

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, CA
Board of Directors Meeting
Agenda
June 15, 2020
Closed Session at 12:30 p.m.
Open Session at 1:30 p.m.

Closed Session – 12:30 p.m.

Directors Present: Ron Duncan, President
Board Members Lenny Stephenson, Vice President
attended by Michael Thompson, Treasurer
video conferencing/ Blair Ball, Director
teleconferencing David Fenn, Director
David Castaldo, Director
Steve Lehtonen, Director
General Counsel Jeff Ferre

Staff Present:
Staff attended by
Video conferencing/
teleconferencing

1. **Call to Order, Flag Salute, Invocation, and Roll Call:** The Closed Session was called to order by Board President Duncan at 12:30 p.m., June 15, 2020 by teleconference. A quorum was present.

2. **Closed Session (2 Items) Time: 12:30 pm**

PUBLIC EMPLOYMENT
Pursuant to Government Code Section 54957
Title: General Manager

CONFERENCE WITH LABOR NEGOTIATORS
Pursuant to Government Code Section 54957.6
Agency designated representative: Vice President Lenny Stephenson
Unrepresented employee: General Manager

The closed session was completed at 1:16 p.m.

Open Session at 1:30 p.m.

The open session meeting of the San Gorgonio Pass Water Agency Board of Directors was called to order by Board President Duncan at 1:30 p.m., June 15, 2020 by teleconference/Zoom.

President Duncan read the following statement:

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/85812336786>_MEETING ID 858 1233 6786.

General Counsel Jeff Ferre reported that the Board went in to closed session today at 12:30 pm under a separate call-in procedure. In that closed session the Board considered Public Employment under Government Code Section 54957 and Conference with Labor Negotiators under Government Code Section 54957.6. The Board came out of closed session at 1:16 pm; there was no reportable action on those matters.

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

Staff Present: Jeff Davis, General Manager
Staff attended by General Counsel Jeff Ferre
video conferencing/ Thomas Todd, Finance Manager
teleconferencing Cheryle Stiff, Executive Assistant
Casmir Olaivar, Social Media Specialist

1. **Call to Order, Flag Salute, Invocation, and Roll Call:** The meeting of the San Geronio Pass Water Agency Board of Directors was called to order by Board President Duncan at 1:38 p.m., May 18, 2020 by teleconference. President Duncan led the Pledge of Allegiance to the flag. Director Fenn gave the invocation. President Duncan requested a verbal roll call.

<u>Roll Call:</u>	<u>Present</u>	<u>Absent</u>
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 Counsel Jeff Ferre stated that based on discussions in closed session, the Board would like to move item 6D up to the first item of New Business and reorder the balance of the items accordingly. Without objection, the Agenda was reordered as requested.*
3. **Public Comment:** *President Duncan read the following statement: 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. President Duncan asked for public comments from the public. There were no members of the public that spoke at this time.

4. Consent Calendar:

- A. Approval of the Minutes of the Special Board Meeting, May 20, 2020
- B. Approval of the Minutes of the Special Board Meeting, May 27, 2020
- C. Approval of the Minutes of the Board of Directors Meeting, June 1, 2020
- D. Approval of the Minutes of the Engineering Workshop, June 8, 2020

President Duncan asked for a motion on the Consent Calendar. Director Lehtonen made a motion, seconded by Director Stephenson, to adopt the consent calendar.

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

Motion passed 7-0.

5. Reports:

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

1. Operations Report - The Agency has delivered approximately 300 acre-feet to the Noble Creek Connection for BCVWD, so far this month. We will continue to deliver at 10 cfs for the rest of this month and then increase to 12 cfs for July.

2. Other Agency Updates

a. COVID-19 update. The numbers from two weeks ago within our service area: 354 cases, 19 deaths. The updated numbers: 419 cases and 21 deaths. Countywide, there have been 10,490 cases and 383 deaths. This compares to 7,486 cases and 323 deaths two weeks ago (40% increase in cases and 19% increase in deaths in two weeks).

b. Ventura/Casitas exchange was approved by DWR at 75% of fixed costs. Our original agreement was to pay 100% of fixed costs for 15% of their water; the deal approved is to pay 75% of fixed costs for 20% of their water. This comes out to about \$930 per AF fixed costs, compared to our Table A costs of about \$7000 per AF of fixed costs. This does not include the conveyance cost. This is going through the DWR approval process and hopefully we will be able to schedule that water sometime in July.

- c. Reduced Reliance: General Manager Davis spoke on the meaning of Reduced Reliance and SWC's issues relating to water from the Delta.

B. General Counsel Report: None.

C. Directors Reports: 1) **Director Stephenson** reported on YVWD's Board meeting that he attended on June 2nd. On June 9th he attended another YVWD meeting. 2) **Director Lehtonen** reported on Beaumont Basin Watermaster's meeting that was held on June 3rd. 3) **Director Fenn** also reported on the Beaumont Basin Watermaster's meeting that was held on June 3rd. 3) **Director Ball** reported on BCVWD's June 10th meeting that he attended.

D. Committee Reports: None.

6. New Business:

A. Approval of Employment Agreement with Lance Eckhart for the Position of General Manager/Chief Hydrogeologist. A Staff report and a copy of the General Manager Employment Agreement were included in the agenda package. General Counsel Ferre stated that under 54953 (c)(3) prior to taking any action on a contract of this nature, the following report must be made. 1) That the proposed agreement will become effective July 13, 2020. 2) The term will continue June 30, 2023, unless terminated or extended. 3) The compensation will be at the rate of \$192,500 annually. 4) Mr. Eckhart will be entitled to a certain vacation accrual and automobile allowance. 5) Mr. Eckhart will be entitled to the same additional benefits that are available to employees. General Counsel Ferre stated that with the impending retirement of General Manager Jeff Davis, the Board initiated the recruitment a new General Manager. As a result of that process and interviews the Board would like to consider entering into a General Manager Employment Agreement with Mr. Lance Eckhart. Mr. Eckhart has indicated that he is willing to enter into the agreement. General Counsel Ferre turned this item over to the Board. The Board members commended General Manager Davis' on his work ethic and commitment to the Agency. They also welcomed Mr. Eckhart to the Agency. After comments, President Duncan requested a motion. Director Ball made a motion, seconded by Director Thompson, to enter into the proposed General Manager Employment Agreement with Mr. Eckhart. President Duncan requested a verbal roll call vote.

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

Motion passed 7-0.

B. Consideration and Possible Action on Fourth Joint Facilities Agreement with SBVMWD: A staff report and a copy of the Fourth Joint Facilities Agreement were included in the agenda package. General Manager Davis stated that the Board discussed the draft Fourth Joint Facilities Agreement at the June 8th Engineering Workshop. The purpose of this item is to set the purchase price of the capacity to be purchased and the methodology for it. Valley District will be taking this to its Board tomorrow. Director Lehtonen made a motion, seconded by Director Stephenson, to approve the agreement and authorize the General Manager to sign it. President Duncan requested a verbal roll call vote.

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

Motion passed 7-0.

C. Consideration and Possible Action on Yucaipa Valley Water District and San Bernardino Valley Municipal Water District Principles of Agreement on Calimesa. A staff report and a copy of Risk Sciences Summary of Revised Principles of Agreement for San Gorgonio Pass Water Agency were included in the agenda package. General Manager Davis stated that this item was discussed at the Engineering Workshop. Tim Moore of Risk Sciences presented and reviewed the principles of an agreement between the Agency, Valley District, and Yucaipa Valley Water District at the June Engineering workshop. At that meeting, it was the consensus of the Board that an agreement be drafted based on those principles. General Manager Davis stated that since YVWD and SBVMWD will be taking this item to their Boards for action, he was now requesting that the Agency Board also take action to approve the Principles of Agreement on the condition nothing would be binding unless or until a formal agreement is developed and executed by all parties. Mr. Davis requested that there be a formal vote to accept the principles and to direct Tim Moore to work with the designated attorney to draft an agreement based on those principles. That draft agreement will be brought back to all three Boards for discussion and consideration. General Counsel Ferre stated that the general principals are non-binding unless or until there is an actual contract. He stated that this contract would have some terms and obligations imposed on the Agency that are different than what the Agency has agreed to in the past. He named a number of issues to consider. Director Ball made a motion, seconded by Director Thompson, to approve the principles and to move this item forward for development of a potential agreement and that any such agreement be brought back to this Board for possible Board approval. President Duncan requested a verbal roll call vote.

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

Motion Passed 7-0.

D. Consideration of Payment for Candidate Statement for 2020 Election: A Staff report and a copy of the 2020 Notice to the Registrar of Voters form were included in the agenda packet. Director Stephenson made a motion, seconded by Director Fenn, to have individual candidates running for election to the Board pay for their own candidate statements. President Duncan requested a verbal roll call.

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

Motion passed 7-0.

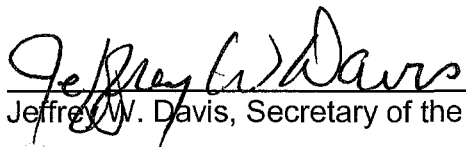
7. Topics for Future Agendas: President Duncan requested from Director Thompson if the item for Water Delivery can be removed from the Pending Agenda Items Requests. Director Thompson stated that it can be removed.

8. Announcements:

- A. Finance & Budget Workshop, June 22, 2020 at 1:30 p.m.
 – Teleconference/Zoom
- B. Office closed Friday, July 3, 2020 in observance of Independence Day
- C. Regular Board Meeting, July 6, 2020 at 1:30 p.m.

9. Adjournment

Time: 2:21 pm



 Jeffrey W. Davis, Secretary of the Board