

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, CA 92223
Minutes of the
Board of Directors Engineering Workshop
April 11, 2016

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

Directors Absent: John Jeter, President

Staff Present: Jeff Davis, General Manager
Jeff Ferre, General Counsel

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 Bill Dickson at 4:00 p.m., April 11, 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. Further Discussion of Bunker Hill Conjunctive Use Project. General Manager Davis informed the Board that he had anticipated receiving an amendment to the MOU signed by the Agency regarding this project, but since he did not receive it, this item would have to be put off to a future workshop.

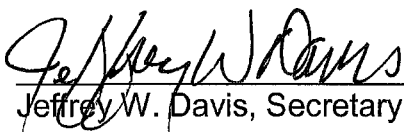
4. Review and Discussion of Water Supply Issues Discussed at Regional Water Alliance Meeting. A memorandum to the Board of Directors from Director Melleby, along with a list of regional water needs, was included in the agenda package. Director Melleby informed the Board that the Regional Water Alliance had discussed regional supply issues at the March meeting, and that long term reliability and sustainability was the overwhelming choice as the most important water supply issue. She led the Board in a discussion of what reliability and sustainability mean, and reviewed the sources of water available in the region and the challenges of each. She noted that diversification of water supplies is an important issue, just as diversification of a retirement investment portfolio is important. The sources of water discussed included groundwater, local surface water, imported water, recycled water, stormwater, desalinated water, and water conservation.

5. Discussion of Sites Reservoir. A number of documents related to the Sites Reservoir project, also known as North of Delta Offstream Storage, was included in the agenda package. General Manager Davis introduced the proposed reservoir project to the Board and noted some of the key elements of the project, including some advantages and disadvantages. He informed the Board that a Joint Power Authority has been formed by water districts in the vicinity of the proposed reservoir in order to help plan, design, construct, own, operated, and fund the project. He noted that the current JPA is seeking new members and investors in the project. Some of the advantages of the project include the fact that it has the backing of some important people and organizations, it has a yield of between 300,000 and 400,000 acre-feet, it has identified public benefits, and it has been studied for a number of years and appears to be a very viable project. Some of the disadvantages include that it is located north of the Delta, water would have to be pumped to it from the Sacramento River, and it would have to go through a CEQA process which could significantly delay the project or end it. General Manager Davis answered questions from the Board. He informed the Board that the San Bernardino Valley Municipal Water District is looking into participating in the project as an investor, and that several other State Water Contractors are likely to consider doing so as well. He summarized the project, saying that it is one of the best projects in the State right now that would create new water supplies and it is likely to be popular with other water agencies. The Board indicated that it has no strong aversion to the Project, and General Manager Davis indicated that he would continue to gather information and keep the Board informed as progress is made.

6. Announcements:

- A. Regular Board Meeting, April 18, 2016 at 7:00 p.m.
- B. Finance and Budget Workshop, April 25, 2016 at 4:00 pm
- C. San Gorgonio Pass Regional Water Alliance, April 27, 2016
 - 1. Business Meeting at 5:00 pm—Banning City Hall Conference Room
 - 2. Presentation at 6:00 pm—Banning City Council Chambers

7. Adjournment: Chairman Dickson adjourned the meeting at 5:09 p.m.



Jeffrey W. Davis, Secretary to the Board