

SAN GORONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223
Minutes of the
Board of Directors Meeting
September 8, 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 JOIN BY ZOOM: <https://us02web.zoom.us/j/83652829780>
MEETING ID: 836 5282 9780

Directors Present: Ron Duncan, President
All Board members attended by video conferencing/teleconferencing: Lenny Stephenson, Vice President
Michael Thompson, Treasurer (left at 3:30 pm)
Blair Ball, Director (arrived at 1:38 pm)
David Castaldo, Director (arrived at 1:36 pm)
Steve Lehtonen, Director

Directors Absent: David Fenn, 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

- 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., September 8, 2020 by video/teleconference. President Duncan led the Pledge of Allegiance to the flag. President Duncan gave the invocation. President Duncan requested a roll call.

<u>Roll Call:</u>	<i>Present</i>	<i>Absent</i>	
Director Castaldo	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Arrived at 1:35 p.m.
Director Ball	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Arrived at 1:38 p.m.
Director Lehtonen	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Director Stephenson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Director Fenn	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Director Thompson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Left at 3:30 p.m.
President Duncan	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

A quorum was present.

- Adoption and Adjustment of Agenda:** *President Duncan asked if there were any adjustments to the agenda.* General Manager Eckhart responded that there are no adjustments to the agenda.

2020 Board meeting the Board discussed uncertainty with Agency income, the effects of development on the tax rolls, an appropriate reserve amount and upcoming major investments/expenses associated with the State Water Project. He noted that there is an immediate need for a financial model in order for staff to have tools in hand that will allow staff to provide timely educated recommendations on major decisions that are coming up. General Counsel Ferre noted that staff is utilizing the current purchasing policy of the Agency, allowing authority to the General Manager to seek and award contracts at a certain dollar amount. General Manager Eckhart stated that part of the process of allowing the General Manager to award a contract is to do due diligence. Part of the due diligence for this item was reaching out to sister agencies to inquire what type of financial models they use, what type of process they went through to determine modeling solutions, their process of doing a consultant selection, and seeking out alternative bids. The proposals from HdL and Raftelis fall within the General Manager's signing authority; HdL's proposal is \$22,250 - Raftelis' proposal is \$30,305. General Manager Eckhart introduced Paula Cone, President of HdL Companies, to explain to the Board how HdL will assist in determining how much tax revenues the Agency will receive in the upcoming year and project out a number of years ahead. Ms. Cone provided a PowerPoint presentation on property tax management, audit, and information services. Ms. Cone concluded her presentation and answered questions from the Board. General Manager Eckhart introduced Sanjay Gaur, Vice President - Raftelis. Mr. Gaur stated that Lauren Demine, a Senior Consultant will assist in the case study presentation. Mr. Gaur explained who Raftelis is, their experience, the team that they put together to do the study objectives, their approach, and how they will address concerns. The Model features are: Comprehensive Analysis, Independent Validation, and Facilitate Decision Making through Scenario Analysis Tools. Ms. Demine provided the case study presentation. At this time, President Duncan requested public comment. Dan Jagers (General Manager – BCVWD) spoke on his experience of having a comprehensive model that models all of the inputs and outputs for BCVWD. His particular experience with Raftelis is that he is very pleased with them, as they provided the District with a ten year model, stating that it is very comprehensive. President Duncan opened this item for discussion from the Board. Director Ball questioned the monetary limit for contracting with consultants. General Manager Eckhart noted that these two proposals are separate and distinct services and are within the General Managers contracting limits. General Counsel Ferre was in agreement with General Manager Eckhart, he provided a more in-depth explanation. General Manager Eckhart thanked the consultants for their presentations. He noted that he will be moving forward on these two items.

- 2) **Discussion to Amend Contract with Inland Empire Resource Conservation District (IERCD)** - a staff report, a copy of an Addendum to Contract for Performance of Water Conservation Public Outreach Programs Proposal, and a PowerPoint presentation were included in the agenda packet. General Manager Eckhart noted that the Agency's Social Media part-time employee resigned a few weeks ago. He stated that he is looking to outsource the Agency's Social Media component. In doing so, Staff

spoke to IERCD over the last few weeks and discussed IERCD's qualifications with social media campaigns. The Agency's previous Social Media Coordinator worked with IERCD providing them with an outline of the Agency's social media content. IERCD has well-trained social media specialists that can assist and maintain the Agency's various social media accounts. IERCD already provides this function for other government organizations and has an established track record. IERCD was asked to develop a transition plan to take over, maintain, and expand the Agency's social media presence; the term of the plan is six (6) months. Mandy Parkes (District Manager – IERCD) spoke on what she does for other water districts. How they would maintain an uninterrupted presence online for the Agency. She provided some examples as to what they would do on the Agency's social media platforms. General Manager Eckhart noted that the Agency paid its part-time Social Media Coordinator approximately \$7,800 for 6 months. The IERCD proposal will provide similar or better levels of service for \$7,440 for 6 months. He also noted that the proposal is within the General Manager's signing authority and that he will be signing the proposed addendum to the existing IERCD contract. At this time, President Duncan asked for public comment, there was none. President Duncan asked for Board discussion. After discussion, it was the consensus of the Board to move forward with IERCD as the outsourced Social Media Coordinator for the 6 month term.

- 3) **Production of Short Video Documenting Flume History and Apple Fire Damage** – A Staff report and a Banning Flume Burn Video Quote provided by Props AV, were included in the agenda packet. General Manager Eckhart stated that the Apple Fire started on July 31, 2020 in the area of Oak Glen Road located in Cherry Valley. The fire was contained as of August 18, 2020 and had burned approximately 34,400 acres. The San Geronio Water Conveyance (Flume) is located in the Apple Fire burn area. A request by Board Member(s) was made to produce a short film documenting the Flume and the 2020 fire damage. The damage to the Flume leaves open questions as to the water supply for the community of Banning Heights and the City of Banning. A video would capture the history of the Flume, as well as past and current uses, the importance of the Flume to the community(s), documenting the Apple Fire, and the uncertain future of the Flume. General Manager Eckhart is investigating hiring a local Audio Visual company to produce a video at a cost of \$5k. He recommended getting some direction from the Board. At this time, President Duncan requested public comment. Dan Jagers expressed that this whole area has some significant challenges within the next year or two; possibly more depending on the level of precipitation this area receives this year and subsequent years. He reiterated that the Flume is a viable local resource. Having the Flume available to the City of Banning and Banning Heights Mutual Water Co. is very important in order to minimize the need for additional SWP water. There is a need to move quickly before the damage is covered up once the rains come. He also noted that a video is a great tool to have in order to convey needs to others. President Duncan opened this item for Board discussion. A number of Board members were in agreement that the video is necessary. Director Stephenson inquired if any

other entity will share in the cost. General Manager Eckhart stated that staff time has been offered by the City of Banning, residents of Banning Heights/BHMWC, and Duane Burk (General Manager - BCV Recreation and Parks District, also a resident expert), but nothing monetary. He noted that the video will be owned by the Agency and that it is within his contracting authority; he informed the Board that he will be moving forward with this project.

B. General Counsel Reports: A written report was provided in the agenda packet.

C. Directors Reports: 1) **Director Lehtonen** reported on the San Gorgonio Pass Regional Water Alliance meeting that was held on August 26th via Zoom. The next meeting will take place October 28th. 2) **Director Stephenson** reported on YVWD's meeting that was held on August 1st.

D. Committee Reports: **Director Lehtonen** noted that the Conservation and Education Committee meeting was cancelled. He stated that he will speak to Director Thompson to see if there is a need to hold a meeting sooner than the next scheduled meeting of October 8th. **Director Ball** confirmed that there will not be a Capacity Fee Committee meeting this month.

6. New Business:

A. Consideration and Possible Action Regarding Changes in Local Agency Investment Fund (LAIF). A staff report was included in the Agenda Packet. President Duncan stated that this is a housekeeping item. He turned the discussion over to Finance Manager Thomas Todd. Mr. Todd stated that LAIF requires documentation to change the Agency members who are authorized to transact business with them. This action is for the Board to appoint and to certify Lance Eckhart - General Manager/Secretary, Ronald Duncan - President, and Michael Thompson – Treasurer, as designated authorized representatives of the SGPWA. Director Stephenson made a motion, seconded by Director Ball, to approve the appointment of Lance Eckhart, Ronald Duncan and Michael Thompson as signatories with LAIF. President Duncan requested a roll call vote.

<u>Roll Call:</u>	Aye	Noes	Absent	Abstain
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 type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Fenn	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 5-0-2, with Directors Thompson and Fenn absent.

B. Discussion and Possible Action of Agency Vehicle: President Duncan stated that he requested this item. He had made a request to Finance Manager Thomas Todd to do research on what the monthly expense was while the previous General Manager had possession of the vehicle. President Duncan reported that the vehicle was purchased for \$33,700. The gas for one year was about \$1200, and the insurance for the vehicle is a little over \$300 a year. He also noted that since the previous General Manager's departure the vehicle has been used minimally. He suggested either selling the vehicle or allowing the General Manager to drive the vehicle to and from work, and for Agency's business. At this time President Duncan asked for public comment. There was no public comment. President Duncan asked for Board discussion. After discussion, staff was asked to bring this item back to the Board with written information on what was reported by President Duncan, what the value is on the vehicle, and if the General Manager does or does not want the use of the vehicle, also, if there is a need to revise the General Manager's contract.

7. Topics for Future Agendas: Director Stephenson requested an update on Calimesa water deliveries. Director Ball requested a Flume damage update.

8. Announcements:

- A. Water Conservation and Education Committee, September 10, 2020 at 1:30 p.m. – Cancelled
- B. Engineering Workshop, September 14, 2020 at 1:30 p.m.
- C. Regular Board Meeting, September 21, 2020 at 1:30 p.m.

9. Closed Session (1-item)

Time: 3:55 pm


- A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code Section 54956.9
One potential case

The meeting reconvened to open session at: Time: 4:40 pm

General Counsel Jeff Ferre stated that there was no action taken during closed session that is reportable under the Brown Act.

10. Adjournment

Time: 4:40 pm



Lance Eckhart, Secretary of the Board

cmr