

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue
Beaumont, California 92223
Minutes of the
Board Finance and Budget Workshop
January 22, 2018

Directors Present: David Fenn, President
Ron Duncan, Vice President
Lenny Stephenson, Treasurer
Blair Ball, Director (arrived at 1:33 pm)
David Castaldo, Director (left at 3:10 pm)
Steve Lehtonen, Director
Mike Thompson, Director (left at 2:45 pm)

Staff and Consultants Present:
Jeff Davis, General Manager
Tom Todd, Jr., Finance Manager
Steve Anderson, Best, Best & Krieger

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 Lenny Stephenson at 1:30 pm, January 22, 2018, in the Agency Conference Room at 1210 Beaumont Avenue, Beaumont, California. Treasurer Stephenson led the Pledge of Allegiance to the flag. A quorum was present.
2. **Adoption and Adjustment of Agenda:** The agenda was adopted as published.
3. **Public Comment:** No members of the public requested to speak at this time.
4. **New Business:**
 - A. Ratification of Paid Invoices and Monthly Payroll for December, 2017 by Reviewing Check History Reports in Detail: After review and discussion, a motion was made by Director Castaldo, seconded by Director Thompson, to recommend that the Board ratify paid monthly invoices of \$1,738,252.03 and payroll of \$32,990.98 for the month of December, 2017, for a combined total of \$1,771,243.01. The motion passed 6 in favor, no opposed, with Director Ball not yet arrived.
 - B. Review Pending Legal Invoices: After review and discussion, a motion was made by Director Duncan, seconded by Director Thompson, to recommend that the Board approve payment of the pending legal invoices for December, 2017. The motion passed 7 in favor, no opposed.
 - C. Review of December, 2017 Bank Reconciliation: After review and discussion, a motion was made by Director Duncan, seconded by Director Lehtonen, to recommend that the Board acknowledge receipt of the Wells Fargo bank reconciliation for December, 2017 as presented. The motion passed 7 in favor, no opposed.

- D. Review of Budget Report for December, 2017: After review and discussion, a motion was made by Director Duncan, seconded by Director Castaldo, to recommend that the Board acknowledge receipt of the Budget Report for December, 2017. The motion passed 7 in favor, no opposed.
- E. Consideration of Proposed Budget Revision: After review and discussion, a motion was made by Director Castaldo, seconded by Director Thompson to recommend that the Board authorize staff to make a one-time transfer of \$5,855,985.00 from the Debt Service Fund to the General Fund to reimburse the General Fund for previous expenditures used to build facilities later included in the State Water Project, as discussed at previous Board meetings, including the January 2, 2018 Board meeting. The motion passed 7 in favor, no opposed.
- F. Review of Cash Reconciliation Report for December 31, 2107: After review and discussion, a motion was made by Director Duncan, seconded by Director Thompson, to recommend that the Board acknowledge receipt of the Cash Reconciliation for December, 2017. The motion passed 7 in favor, no opposed.
- G. Review of Reserve Allocation Report for December 31, 2017: After review and discussion, a motion was made by Director Lehtonen, seconded by Director Ball, to recommend that the Board accept the Reserve Allocation Report without change for December, 2017. The motion passed, 7 in favor, no opposed.
- H. Review of Investment Report for December 31, 2017: Finance Manager Todd handed out copies of the Report. After review and discussion, a motion was made by Director Duncan, seconded by President Fenn, to recommend that the Board acknowledge receipt of the Investment Report for June 30, 2017. The motion passed, 7 in favor, no opposed.

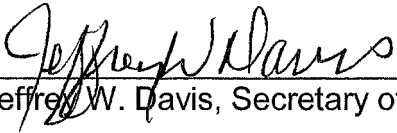
5. Announcements

- A. Closed Session, January 29, 2018, 6:00 pm
- B. Regular Board Meeting, February 5, 2018, 1:30 pm
- C. Engineering Workshop, February 12, 2018, 1:30 pm
- D. The office will be closed in observance of President's day, February 19, 2018
- E. Regular Board Meeting, Tuesday, February 20, 2018, 1:30 pm

6. Closed Session (1 Item)

- A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
(Paragraph (1) of subdivision (d) of Government Code Section 54956.9)
Name of case: San Gorgonio Pass Water Agency vs. Beaumont Basin Watermaster
Case No. RIC 1716346
- B. There was no reportable action under the Brown Act.

- 7. Adjournment:** The Finance and Budget workshop of the San Geronio Pass Water Agency Board of Directors was adjourned at 3:21 pm.



Jeffrey W. Davis, Secretary of the Board

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223
Minutes of the
Board of Directors Special Meeting
January 29, 2018

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

Staff Present: Jeff Davis, General Manager
Steve Anderson, Legal Counsel

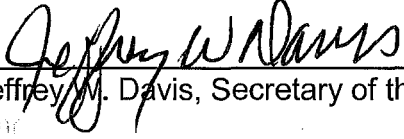
1. **Call to Order, Flag Salute, Invocation, and Roll Call:** The meeting of the San Gorgonio Pass Water Agency Board of Directors was called to order by Board President Fenn at 6:00 p.m., January 29, 2018 in the Agency Boardroom at 1210 Beaumont Avenue, Beaumont, California. President Fenn led the Pledge of Allegiance to the flag. President Fenn gave the invocation. A quorum was present.
2. **Adoption and Adjustment of Agenda:** *President Fenn asked if there were any adjustments to the agenda.* There were no adjustments to the agenda. The agenda was adopted as published.
3. **Public Comment:** *President Fenn 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.* Libi Uremovic voiced her opinion on how the Agency is procuring water for the region. She also commented on the amount of money being spent by the Agency for the Watermaster litigation. Debbie Franklin commented on the ongoing litigation between the Watermaster and the Agency, stating that this issue should not be a factor when the Board is making decisions pertaining to the Whitewater flume.
4. **Announcements:**
 - A. Regular Board Meeting, February 5, 2018, 1:30 pm
 - B. Engineering Workshop, February 12, 2018, 1:30 pm
 - C. The office will be closed in observance of Presidents' Day, February 19, 2018
 - D. Regular Board Meeting, Tuesday, February 20, 2018, 1:30 pm
5. **Closed Session (1 Item) Time: 6:10 pm**
 - A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
(Paragraph (1) of subdivision (d) of Government Code Section 54956.9
Name of case: San Gorgonio Pass Water Agency vs. Beaumont Basin Watermaster
Case No. RIC 1716346

The meeting reconvened to open session at: Time: 7:11 pm

Legal Counsel Anderson stated that there was no action taken during closed session that is reportable under the Brown Act.

6. Adjournment

Time: 7:11 pm



Jeffrey W. Davis, Secretary of the Board
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