

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, CA 92223
Minutes of the
Board of Directors Engineering Workshop
June 8, 2020

Directors Present: Ron Duncan, President
All Board members Leonard Stephenson, Vice President
Attended by video Blair Ball, Director (arrived 1:32 pm)
conferencing/ Steve Lehtonen, Director
teleconferencing Mike Thompson, Director

Directors Absent: David Castaldo, Director

Staff Present: Jeff Davis, General Manager
All staff members Jeff Ferre, General Counsel
Attended by video Cheryle Stiff, Executive Assistant
conferencing/ Tom Todd, Finance Manager
Teleconferencing Casimir 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., June 8, 2020 via videoconference/teleconference. Vice President Stephenson led the Pledge of Allegiance to the flag. Vice President Stephenson requested a roll call.

<u>Roll Call:</u>	<i>Present</i>	<i>Absent</i>
Director Ball	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Castaldo	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Thompson	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Fenn	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Lehtonen	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Stephenson	<input checked="" type="checkbox"/>	<input type="checkbox"/>
President Duncan	<input checked="" type="checkbox"/>	<input type="checkbox"/>

A quorum was present.

2. Public Comment: Vice President Stephenson noted that, due to the Coronavirus, members of the public may listen and provide public comment telephonically or via videoconferencing. No members of the public wished to address the Board at this time.

3. Discussion of Draft Principles of Agreement with YVWD and SBVMWD on Issues Relating to Calimesa. A draft document summarizing basic principles of an agreement, including benefits to the Agency and commitments required from the Agency, was included in the agenda package. After some introductory remarks, General Manager Davis turned the meeting over to Tim Moore of Risk Sciences, who was the facilitator for these issues. Mr. Moore reviewed the benefits to and commitments required from the Agency that have been developed by the three General Managers and reviewed by three ad hoc committees. He noted that an agreement would come later if and only if all three Boards approved of the principles, and would be drafted by an outside counsel. In general, advantages to the Agency of such an agreement would include a customer for a portion of the Nickel water at

full price and a storage account for the Agency in the Bunker Hill Basin. Commitments required of the Agency would include maintaining the Agency's current policy of making direct delivery water the highest priority in dry years and providing Valley District right of first refusal to purchase Nickel water at full price if and only if the Agency were to desire to sell it outside the Agency's service area. After discussion and questions, it was the consensus of the Board to begin drafting an agreement based on the principles. Mr. Moore indicated that he would work with David Aladjem on the drafting. Mr. Aladjem has worked with Mr. Moore previously on other issues.

4. Discussion of Draft Fourth Joint Facilities Agreement with San Bernardino Valley Municipal Water District. A copy of the draft agreement was included in the agenda package. General Manager Davis explained the reason for the agreement—to set the price and finalize the sale of capacity in local facilities. Some capacity would be purchased by the Agency from the District, and some capacity would be purchased by the District from the Agency. In particular, the Agency would purchase 32 cfs of capacity in the upper reaches of the Foothill Pipeline, bringing its total capacity in the line to 64 cfs. The Agency would sell its capacity in the Tate Pipeline and Tate Pump Station to the District, as it has no need of these facilities. The net price is approximately \$3.1 million, which the Agency would pay to the District over the next 13 months, at the Agency's discretion. After discussion, it was the consensus of the Board to bring this agreement to the Board for consideration at the next Board meeting.

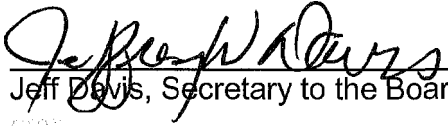
5. Presentation on Draft Infrastructure Study. A copy of the PowerPoint was included in the agenda package. General Manager Davis shared a PowerPoint summarizing the draft study, including purpose of the study, goals of the study, study methodology, key findings, recommendations, and next steps. He indicated that he wanted the next General Manager to have a chance to review this before bringing the final version to the Board, which he guessed would be this summer. He noted that two key findings and recommendations are that the Agency participate in Sites Reservoir and that the Agency participate in an upstream groundwater bank.

6. Follow Up on Current Version of Phase 2 Work Plan for the Approved Sites Participation Agreement Amendment No. 2. A copy of the work plan, Exhibit B to the Second Amendment to the Sites Participation Agreement, was included in the agenda package. General Manager Davis noted that this was included in the agenda package since it was inadvertently left out of last week's board agenda package, and he wanted to include it in this agenda package for purposes of completeness and transparency. There was no discussion on the exhibit.

7. Announcements:

- A. Water Conservation and Education Committee, June 11, 2020 at 1:30 pm – Cancelled.
- B. Regular Board Meeting, June 15, 2020 at 1:30 pm – Teleconference/Zoom.
- C. Finance and Budget Workshop, June 22, 2020 at 1:30 pm – teleconference/Zoom.

8. Adjournment: Vice President Stephenson adjourned the meeting at 3:00 p.m.



Jeff Davis, Secretary to the Board
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