

**SAN GORGONIO PASS WATER AGENCY**  
**1210 Beaumont Avenue, Beaumont, California 92223**  
**Minutes of the**  
**Board of Directors Meeting**  
**August 3, 2020**

IN AN EFFORT TO PREVENT THE SPREAD OF COVID-19 (CORONAVIRUS), AND IN ACCORDANCE WITH THE GOVERNOR'S EXECUTIVE ORDER N-29-20, **THERE WILL BE NO PUBLIC LOCATION FOR ATTENDING THIS BOARD MEETING IN PERSON.** MEMBERS OF THE PUBLIC MAY LISTEN AND PROVIDE PUBLIC COMMENT TELEPHONICALLY BY CALLING THE FOLLOWING NUMBER: 669-900-6833 OR VIA ZOOM. MEETING ID 860 2289 6821

**Directors Present:** Ron Duncan, President  
 All Board members attended by video conferencing/teleconferencing: Lenny Stephenson, Vice President  
 Michael Thompson, Treasurer  
 Blair Ball, Director  
 David Fenn, Director  
 David Castaldo, Director  
 Steve Lehtonen, Director

**Staff Present:** Lance Eckhart, General Manager  
 All Staff members attended by video conferencing/teleconferencing: Jeff Ferre, General Counsel  
 Thomas Todd, Finance Manger  
 Cheryle Stiff, Executive Assistant  
 Casmir Joy Olaivar, Student Intern

- 1. Call to Order, Flag Salute, Invocation, and Roll Call:** The meeting of the San Gorgonio Pass Water Agency Board of Directors was called to order by Board President Duncan at 1:30 p.m., August 3, 2020 by video/teleconference. President Duncan led the Pledge of Allegiance to the flag. Director Stephenson gave the invocation. President Duncan requested a roll call.

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

A quorum was present.

- 2. Adoption and Adjustment of Agenda:** *President Duncan asked if there were any adjustments to the agenda. General Manager Davis stated that there is no adjustment to the agenda.*

**C. Directors Reports:** 1) **Director Stephenson** reported on the following: YVWD's Board meeting that was held on July 21<sup>st</sup>. Yucaipa Sustainable Groundwater meeting that was held on July 22<sup>nd</sup>. ACWA/JPIA meeting that was held on July 27<sup>th</sup>. 2) **Director Ball** reported on BCVWD's Engineering workshop that was held on July 23<sup>rd</sup>. 3) **Director Thompson** reported on BCVWD's Engineering workshop that was held on July 23<sup>rd</sup>. 4) **President Duncan** also reported on BCVWD's Engineering workshop that was held on July 23<sup>rd</sup>. He noted that he was unable to attend the ACWA Virtual Conference.

**D. Committee Reports:** Director Stephenson reported that the Capacity Fee Committee is still waiting on information and will be reported back to the Board hopefully in late August.

**6. New Business:**

**A. Consideration of Adoption of Resolution No. 2020-04 Setting the Appropriation Limit for Fiscal Year 2020-2021.** A staff report, a draft copy of Resolution No. 2020-04, and related materials were included in the agenda packet. General Manager Eckhart turned this item over to Finance Manager Thomas Todd. Mr. Todd noted that the Board is required by California law to set an appropriations limit. The limit is calculated based on a formula, and is not related to the Agency's budget for the year. The Appropriation Limit has been posted for the required amount of time. The other requirement is for the Board to pass a Resolution. Director Thompson made a motion, seconded by Fenn, to adopt Resolution No. 2020-04 setting the Appropriation Limit of \$67,204,996 for Fiscal Year 2020-2021. President Duncan requested a roll call.

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

Motion passed 7-0.

**B. Consideration of Adoption of Debt Service Budget for Fiscal Year 2020-2021.** General Manager Eckhart stated that this item was discussed at the July 27<sup>th</sup> Finance and Budget workshop. During the workshop the Board reviewed in detail the Agency's reserves and upcoming expenses. Director Stephenson made a motion, seconded by Director Thompson, to adopt the Debt Service Budget for Fiscal Year 2020-2021. President Duncan requested a roll call vote.

<b><u>Roll Call:</u></b>	<b>Aye</b>	<b>Noes</b>	<b>Absent</b>	<b>Abstain</b>
Director Ball	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Castaldo	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Thompson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Fenn	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Lehtonen	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Stephenson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
President Duncan	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Motion passed 7-0

**C. Consideration of Adoption of Resolution No. 2020-05 Setting the Tax Rate for Fiscal Year 2020-2021.** A staff report, a draft copy of Resolution No. 2020-05, and related materials were included in the agenda packet. General Manager Eckhart noted that this item was also discussed at the F&B workshop on July 27<sup>th</sup>. He stated that Debt Service Fund Budget for FY 2020-21 PowerPoint presentation was reviewed at the workshop and that staff outlined in detail the long-term investments in supply as well as anticipated projected expenses. The Agency will be investing in financial forecasting tools that will assist staff in the future with providing the Board with accurate projections. The Board had requested a comparison of the difference between 17.75 cents (current rate) per \$100 valuation, vs. 17.50 cents per \$100 valuation; the difference equates to about \$9.00 annually, per home. There are a large number of uncertainties related to extending the SWP contract, maintaining aging Project infrastructure and funding construction to alleviate problems associated with subsidence in the San Joaquin Valley, in addition to the future balloon payments on EBX bonds, as well as participation in the Delta Conveyance & Sites Reservoir Project. Staff is recommending holding the rate at 17.75, due to the projected expenses. After discussion, Director Thompson made a motion, seconded by Director Castaldo, to adopt Resolution No. 2020-05 setting a tax rate at 17.50 cents for Fiscal Year 2020-2021.

<b><u>Roll Call:</u></b>	<b>Aye</b>	<b>Noes</b>	<b>Absent</b>	<b>Abstain</b>
Director Ball	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Castaldo	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Thompson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Fenn	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Lehtonen	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Stephenson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
President Duncan	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Motion passed 6-1


**7. Topics for Future Agendas:** President Duncan requested to have discussion on the Agency's vehicle. Director Ball requested a Flume update.

**8. Announcements:**

- A. Engineering Workshop, August 10, 2020 at 1:30 p.m.
- B. Water Conservation and Education Committee, August 13, 2020 at 1:30 p.m. – Cancelled
- C. Regular Board Meeting, August 17, 2020 at 1:30 p.m.

**9. Adjournment**

**Time: 2:33 pm**

  
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Lance Eckhart, Secretary of the Board

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