

**SAN GORGONIO PASS WATER AGENCY**  
**1210 Beaumont Avenue, Beaumont, California 92223**  
**Minutes of the**  
**Board of Directors Meeting**  
**February 16, 2021**

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 VIA ZOOM.

**Board Present:** Steve Lehtonen, President  
Board members Larry Smith, Vice President  
Attended by video Mickey Valdivia, Treasurer  
conferencing/ Blair Ball, Director  
teleconferencing Ron Duncan, Director  
Chander Letulle, Director  
Robert Ybarra, Director

**Staff Present:** Lance Eckhart, General Manager  
Staff members Thomas Todd, Finance Manager  
attended by video Cheryle Stiff, Executive Assistant  
conferencing/  
teleconferencing

- 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 Lehtonen at 1:30 p.m., February 16 2021 by video/teleconference. Director Valdivia led the Pledge of Allegiance to the flag. President Lehtonen gave the invocation. President Lehtonen requested a roll call.

<u>Roll Call:</u>	<i>Present</i>	<i>Absent</i>
Director Ball	☒	☐
Director Duncan	☒	☐
Director Letulle	☒	☐
Director Smith	☒	☐
Director Valdivia	☒	☐
Director Ybarra	☒	☐
President Lehtonen	☒	☐

A quorum was present.

- 2. Adoption and Adjustment of Agenda:** President Lehtonen commented that Director's Reports have been moved to Item 7 of the agenda. Director's reports shall take place at the end of the agenda today, as well as future agendas. President Lehtonen asked if there were any adjustments to the agenda. General Manager Eckhart responded, stating that there is no adjustment to the agenda.
- 3. Public Comment:** President Lehtonen asked for public comments on any matter within the jurisdiction of the Agency. There was no public comment at this time.

**4. Consent Calendar:**

- A.** Approval of the Minutes of the Regular Board Meeting, February 1, 2021
- B.** Approval of the Engineering Workshop Report, February 8, 2021

President Lehtonen asked for a motion on the Consent Calendar. Director Letulle made a motion, seconded by Director Duncan, to adopt the consent calendar, as presented. Director Letulle requested a clerical change to the February 1, 2021 Board Minutes – Change “Capacity Fee” to “Financial Feasibility Committee”. President Lehtonen requested a roll call vote on the motion.

<b><u>Roll Call:</u></b>	<b>Aye</b>	<b>Noes</b>	<b>Abstain</b>
Director Ball	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Duncan	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Letulle	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Smith	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Valdivia	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Ybarra	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
President Lehtonen	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Motion passed 7-0.

**5. Reports:**

- A. General Manager’s Report:** General Manager Eckhart reported on the following:
  - 1) General Manager Eckhart provided a virtual tour of the State Water Project in order to familiarize the new board members, as well as provide pertinent information on the SWP.
  - 2) General Manager Eckhart brought the subject of new business cards to the Board. He requested input from the Board on the design and wording. After discussion, General Manager Eckhart thanked the Board for their input and will act upon them as requested.
  - 3) General Manager Eckhart reported that Western Heights Water Company email address book was hacked. He noted that staff had received one of the emails, but that it was appropriately discarded. He reminded the Board to be on the alert for such emails.

- B. General Counsel Reports:** None.

**6. New Business:**

- A. Appointment of Committees:** President Lehtonen presented to the Board his committee assignments. After discussion, he announced the Agency’s committees as follows:

Standing Committees	Ad-Hoc Committees
<b>Engineering (Full Board)</b> Larry Smith - Chair	<b>Financial Feasibility</b> Blair Ball - Chair Robert Ybarra - Member Chander Letulle
<b>Finance &amp; Budget (Full Board)</b> Mickey Valdivia - Chair Larry Smith - Member Chander Letulle - Alternate	<b>Recharge Facility Naming Committee</b> Mickey Valdivia - Chair Ron Duncan - Member
<b>Conservation &amp; Education</b> Ron Duncan - Chair Chander Letulle - Member Robert Ybarra - Member	<b>Recharge Facility Maintenance Review</b> Ron Duncan - Chair Blair Ball - Member
<b>General Manager Performance Evaluation</b> Steve Lehtonen - Chair Larry Smith - Member Ron Duncan - Member	

- B. Discussion and Possible Action on Salary Schedule Approval for CalPERS:** Finance Manager Thomas Todd stated that this item is a housekeeping item and is done on an annual basis pursuant to the request of CalPERS. After discussion, Director Duncan made a motion, seconded by Director Smith to approve Resolution No. 2021-05.

<u><b>Roll Call:</b></u>	<b>Aye</b>	<b>Noes</b>	<b>Abstain</b>
Director Ball	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Duncan	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Letulle	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Smith	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Valdivia	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Ybarra	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
President Lehtonen	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Motion passed 7-0.

**7. Reports - Directors:**

**A. Directors Reports**

- 1) Director Duncan** reported that he attended the Banning City Council meeting that was held on February 9; BCVWD Board meeting on February 10; and Banning School District Oversight meeting on February 8.
- 2) Director Valdivia** reported that he attended the Banning City Council meeting on February 9.
- 3) Director Smith** reported on the BCVWD Board meeting; YVWD meeting; and the Beaumont Basin Watermaster meeting.

**B. Committee Reports:**

- 1) **Director Duncan** reported on the Water Conservation & Education Workshop.
- 2) **Director Smith** reported on the Engineering Workshop.

**8. Topics for Future Agendas. None.**

**9. Announcements:**

- A. Finance & Budget Workshop, February 22, 2021 at 1:30 p.m. – Teleconference/Zoom
- B. Regular Board Meeting, March 1, 2021 at 1:30 p.m. – Teleconference/Zoom
- C. Engineering Workshop, March 8, 2021 at 1:30 p.m. – Teleconference/Zoom

**10. Adjournment: President Lehtonen adjourned the meeting at 3:33 p.m.**

***Draft - Subject to Board Approval***

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Lance Eckhart, Secretary of the Board

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**SAN GORGONIO PASS WATER AGENCY**  
**1210 Beaumont Avenue**  
**Beaumont, California 92223**  
**Minutes of the**  
**Board Finance and Budget Workshop**  
**February 22, 2021**

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 via Zoom.

**Directors Present via Zoom:**

Steve Lehtonen, President  
Mickey Valdivia, Treasurer  
Blair Ball, Director  
Ron Duncan, Director  
Chander Letulle, Director  
Larry Smith, Director

**Staff and Consultants Present via Zoom:**

Lance Eckhart, General Manager  
Tom Todd, Jr., Finance Manager  
Eden Casareno, Partner, Eadie & Payne, Auditors

- 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 and Chair Mickey Valdivia at 1:30 pm, February 22, 2021. Chair Valdivia led the Pledge of Allegiance to the flag. A quorum was present.
- 2. Adoption and Adjustment of Agenda:** The agenda was adopted as posted.
- 3. Public Comment:** Chair Valdivia asked if anyone connected to the meeting wished to make a comment; no members of the public requested to speak at this time.
- 4. New Business:**
  - A. Sarah Meacham of PFM Asset Management made a presentation about the investment advisory services PFM could provide for the Agency. After review and discussion, a motion was made by Chair Valdivia, seconded by Director Duncan, to authorize General Manager Lance Eckhart to present a contract to the Board for consideration. The motion passed 7 in favor, no opposed, by roll call vote.
  - B. Ratification of Paid Invoices and Monthly Payroll for January, 2021 by Reviewing Check History Reports in Detail: After review and discussion, a motion was made by President Lehtonen, seconded by Director Duncan, to recommend that the Board approve paid monthly invoices of \$1,007,600.34 and payroll of \$43,166.67 for the month of January, 2021, for a combined total of \$1,050,767.01. The motion passed 7 in favor, no opposed, by voice vote.

- C. Review Pending Legal Invoices: After review and discussion, a motion was made by Director Duncan, seconded by Director Smith, to recommend that the Board approve payment of the pending legal invoice for January, 2021 for \$11,556.71. The motion passed 7 in favor, no opposed, by voice vote.
- D. and E. Review of January, 2021 Bank Reconciliation, and review of Budget Report for January, 2021: After review and discussion, a motion was made by Director Letulle, seconded by Director Ybarra, to recommend that the Board accept the Wells Fargo bank reconciliation for January, 2021 as presented, and the Budget Report for January, 2021 as presented. The motion passed, 7 in favor, no opposed, by voice vote.
- F. Discussion of Directors COLA: Chair Valdivia opened the matter, and asked for introductory comments from Director Ball. General Manager Eckhart and Finance Manager Todd answered questions about the mechanics of COLA calculation and application. After further review and discussion, a motion was made by Director Ball, seconded by President Lehtonen, to deny the COLA increase for directors for 2021. Chair Valdivia requested a roll call vote:

<b>Roll Call</b>	<b>Ayes</b>	<b>Noes</b>	<b>Abstain</b>	<b>Absent</b>
Director Ball	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Duncan	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Letulle	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Smith	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Valdivia	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Ybarra	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
President Lehtonen	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The motion failed, 2 in favor, 5 opposed.

A motion was made by Director Letulle, seconded by Director Duncan, to accept a COLA increase of 2.4% for Directors for 2021. Chair Valdivia requested a roll call vote:

<b>Roll Call</b>	<b>Ayes</b>	<b>Noes</b>	<b>Abstain</b>	<b>Absent</b>
Director Ball	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Duncan	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Letulle	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Smith	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Valdivia	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Ybarra	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
President Lehtonen	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The motion passed, 5 in favor, 2 opposed.

5. **Announcements:** Chair Valdivia reviewed the announcements:
- A. Regular Board meeting, March 1, 2021, 1:30 pm – Zoom/Teleconference
  - B. Engineering Workshop, March 8, 2021, 1:30 pm – Zoom/Teleconference

6. **Adjournment:** The Finance and Budget Workshop of the San Geronio Pass Water Agency Board of Directors was adjourned at 3:02 pm.

Draft - Not

Approved

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Lance E. Eckhart, Secretary of the Board

## Finance and Budget Workshop Report

From Chair Mikey Valdivia

The Finance and Budget Workshop was held on February 22, 2021. The following recommendations were made:

1. The Board approve payment of Invoices of \$1,007,600.34 and Payroll of \$43,166.67 as detailed in the Check History Report for Accounts Payable and the Check History Report for Payroll for January, 2021 for a combined total of \$1,050,767.01.
2. The Board approve payment of the following vendor's amounts:

Best, Best & Krieger LLP	\$11,556.71
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3. The Board accept the following:
  - A. Wells Fargo bank reconciliation for January, 2021
  - B. Budget Report for January, 2021