

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, CA
Board of Directors Meeting
Agenda
April 6, 2020 at 1:30 p.m.

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:

(866) 212-0875,

Participant passcode: 7006747 #

1. Call to Order, Flag Salute, Invocation, and Roll Call

2. Adoption and Adjustment of Agenda

3. Public Comment

As permitted under the Brown Act, and in order to provide an equal opportunity for members of the public to provide comment telephonically, all public comments, on items on or off the agenda, will be taken during the Public Comment portion of this meeting. Under the Brown Act, no action or discussion shall take place on any item not appearing on the agenda, except that the Board or staff may briefly respond to statements made or questions posed for the purpose of directing statements or questions to staff for follow up.

4. Consent Calendar:

If any board member requests that an item be removed from the Consent Calendar, it will be removed so that it may be acted upon separately.

- A. Approval of the Minutes of the Regular Board Meeting, March 16, 2020* (p. 3)
- B. Approval of the Minutes of the Finance and Budget Workshop, March 23, 2020* (p. 7)
- C. Approval of Finance and Budget Report, March 23, 2020* (p. 9)

5. Reports (Discussion and Possible Action)

- A. General Manager's Report* (p. 21)
- B. General Counsel Report
- C. Directors' Reports
- D. Committee Reports

6. New Business (Discussion Only)

- A. Discussion of Possible Temporary Rate Reduction

7. Topics for Future Agendas

8. Announcements -

- A. Engineering Workshop, April 13, 2020 at 1:30 p.m.
- B. Water Conservation and Education Committee, April 9, 2020 at 1:30 p.m. - Cancelled
- C. Regular Board Meeting, April 20, 2020 at 1:30 p.m.

9. Closed Session (2 Items)

- A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
 (Paragraph (1) of subdivision (d) of Government Code Section 54956.9)
 Name of Case: CV Communities et al. v. Antelope Valley East Kern
 Water Agency and San Gorgonio Pass Water Agency
 Case No. 20STCV10953

- B. PUBLIC EMPLOYEE APPOINTMENT
 Pursuant to Government Code Section 54957
 Title: Consultant: Interim general manager services during general
 manager transition

10. Adjournment

Pending Agenda Items:

<i>Request</i>	<i>Requester</i>	<i>Date of Request</i>	<i>Tentative Meeting Date Agenda</i>
Continued discussion on the Updated/revised calculations on water rate	Board	03/16/2020	04/20/20
Final costs of: Fiesta Recharge; Noble Creek Connection & Temp Connection; Mtn. View Connection	Thompson	12/02/2019	02/03/2020 or 02/18/2020

***Information included in Agenda Packet**

(1) Materials related to an item on this Agenda submitted to the Board of Directors after distribution of the agenda packet are available for public inspection in the Agency's office at 1210 Beaumont Avenue, Beaumont during normal business hours. (2) Pursuant to Government Code section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection at the Agency's office, located at 1210 Beaumont Avenue, Beaumont, California 92223, during regular business hours. When practical, these public records will also be made available on the Agency's Internet Web site, accessible at www.sgpwa.com (3) Any person with a disability who requires accommodation in order to participate in this meeting should telephone the Agency (951 845-2577) at least 48 hours prior to the meeting in order to make a request for a disability-related modification or accommodation.

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223
Minutes of the
Board of Directors Meeting
March 16, 2020

Directors Present: Ron Duncan, President
Lenny Stephenson, Vice President
Michael Thompson, Treasurer
Blair Ball, Director
David Fenn, Director
David Castaldo, Director
Steve Lehtonen, Director

Staff Present: Jeff Davis, General Manager
Jeff Ferre, General Counsel – Via Teleconference
Cheryle Stiff, Executive Assistant

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., March 16, 2020 in the Agency Boardroom at 1210 Beaumont Avenue, Beaumont, California. President Duncan led the Pledge of Allegiance to the flag. Director Ball gave the invocation. A quorum was present.

2. **Statement Regarding Teleconferencing:** Due to the spread of the Coronavirus disease (COVID-19) and in accordance with the Governor's Executive Order This meeting location is where members of the public may observe and provide public comment. Members of the public may listen and provide public comment telephonically as stated on today's agenda.

General Counsel Ferre attended the Board meeting via teleconferencing. He recommended that all public comments take place during item 4.

3. **Adoption and Adjustment of Agenda:** *President Duncan asked if there were any adjustments to the agenda.* There being none the agenda was adopted as published.

4. **Public Comment:** *President Duncan asked if there were any members of the public that wished to make a public comment on items that are within the jurisdiction of the Agency that are not on today's agenda.* Dan Jagers (General Manager – BCWWD) expressed his concern about the ongoing COVID-19 state of emergency and its impact on the economy. He asked that if the Board was going to make any decision on the water rate to do it soon, so he knows what to pass through to his customers. He asked the Board to have General Manager Davis correspond with him on this issue. There were no other members of the public that spoke at this time.

5. Consent Calendar:

- A. Approval of the Minutes of the Regular Board Meeting, March 2, 2020
- B. Approval of the Minutes of the Engineering Workshop, March 9, 2020

President Duncan asked for a motion on the Consent Calendar. Director Lehtonen made a motion, seconded by Director Castaldo, to adopt the consent calendar. Motion passed 7-0.

6. Reports:

A. General Manager's Report: A written report was not provided in the agenda packet. General Manager Davis verbally reviewed the following:

- 1. Operations Report—** We delivered 677 AF so far this month. Flows to Noble were decreased on Friday at the request of BCWWD due to algae problems. We are now delivering at 16 cfs instead of 24.
- 2. Other Agency Updates**
 - a. Water supply: Northern California received snow over the weekend, several feet in the Sierras. This storm is continuing today and into tomorrow. We are still at about 50% of average for snowpack and about 40% of average for precipitation.
 - b. Sites Reservoir - Three candidates for the Executive Director position have been interviewed and a decision to hire one of those candidates was made. The JPA will meet next week to formally approve the selected candidate.
 - c. Beaumont Avenue Recharge Facility - A car hit our fence last week and damaged two sections of the wrought iron fencing. Our O&M Manager was able to temporarily wired it back together and we are getting quotes for a permanent fix.
 - d. IERCD had notified the Agency that there will be no classroom presentations until at least April 6th.

B. General Counsel Reports: General Counsel Ferre provided a verbal report on COVID-19 state of emergency. He stated that we should only have essential public meetings with the ability to teleconference. For closed session we will be using BB&K's call line. BB&K staff will be working remotely and will be giving updates daily. Essential items will be determined by the Board President and staff.

C. Directors Reports: **1) Director Fenn** reported on the Beaumont Chamber Breakfast. **2) Director Ball** reported on the Beaumont Chamber Breakfast. **3) President Stephenson** reported on YVWD's meeting that was held on March 10th. **4) President Duncan** stated that schools may be closed up to two months, due to COVID-19.

D. Committee Reports: 1) **Director Thompson** stated that future Conservation and Education workshops may need to be postponed, due to COVID-19. 2) **Director Ball** stated that the Capacity Fee Committee met on March 9th.

7. New Business:

A. Consideration and Possible Action to Adopt a Revised and Updated Director's Travel and Expense Reimbursement Policy. A staff report and a copy of the Draft Revised and Updated Director's Travel and Expense Reimbursement Policy were included in the agenda package. General Counsel Ferre stated that the Board had discussed this item on March 9th. He noted that with regular changes in the law, as well as in the way travel is conducted and expensed, it is recommended that public agencies regularly review and update their policies on director travel and expense reimbursement. The proposed draft policy would incorporate all of the recent changes to the law and could be adopted by the Board. Should the Board wish to adopt this policy it will supersede the prior policy. It is recommended that the Board approves the newly revised Director's Travel and Expense Reimbursement Policy, to be dated March 16th, 2020. Director Thompson made a motion, seconded by President Duncan, to adopt the revised Director's Travel and Expense Reimbursement Policy to be dated March 16th, 2020. Motion passed 7-0.

B. Discussion of Governor's Executive Order, signed March 12, 2020. A copy of the Governor's Executive Order pertaining to COVID-19 was included in the agenda packet. General Manager Davis wanted to give the Board and Counsel an opportunity to discuss how future meetings are to be conducted. General Counsel Ferre stated that we do need to have the ability to conduct the meetings telephonically and to make sure that people that are attending the meetings at the office are at least six-feet apart. If you cannot be at least six-feet apart, then we could not conduct the meetings. The Board discussed the ability to conduct all meetings via teleconferencing and to designate the Board room as the meeting place for all meetings and workshops. General Counsel Ferre informed the Board that due to the state of emergency all Board members can phone in. Director Thompson and Director Fenn stated that they would come to the office to review the Finance and Budget materials. The Board did not wish to cancel meetings at this time; they opted to utilize teleconferencing. Director Lehtonen suggested that any Board member that will be attending by teleconferencing contact staff to inform them that you will be doing so. He noted that this will allow staff to know ahead of time that even though a quorum is not visible, there will be members of the Board on the phone that equates to a quorum. President Duncan asked that the Board members call him directly should they be attending via teleconferencing.

8. Topics for Future Agendas: 1) **Director Castaldo** requested to consult with Legal Counsel in private prior to making this request, as it is a potential request for discussion during today's closed session. President Duncan granted Director Castaldo's request to take place after item 8. 2) **Director Thompson** requested discussion on Resolution 2019-02, also discussion of the Agency's water rate. President Duncan recessed the Board meeting at 2:03 pm.

9. Announcements:

- A. Finance & Budget Workshop, March 23, 2020 at 1:30 p.m.
- B. Regular Board Meeting, April 6, 2020 at 1:30 p.m.
- C. Engineering Workshop, April 13, 2020 at 1:30 p.m.

President Duncan reconvened the Board meeting at 2:06 pm. It was determined that there will be no additions to item 10.

10. Closed Session (2 Items)

Time: 2:07 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
- B. PUBLIC EMPLOYEE APPOINTMENT
Pursuant to Government Code Section 54957
Title: Consultant/Independent Contractor: Interim general manager services during general manager transition

The meeting reconvened to open session at: Time: 3:00 pm

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

11. Adjournment

Time: 3:00 pm

Draft - Subject to Board Approval

Jeffrey W. Davis, Secretary of the Board

CMF

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue
Beaumont, California 92223
Minutes of the
Board Finance and Budget Workshop
March 23, 2020

In an effort to prevent the spread of COVID-19 (Coronavirus), and in accordance with the Governor's Executive Order N-29-20, this meeting was held by teleconference.

Directors Present on the Phone:

Ron Duncan, President
Lenny Stephenson, Vice President
Mike Thompson, Treasurer
Blair Ball, Director
David Castaldo, Director
David Fenn, Director
Steve Lehtonen, Director

Staff and Consultants Present on the Phone:

Jeff Davis, General Manager
Tom Todd, Jr., Finance Manager

1. **Call to Order, Flag Salute and Roll Call:** The Finance and Budget workshop of the San Gorgonio Pass Water Agency Board of Directors was called to order by Treasurer Mike Thompson at 1:30 pm, March 23, 2020. Treasurer Thompson led the Pledge of Allegiance to the flag. A quorum was present.

Treasurer Thompson informed the participants that the meeting was being held telephonically, and read the phone numbers to be used if a member of the public wished to join the meeting telephonically.

2. **Adoption and Adjustment of Agenda:** The agenda was adopted as posted.
3. **Public Comment:** Treasurer Thompson asked if anyone on the phone wished to make a comment; he waited 30 seconds; no members of the public requested to speak at this time.
4. **New Business:**
 - A. Ratification of Paid Invoices and Monthly Payroll for February, 2020 by Reviewing Check History Reports in Detail: After review and discussion, a motion was made by Director Stephenson, seconded by Director Duncan, to recommend that the Board ratify paid monthly invoices of \$2,855,492.03 and payroll of \$39,759.76 for the month of February, 2020, for a combined total of \$2,895,251.79. The motion passed 7 in favor, no opposed, by roll-call vote.

- B. Review Pending Legal Invoices: After review and discussion, a motion was made by Director Stephenson, seconded by Director Fenn, to recommend that the Board approve payment of the pending legal invoice for February, 2020, and that Staff be authorized to pay the invoice on time, for \$12,801.35. The motion passed 7 in favor, no opposed, by roll-call vote.
- C. Review of February, 2020 Bank Reconciliation: After review and discussion, a motion was made by Director Duncan, seconded by Director Castaldo, to recommend that the Board acknowledge receipt of the Wells Fargo bank reconciliation for February, 2020 as presented. The motion passed 7 in favor, no opposed, by roll-call vote.
- D. Review of Budget Report for February, 2020: General Manager Jeff Davis reviewed the budget report, highlighting a number of items, and answering questions. After further review and discussion, a motion was made by Director Duncan, seconded by Director Stephenson, to recommend that the Board acknowledge receipt of the Budget Report for February, 2020. The motion passed 7 in favor, no opposed, by roll-call vote.

5. Announcements:

General Manager Davis made some comments about how the coronavirus would affect Agency operations.

Treasurer Thompson reviewed the announcements:

- A. Regular Board meeting is scheduled, but may not be held on April 6, 2020, 1:30 pm
- B. Water Conservation and Education Workshop is canceled.

Finance Manager Tom Todd answered a question about voided check 119593, which was originally made out to San Bernardino Valley Municipal Water District.

- 6. Adjournment:** The Finance and Budget workshop of the San Gorgonio Pass Water Agency Board of Directors was adjourned at 2:29 pm.

Draft - Not
Approved

Jeffrey W. Davis, Secretary of the Board

Finance and Budget Workshop Report

From Treasurer Mike Thompson

The Finance and Budget Workshop was held on March 23, 2020. The following recommendations were made:

1. The Board ratify payment of Invoices of \$2,855,492.03 and Payroll of \$39,759.76 as detailed in the Check History Report for Accounts Payable and the Check History Report for Payroll for February, 2020 for a combined total of \$2,895,251.79.

2. The Board authorize payment of the following vendor's amounts:

Best, Best & Krieger LLP	\$12,801.35
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3. The Board acknowledge receipt of the following:
 - A. Wells Fargo bank reconciliation for February, 2020
 - B. Budget Report for February, 2020

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Ave, Beaumont, CA 92223
Board Finance & Budget Workshop
Agenda
March 23, 2020 at 1:30 p.m.

Revised

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:
(866) 212-0875,
Participant passcode: 7006747 #

1. **Call to Order, Flag Salute**
2. **Adoption and Adjustment of Agenda**
3. **Public Comment:** Members of the public may address the Board at this time concerning items relating to any matter within the Agency's jurisdiction. To comment on a specific agenda item, please complete a speaker's request form and hand it to the Board secretary. Speakers are requested to keep their comments to no more than five minutes. Under the Brown Act, no action or discussion shall take place on any item not appearing on the agenda, except that the Board or staff may briefly respond to statements made or questions posed for the purpose of directing statements or questions to staff for follow up.
4. **New Business (Discussion and possible recommendations for action at a future regular Board meeting)**
 - A. Ratification of Paid Invoices and Monthly Payroll for February, 2020 by Reviewing Check History Reports in Detail*
 - B. Review of Pending Legal Invoices*
 - C. Review of February, 2020 Bank Reconciliation*
 - D. Review of Budget Report for February, 2020*
5. **Announcements**
 - A. Regular Board Meeting, April 6, 2020, 1:30 pm
 - B. Water Conservation and Education Workshop, April 9, 2020, 1:30 pm
 - C. Engineering Workshop, April 13, 2020, 1:30 pm
6. **Adjournment**

***Information Included In Agenda Packet**

1. Materials related to an item on this agenda submitted to the Board of Directors after distribution of the agenda packet are available for public inspection in the Agency's office at 1210 Beaumont Ave., Beaumont, CA 92223 during normal business hours. 2. Pursuant to Government Code section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection at the Agency's office, during regular business hours. When practical, these public records will also be available on the Agency's internet website, accessible at <http://www.sgpwa.com>. 3. Any person with a disability who requires accommodation in order to participate in this meeting should telephone the Agency (951-845-2577) at least 48 hours prior to the meeting to make a request for a disability-related modification or accommodation.

San Geronio Pass Water Agency
Check History Report
February 1 through February 29, 2020

ACCOUNTS PAYABLE

Date	Number	Name	Amount
02/04/2020	119567	BDL ALARMS, INC.	78.00
02/04/2020	119568	GOPHER PATROL	51.00
02/04/2020	119569	OFFICE SOLUTIONS	221.93
02/04/2020	119570	THOMAS W. TODD, JR.	1,751.76
02/04/2020	119571	UNLIMITED SERVICES	295.00
02/04/2020	119572	UNDERGROUND SERVICE ALERT	139.49
02/04/2020	119573	VALLEY OFFICE EQUIPMENT, INC.	223.47
02/04/2020	119574	WASTE MANAGEMENT INLAND EMPIRE	112.59
02/10/2020	119575	ACWA BENEFITS	871.31
02/10/2020	119576	BEST BEST & KRIEGER	4,494.67
02/10/2020	119577	BEAUMONT HOME CENTER	63.00
02/10/2020	119578	CITY OF BANNING	30,000.00
02/10/2020	119579	SOUTHERN CALIFORNIA GAS	232.12
02/10/2020	119580	UNDERGROUND SERVICE ALERT	38.05
02/10/2020	119581	WATER EDUCATION FOUNDATION	6,000.00
02/17/2020	119582	FRONTIER COMMUNICATIONS	1,320.68
02/17/2020	119583	WELLS FARGO ELITE CREDIT CARD	4,102.38
02/25/2020	119584	AT&T MOBILITY	232.43
02/25/2020	119585	AVEK WATER AGENCY	1,900,753.00
02/25/2020	119586	DAVID TAUSSIG & ASSOCIATES, INC.	5,681.25
02/25/2020	119587	ERSC	4,180.00
02/25/2020	119588	FEDERAL EXPRESS	19.80
02/25/2020	119589	GOPHER PATROL	51.00
02/25/2020	119590	MATTHEW PISTILLI LANDSCAPE SERVICES	350.00
02/25/2020	119591	NICE-INCONTACT	118.76
02/25/2020	119592	PROVOST & PRITCHARD	7,005.50
02/25/2020	119593	VOID	0.00
02/25/2020	119594	SOUTHERN CALIFORNIA EDISON	103.97
02/25/2020	119595	DEPARTMENT OF WATER RESOURCES	20,000.00
02/25/2020	119596	SAN BERNARDINO VALLEY MUNI WATER DISTRICT	239,278.75
02/28/2020	119597	STANDARD INSURANCE COMPANY	490.98
02/14/2020	502640	EMPLOYMENT DEVELOPMENT DEPARTMENT	1,224.24
02/14/2020	525690	ELECTRONIC FEDERAL TAX PAYMENT SYSTEM	6,685.65
02/28/2020	543909	EMPLOYMENT DEVELOPMENT DEPARTMENT	1,105.78
02/28/2020	594468	ELECTRONIC FEDERAL TAX PAYMENT SYSTEM	7,556.40
02/19/2020	900295	CALPERS RETIREMENT	5,425.98
02/19/2020	900296	CALPERS RETIREMENT	45.66
02/19/2020	900297	CAL PERS RETIREMENT - SIP-457	1,680.00
02/25/2020	900298	CALPERS HEALTH	8,142.79
02/28/2020	900299	CALPERS RETIREMENT	5,471.64
02/28/2020	900300	CAL PERS RETIREMENT - SIP-457	1,680.00
02/29/2020	900301	DEPARTMENT OF WATER RESOURCES	588,213.00
TOTAL ACCOUNTS PAYABLE CHECKS			2,855,492.03

San Gorgonio Pass Water Agency
Check History Report
February 1 through February 29, 2020

PAYROLL

Date	Number	Name	Amount
02/13/2020	801850	JEFFREY W. DAVIS	5,263.99
02/13/2020	801851	KENNETH M. FALLS	3,684.02
02/13/2020	801852	STEPHEN J. LEHTONEN	1,272.58
02/13/2020	801853	CASMIR J. OLAIVAR	413.09
02/13/2020	801854	CHERYLE M. STIFF	2,459.43
02/13/2020	801855	THOMAS W. TODD, JR.	3,673.63
02/27/2020	801856	BLAIR M. BALL	1,272.58
02/27/2020	801857	JEFFREY W. DAVIS	5,263.99
02/27/2020	801858	RONALD A. DUNCAN	1,272.58
02/27/2020	801859	KENNETH M. FALLS	3,457.29
02/27/2020	801860	DAVID L. FENN	1,272.58
02/27/2020	801861	STEPHEN J. LEHTONEN	1,272.58
02/27/2020	801862	CASMIR J. OLAIVAR	378.20
02/27/2020	801863	LEONARD C. STEPHENSON	1,272.58
02/27/2020	801864	CHERYLE M. STIFF	2,459.43
02/27/2020	801865	MICHAEL D. THOMPSON	1,272.58
02/27/2020	801866	THOMAS W. TODD, JR.	3,798.63
TOTAL PAYROLL			39,759.76
TOTAL DISBURSEMENTS FOR FEBRUARY, 2020			2,895,251.79

SAN GORGONIO PASS WATER AGENCY

**LEGAL INVOICES
ACCOUNTS PAYABLE INVOICE LISTING**

<u>VENDOR</u>	<u>INVOICE NBR</u>	<u>COMMENT</u>	<u>AMOUNT</u>
BEST, BEST & KRIEGER	200229	LEGAL SERVICES FEBRUARY 2020	12,801.35

TOTAL PENDING INVOICES FOR APPROVAL MARCH 2020

12,801.35

**SAN GORGONIO PASS WATER AGENCY
BANK RECONCILIATION
February 29, 2020**

BALANCE PER BANK ON 02/29/2020 - CHECKING ACCOUNT	567,959.19
Pending Transfer - CalPERS	<u>(1,680.00)</u>
Balance to Reconcile	<u>566,279.19</u>

LESS OUTSTANDING CHECKS

CHECK NUMBER	AMOUNT	CHECK NUMBER	AMOUNT
119581	6,000.00	119590	350.00
119584	232.43	119591	118.76
119586	5,681.25	119592	7,005.50
119587	4,180.00	119595	20,000.00
119588	19.80	119596	239,278.75
119589	51.00	119597	490.98
	<u>16,164.48</u>		<u>267,243.99</u>

TOTAL OUTSTANDING CHECKS	-283,408.47
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BALANCE PER GENERAL LEDGER	<u>282,870.72</u>
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BALANCE PER GENERAL LEDGER ON 01/31/2020	317,250.49
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CASH RECEIPTS FOR FEBRUARY	1,061,195.31
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CASH DISBURSEMENTS FOR FEBRUARY


ACCOUNTS PAYABLE - CHECK HISTORY REPORT	-2,855,492.03
PAYROLL TRANSFER - BANK OF HEMET	<u>-40,000.00</u>
	<u>-2,895,492.03</u>

BANK CHARGES	-83.05
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TRANSFER FROM LAIF	1,800,000.00
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BALANCE PER GENERAL LEDGER AT 02/29/2020	<u>282,870.72</u>
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REPORT PREPARED BY:


Cheryl M. Stiff

**SAN GORGONIO PASS WATER AGENCY
DEPOSIT RECAP
FOR THE MONTH OF FEBRUARY 2020**

<u>DATE</u>	<u>RECEIVED FROM</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>TOTAL DEPOSIT AMOUNT</u>
DEPOSIT TO CHECKING ACCOUNT				
2/4/20	FORREST/JEFF DAVIS	COBRA PAYMENT JAN-MAR20	138.69	138.69
2/6/20	RIVERSIDE COUNTY	PROPERTY TAXES	83,039.19	83,039.19
2/10/20	RIVERSIDE COUNTY	PROPERTY TAXES	22,272.66	22,272.66
2/12/20	CITY OF BANNING	WATER SALES	49,875.00	49,875.00
2/18/20	DWR	GRANT REIMBURSEMENT	664,544.94	664,544.94
2/18/20	RIVERSIDE COUNTY	PROPERTY TAXES	202,261.88	202,261.88
2/26/20	TVI	CD - BOND INTEREST	39,062.95	39,062.95
TOTAL FOR FEBRUARY 2020			1,061,195.31	1,061,195.31

**SAN GORGONIO PASS WATER AGENCY
BUDGET REPORT FY 2019-20
BUDGET VS. REVISED BUDGET VS. ACTUAL
FOR THE EIGHT MONTHS ENDING ON FEBRUARY 29, 2020**

FOR THE FISCAL YEAR JULY 1, 2019 - JUNE 30, 2020

	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
GENERAL FUND - INCOME				Comparison:	33%
INCOME					
WATER SALES	5,600,000		5,600,000	3,108,668.85	44.49%
TAX REVENUE	2,750,000		2,750,000	1,909,078.71	30.58%
INTEREST	350,000		350,000	209,472.30	40.15%
DESIGNATED REVENUES	820,000		820,000	746,230.03	9.00%
CAPACITYFEE	0		0	0.00	
OTHER (REIMBURSEMENTS, TRANSFERS)	31,000		31,000	28,276.52	8.79%
TOTAL GENERAL FUND INCOME	9,551,000	0	9,551,000	6,001,726.41	37.16%
GENERAL FUND - EXPENSES					
COMMODITY PURCHASE					
PURCHASED WATER	6,100,000		6,100,000	3,689,962.68	39.51%
TOTAL COMMODITY PURCHASE	6,100,000	0	6,100,000	3,689,962.68	39.51%
SALARIES AND EMPLOYEE BENEFITS					
SALARIES	500,000		500,000	333,140.47	33.37%
PAYROLL TAXES	43,000		43,000	27,289.88	36.54%
RETIREMENT	250,000		250,000	112,260.68	55.10%
OTHER POST-EMPLOYMENT BENEFITS (OPEB)	73,000		73,000	14,942.59	79.53%
HEALTH INSURANCE	68,000		68,000	48,746.35	28.31%
DENTAL INSURANCE	5,000		5,000	3,327.60	33.45%
LIFE INSURANCE	1,600		1,600	1,242.29	22.36%
DISABILITY INSURANCE	5,200		5,200	3,444.14	33.77%
WORKERS COMP INSURANCE	3,800		3,800	1,953.73	48.59%
SGPWA STAFF MISC. MEDICAL	10,000		10,000	6,485.37	35.15%
EMPLOYEE EDUCATION	1,000		1,000	0.00	100.00%
TOTAL SALARIES AND EMPLOYEE BENEFITS	960,600	0	960,600	552,833.10	42.45%

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**SAN GORGONIO PASS WATER AGENCY
BUDGET REPORT FY 2019-20
BUDGET VS. REVISED BUDGET VS. ACTUAL
FOR THE EIGHT MONTHS ENDING ON FEBRUARY 29, 2020**

FOR THE FISCAL YEAR JULY 1, 2019 - JUNE 30, 2020

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	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
GENERAL FUND - EXPENSES				Comparison:	33%
ADMINISTRATIVE & PROFESSIONAL					
DIRECTOR EXPENDITURES					
DIRECTORS FEES	115,000		115,000	63,444.24	44.83%
DIRECTORS TRAVEL & EDUCATION	15,000		15,000	6,981.13	53.46%
DIRECTORS MISC. MEDICAL	21,000		21,000	6,809.37	67.57%
OFFICE EXPENDITURES					
OFFICE EXPENSE	15,000		15,000	8,554.61	42.97%
POSTAGE	700		700	368.62	47.34%
TELEPHONE	11,500		11,500	7,298.30	36.54%
UTILITIES	5,000		5,000	2,741.37	45.17%
SERVICE EXPENDITURES					
COMPUTER, WEB SITE AND PHONE SUPPORT	17,000		17,000	4,658.39	72.60%
GENERAL MANAGER & STAFF TRAVEL	18,000		18,000	18,712.64	-3.96%
INSURANCE & BONDS	23,000		23,000	23,281.65	-1.22%
ACCOUNTING & AUDITING	21,000		21,000	15,680.00	25.33%
STATE WATER CONTRACT AUDIT	5,500		5,500	5,471.00	0.53%
DUES & ASSESSMENTS	30,000		30,000	30,362.00	-1.21%
OUTSIDE PROFESSIONAL SERVICES	7,500		7,500	10,388.71	-38.52%
BANK CHARGES	1,000			770.98	22.90%
MISCELLANEOUS EXPENSES	500		500	0.00	100.00%
MAINTENANCE & EQUIPMENT EXPENDITURES					
TOOLS PURCHASE & MAINTENANCE	500		500	693.77	-38.75%
VEHICLE REPAIR & MAINTENANCE	5,000		5,000	5,239.13	-4.78%
MAINTENANCE & REPAIRS - BUILDING	30,000		30,000	8,242.33	72.53%
MAINTENANCE & REPAIRS - FIELD	8,000		8,000	1,258.59	84.27%
CONTRACT OPERATIONS AND MAINTENANCE	125,000		125,000	89,352.91	28.52%
WATER TREATMENT EXPENSE	0	75,000	75,000	63,139.91	15.81%
COUNTY EXPENDITURES					
LAFCO COST SHARE	6,000		6,000	6,651.71	-10.86%
ELECTION EXPENSE	0		0	0.00	0.00%
TAX COLLECTION CHARGES	11,000		11,000	5,520.47	49.81%
TOTAL ADMINISTRATIVE & PROFESSIONAL	492,200	75,000	567,200	385,621.83	32.01%

SAN GORGONIO PASS WATER AGENCY
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FOR THE EIGHT MONTHS ENDING ON FEBRUARY 29, 2020

FOR THE FISCAL YEAR JULY 1, 2019 - JUNE 30, 2020					
	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
GENERAL FUND - EXPENSES				Comparison:	33%
GENERAL ENGINEERING					
NEW WATER					
UPDATED STUDY ON AVAILABLE SOURCES	16,000		16,000	913.00	94.29%
SGMA SUPPORT					
GSP CONSULTANT	500,000		500,000	119,094.55	76.18%
WEBSITE SERVICES	3,000		3,000	0.00	100.00%
YUCAIPA GSA	0	30,000.00	30,000	11,274.42	62.42%
UWMP CONSULTANT	35,000		35,000	0.00	100.00%
STUDIES					
USGS	115,000		115,000	109,953.98	4.39%
WATER RATE NEXUS STUDY	35,000		35,000	0.00	100.00%
WATER RATE FINANCIAL MODELING	15,000		15,000	0.00	100.00%
CAPACITY FEE NEXUS STUDY UPDATE	48,000		48,000	11,925.00	75.16%
WHEELING RATE STUDY	0		0	0.00	0.00%
OTHER PROJECTS					
IRWMP IMPLEMENTATION PROPOSAL	22,000		22,000	0.00	100.00%
FLUME MONITORING	30,000		30,000	30,000.00	0.00%
INFRASTRUCTURE PLAN	30,000		30,000	15,211.00	49.30%
BASIN MONITORING TASK FORCE	18,000		18,000	18,046.00	-0.26%
GENERAL AGENCY - CEQA AND GIS SERVICES	7,000		7,000	230.00	96.71%
TOTAL GENERAL ENGINEERING	874,000	30,000	904,000	316,647.95	64.97%
LEGAL SERVICES					
LEGAL SERVICES - GENERAL	150,000		150,000	49,582.86	66.94%
TOTAL LEGAL SERVICES	150,000	0	150,000	49,582.86	66.94%
CONSERVATION & EDUCATION					
SCHOOL EDUCATION PROGRAMS	12,000		12,000	4,220.00	64.83%
ADULT EDUCATION PROGRAMS	5,000		5,000	0.00	100.00%
SPONSORSHIPS	10,000		10,000	0.00	100.00%
OTHER CONSERVATION, EDUCATION AND P. R.	15,000		15,000	0.00	100.00%
TOTAL CONSERVATION & EDUCATION	42,000	0	42,000	4,220.00	89.95%

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**SAN GORGONIO PASS WATER AGENCY
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	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
GENERAL FUND - EXPENSES				Comparison:	33%
GENERAL FUND CAPITAL EXPENDITURES					
BUILDING & EQUIPMENT					
BUILDING	10,000		10,000	0.00	100.00%
FURNITURE & OFFICE EQUIPMENT	25,000		25,000	0.00	100.00%
OTHER EQUIPMENT	0		0	0.00	0.00%
FIESTA RECHARGE FACILITY					
POST DESIGN	20,000		20,000	94,480.10	-372.40%
CONSTRUCTION	76,000		76,000	501,997.00	-560.52%
BUNKER HILL CONJUNCTIVE USE PROJECT	0		0	0.00	0.00%
NOBLE TURNOUT EXPANSION					
POST DESIGN	8,000		8,000	8,769.05	-9.61%
CONSTRUCTION	1,500		1,500	7,600.00	-406.67%
SITES RESERVOIR	322,000		322,000	302,057.17	6.19%
MONITORING WELLS USGS	250,000		250,000	299,873.26	-19.95%
TOTAL GENERAL FUND CAPITAL EXPENDITURES	712,500	0	712,500	1,214,776.58	-70.49%
TRANSFERS TO OTHER FUNDS	0		0	0.00	
TOTAL GENERAL FUND EXPENSES	9,331,300	105,000	9,436,300	6,213,645.00	34.15%
WITHDRAWALS FROM RESERVES	1,326,000		1,326,000		
TOTAL TRANSFERS TO/FROM RESERVES	1,326,000		1,326,000	0.00	
GENERAL FUND NET INCOME YEAR TO DATE	1,545,700	-105,000	1,440,700	-211,918.59	

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SAN GORGONIO PASS WATER AGENCY
BUDGET REPORT FY 2019-20
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FOR THE EIGHT MONTHS ENDING ON FEBRUARY 29, 2020

FOR THE FISCAL YEAR JULY 1, 2019 - JUNE 30, 2020

	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
DEBT SERVICE FUND - INCOME				Comparison:	33%
INCOME					
TAX REVENUE	23,995,229		23,995,229	11,217,310.17	53.25%
INTEREST	650,000		650,000	649,736.87	0.04%
DWR CREDITS - BOND COVER, OTHER	3,031,777		3,031,777	1,568,208.66	48.27%
TOTAL DEBT SERVICE FUND INCOME	27,677,006	0	27,677,006	13,435,255.70	51.46%
DEBT SERVICE FUND - EXPENSES					
EXPENSES					
SALARIES	60,000		60,000	41,962.92	30.06%
PAYROLL TAXES	4,700		4,700	3,913.67	16.73%
BENEFITS	74,000		74,000	24,942.36	66.29%
STATE WATER CONTRACT PAYMENTS	24,500,000		24,500,000	15,227,348.00	37.85%
WATER TRANSFERS	1,625,000		1,625,000	328,122.05	79.81%
SWC CONTRACTOR DUES	75,000		75,000	38,049.00	49.27%
DELTA CONVEYANCE FACILITY AUTHORITY	40,000		40,000	50,000.00	-25.00%
EBX CONTRACT OPERATIONS AND MAINTENANCE	125,000		125,000	89,352.90	28.52%
SWP ENGINEERING AND MAINTENANCE	450,000		450,000	342,922.16	23.80%
DEBT SERVICE UTILITIES	11,000		11,000	7,723.45	29.79%
STATE WATER PROJECT LEGAL SERVICES	0		0	1,850.28	0.00%
TAX COLLECTION CHARGES	70,000		70,000	37,398.00	46.57%
TOTAL DEBT SERVICE FUND EXPENSES	27,034,700	0	27,034,700	16,193,584.79	40.10%
TRANSFERS FROM RESERVES	0		0	0.00	
DEBT SERVICE NET INCOME YEAR TO DATE	642,306	0	642,306	-2,758,329.09	

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STATE ISSUES PERMIT FOR LONG-TERM OPERATIONS OF THE STATE WATER PROJECT

BY ACWA STAFF APR 1, 2020 WATER NEWS

SACRAMENTO – The California Department of Fish and Wildlife (CDFW) on Tuesday issued an Incidental Take Permit (ITP) to the Department of Water Resources (DWR) for the continued long-term operations of the State Water Project (SWP) for the next 10 years. The permit is intended to minimize, avoid and fully mitigate impacts to four species protected under the California Endangered Species Act (CESA)..

DWR Director Karla Nemeth and CDFW Director Charlton H. Bonham issued a statement on Tuesday, stating in part:

“This Incidental Take Permit ... ensures that our state water infrastructure operates in a manner protective of fish species listed under the state’s endangered species law. It does so in many ways, including by dedicating water for Delta outflows during drier periods when fish and habitat need it the most. The permit also provides flexibility to capture and store water during wet years for both water supply and the environment. The ITP also better utilizes existing infrastructure to improve habitat conditions; creates a new barrier to minimize entrainment of migrating salmon at SWP pumps; and commits significant new funding to ecosystem improvements and expanded scientific research.”

CDFW is authorized to issue ITPs for the taking of a listed species under CESA. The four species that this ITP covers are longfin smelt, Delta smelt, Sacramento River winter-run Chinook salmon and Central Valley spring-run Chinook salmon. In past years, DWR obtained coverage for SWP operations under CESA by securing a consistency determination from CDFW based on federal biological opinions.

In February 2019, as federal agencies were working to update the 2019 Biological Opinion for the coordinated long-term operation of the Central Valley Project and State Water Project, state agencies announced they would, for the first time, pursue a separate state permit to ensure SWP’s compliance with CESA, instead of relying on federal permits. This decision is a

controversial one.

The State Water Contractors issued a statement Tuesday, expressing disappointment that DWR is moving forward with a project that imposes restrictions beyond the impacts of SWP operations. The SWP provides 27 million Californians with the water needed to run their homes, schools and businesses, and provides 750,000 acres of farmland with water necessary to help keep the nation fed.

“Although we are still reviewing the Incidental Take Permit issued by Fish and Wildlife and are assessing our options, the SWC and its member agencies do not support the permit conditions, which fail to incorporate the best available science, burden ratepayers with obligations far exceeding the impacts of water operations and will make compliance with the Sustainable Groundwater Management Act and climate change adaptation substantially more difficult,” stated Jennifer Pierre, General Manager of the State Water Contractors.

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CDFW Issues Permit to DWR for Long-Term Operations of the State Water Project

SACRAMENTO, Calif. – Today, the California Department of Fish and Wildlife (CDFW) issued an Incidental Take Permit (ITP) to the Department of Water Resources (DWR) for long-term operations of the State Water Project (SWP). The permit covers four species protected under the California Endangered Species Act: Delta smelt, longfin smelt, winter-run Chinook salmon and spring-run Chinook salmon.

DWR Director Karla A. Nemeth and CDFW Director Charlton H. Bonham issued the following statement:

“California’s water operations need to support our communities while protecting our fish and wildlife. This Incidental Take Permit (ITP) enables this balance. Most importantly, it ensures that our state water infrastructure operates in a manner protective of fish species listed under state’s endangered species law. It does so in many ways, including by dedicating water for Delta outflows during drier periods when fish and habitat need it the most. The permit also provides flexibility to capture and store water during wet years for both water supply and the environment. The ITP also better utilizes existing infrastructure to improve habitat conditions; creates a new barrier to minimize entrainment of migrating salmon at SWP pumps; and commits significant new funding to ecosystem improvements and expanded scientific research. It enables adaptive water management based on scientific monitoring while providing final decision-making authority to CDFW on operational changes that protect fish. Together, DWR and CDFW will implement this permit to meet the needs of Californians and our state’s natural environment.”

DWR’s final environmental document can be found [here](#) and CDFW’s ITP can be found [here](#).

Background

Under the California Endangered Species Act, DWR is required to obtain an ITP to minimize, avoid and fully mitigate impacts to threatened or endangered species as a result of State Water Project operations.

In past years, DWR obtained coverage for SWP operations under CESA by securing a consistency determination from DFW based on federal biological opinions issued by federal regulatory agencies. In 2018, as federal agencies were working to update biological opinions, President Trump issued a Presidential Memorandum to greatly accelerate their completion.

In February 2019, state agencies announced they would for the first time pursue a separate state permit to ensure SWP’s compliance with CESA. Pursuing a separate permit enables the state to avoid relying on federal permits and provides the opportunity to utilize transparent, science-based guidelines to establish rules to protect endangered fish.

In November 2019, DWR issued a draft document prepared under the California Environmental Quality Act (CEQA) that identified potential operational changes to protect species and manage the SWP based on real-time conditions in the Delta ecosystem, including additional flows dedicated to the environment. After a public comment period, DWR developed and submitted an application for an ITP to DFW in December 2019.

DWR certified its final environmental document on March 27, and DFW issued the ITP on March 31.

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Kathy Cole