. He noted that he expects that a decision on Phase 2 of the project, expected to last from 2020 to 2021, will be required from participants sometime in September.

6. **Announcements:**

- A. Regular Board Meeting, August 19, 2019 at 1:30 p.m.
- B. Finance and Budget Workshop, August 26, 2019 at 1:30 pm
- C. San Gorgonio Pass Water Alliance, August 28, 2019, at 5:00 p.m. at Banning City Hall

7. **Adjournment:** Vice President Stephenson adjourned the meeting at 2:18 p.m.

  
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Jeff Davis, Secretary to the Board  
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