

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223
Minutes of the
Board of Directors Meeting
July 20th, 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/87947908794>
 MEETING ID 879 4790 8794

Directors Present: Ron Duncan, President
 Lenny Stephenson, Vice President
 Michael Thompson, Treasurer
 Blair Ball, Director (arrived 1:42 pm)
 David Fenn, Director
 David Castaldo, Director
 Steve Lehtonen, Director

Staff Present: Lance Eckhart, General Manager
 General Counsel Jeff Ferre
 Thomas Todd, Finance Manager
 Cheryle Stiff, Executive Assistant
 Casmir Olaivar, Social Media Specialist

- 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., July 20, 2020 by teleconference. President Duncan led the Pledge of Allegiance to the flag. Director Thompson gave the invocation. President Duncan requested a roll call.

<u>Roll Call:</u>	Present	Absent
Director Castaldo	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Ball	<input type="checkbox"/>	<input checked="" 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.* There being none the Agenda was adopted as published.

3. **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. There were no members of the public that spoke at this time.*

4. **Consent Calendar:**

- A. Approval of the Minutes of the Regular Board Meeting, July 6, 2020
- B. Approval of the Minutes of the Engineering Workshop, July 13, 2020

President Duncan asked for a motion on the Consent Calendar. Director Stephenson made a motion, seconded by Director Thompson, 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 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"/>
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 6-0-1.

5. **Reports:**

A. General Manager's Report: A written report was not provided in the agenda packet. General Fund expenditures FY 2020-21 and the General Fund sources of revenue FY 2020-21 were included in the agenda packet. General Manager Lance Eckhart stated that at the July 6, 2020 Board meeting the General Fund expenditures FY 2020-21 and the General Fund sources of revenue FY 2020-21 did not reflect a \$215,000 increase in the Statement of Charges from DWR. The Statement of Charges was received after the June 22, 2020 Finance and Budget workshop. On July 6, 2020 the Board accepted the Budget as presented with the change to reflect the increase (\$215,000) submitted by DWR. The General Fund expenditures FY 2020-21 and the General Fund sources of revenue FY 2020-21 in the agenda packet contain the stipulated increase. General Manager Eckhart provided a summary of his work activities for this past week. He mentioned that he has spoken to General Manager Jagers (BCVWD) pertaining to the upcoming UWMP. He expects that he will be providing the Board with proposals for the UWMP to consider in late August.

B. General Counsel Reports: None.

C. Directors Reports: 1) Director Stephenson reported that he attended YVWD's meeting on July 14th via Zoom.

D. Committee Reports: 1) **Director Stephenson** stated that the Capacity Fee Ad-Hoc Committee did meet on July 13th; they are still waiting on additional information. The committee is hoping to have something to report soon. 2) **Director Lehtonen** noted that the SGPRWA will begin resuming meetings via Zoom for August and October.

6. New Business:

A. Adoption of a Resolution for Exception to the 180-day Waiting Period to Appoint Jeffrey W. Davis to an Extra-help Position Effective July 20, 2020: A staff report and a drafted Resolution were included in the agenda package. General Counsel Ferre referred agenda items 6-A, 6-B, & 6-C to his BB&K colleague Joseph Ortiz, Esq. Mr. Ortiz stated that his focus with BB&K is labor employment. He informed the Board that the documents provided include a minor correction and the rest is clean-up. Initially the Agency had an Interim General Manager contact. He noted that the Public Employees Reform Act of 2013 requires a 180-day “wait” period after the effective date of retirement before a retiree can return to work for a public agency. A waiver took place due to the COVID-19 crisis, which ended when the new General Manager took his position on July 13, 2020. The amendments changes the term (clean-up), ending the term on July 12th. The previous rate was not the correct rate prorated rate; this is the minor correction. He stated that Mr. Davis is in agreement to the correction and clean-up items. In addition, a CalPERS expert was of the opinion that it works better to designate Jeff Davis to an extra-help position; the 180 day waiting period waiver makes more sense. Mr. Ortiz answered questions from the Board. After discussion, Director Thompson made a motion, seconded by Director Stephenson, to adopt the Resolution for exception to the 180-day waiting period in accordance with California Government Code Sections 7522.56 and 21224 to appoint Jeffrey W. Davis to an extra-help position, effective July 20, 2020. President Duncan asked for a roll call vote.

<u>Roll Call:</u>	<u>Aye</u>	<u>Noes</u>	<u>Absent</u>	<u>Abstain</u>
Director Castaldo	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Ball	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 6-0-1.

B. Enter into a First Amendment to Interim General Manager Agreement with Jeff Davis Following Retirement: A staff report and a copy of an Interim General Manager Agreement were included in the agenda packet. President Duncan noted that this item was discussed during item 6A and requested a motion from the Board. Director Stephenson made a motion, seconded by Director Fenn to enter into a First Amendment to Interim

General Manager Agreement with Jeff Davis following retirement. President Duncan asked for a roll call vote.

<u>Roll Call:</u>	<i>Aye</i>	<i>Noes</i>	<i>Absent</i>	<i>Abstain</i>
Director Castaldo	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Ball	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 6-0-1.

C. Enter into CalPERS Retiree Conditional Limited-Term Appointment Letter Agreement: A staff report and a copy of a CalPERS Retiree Conditional Limited-Term Appointment Letter Agreement were included in the agenda packet. President Duncan noted that this item was discussed during item 6A and requested a motion from the Board. Director Castaldo made a motion, seconded by Director Stephenson to enter into a First Amendment to Interim General Manager Agreement with Jeff Davis following retirement. President Duncan asked for a roll call vote.

<u>Roll Call:</u>	<i>Aye</i>	<i>Noes</i>	<i>Absent</i>	<i>Abstain</i>
Director Castaldo	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Ball	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 6-0-1.

D. Consideration and Possible Action on Cost of Living Allowance for Agency Staff: A Staff report and a copy of a Memorandum from Finance Manager Thomas Todd, Jr. pertaining to the Consumer Price Index Information for 2019 thru 2020 were included in the agenda packet. President Duncan noted that this item was presented to the Board on June 1st, at which time the Board requested to postpone this item to a later date. President Duncan opened this item up for discussion from the Board. After discussion, Director Lehtonen made a motion, seconded by Director Castaldo to approve a COLA to staff at 2.4%. President Duncan requested a roll call vote.

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

Motion failed 3-4.

Director Castaldo made a motion to increase a COLA at 1.2%. Motion failed for lack of a second. It was the consensus of the Board to revisit a COLA increase for Staff at a Board meeting in October.

E. Appointment of Jeff Davis to Sites Reservoir Committee: A copy of the Agency Support for Sites Reservoir & Delta Conveyance PowerPoint presentation was included in the agenda packet. General Manager Eckhart stated that he will be covering item 6E and 6F at the same time. He reviewed the information with the Board pertaining to the Agency Strategic Plan Goal 1- Regional Water Supply Plan and Goal 2 – Effective Communication of Agency’s strategy and mission. General Manager Eckhart provided justification as to the purpose of keeping Jeff Davis on the Sites Reservoir Committee and also the Delta Conveyance Finance JPA Board. John Covington (Board President, BCVWD) gave explanation as to why Mr. Davis should be appointed to the Sites Reservoir Committee and to the Delta Conveyance Finance JPA Board. After discussion, Director Castaldo made a motion, seconded by President Duncan to appoint Mr. Davis to continue the Agency’s efforts on the Sites Reservoir Committee through the end of 2020. President Duncan requested a roll call vote.

<u>Roll Call:</u>	<u>Aye</u>	<u>Noes</u>	<u>Absent</u>	<u>Abstain</u>
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

F. Appointment of Jeff Davis to Delta Conveyance Finance JPA Board: A copy of the Agency Support for Sites Reservoir & Delta Conveyance PowerPoint presentation was included in the agenda packet. This item was discussed during item 6E. Director Castaldo made a motion, seconded by Director Stephenson to appoint Mr. Davis to continue the Agency’s efforts on the Sites Reservoir Committee through the end of 2020. President Duncan requested a 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.

7. Topics for Future Agendas: None.

8. Announcements:

- A. Finance & Budget Workshop, July 27, 2020 at 1:30 p.m.
– Teleconference/Zoom
- B. Regular Board Meeting, August 3, 2020 at 1:30 p.m.
– Teleconference/Zoom
- C. Engineering Workshop, August 10, 2020 at 1:30 p.m.
– Teleconference/Zoom

9. Adjournment

Time: 2:35 pm



Lance E. Eckhart, Secretary of the Board