

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223
Minutes of the
Board of Directors Meeting
November 16, 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 VIA ZOOM.

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

Staff Present:	Lance Eckhart, General Manager
Staff members	Jeff Ferre, General Counsel
attended by video	Thomas Todd, Finance Manager
conferencing/	Cheryle Stiff, Executive Assistant
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 Duncan at 1:30 p.m., November 16, 2020 by video/teleconference. President Duncan led the Pledge of Allegiance to the flag. Director Fenn gave the invocation. President Duncan requested a roll call.

<u>2. Roll Call:</u>	<i>Present</i>	<i>Absent</i>
Director Ball	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Castaldo	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Thompson	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Fenn	<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"/>
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 Manager Eckhart responded, stating that there is no adjustment to the agenda.
3. **Public Comment:** *President Duncan asked for public comments.* 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, October 19, 2020
- B. Approval of the Minutes of the Regular Board Meeting, November 2, 2020
- C. Approval of the Minutes of the Engineering Workshop, November 9, 2020

President Duncan asked for a motion on the Consent Calendar. Director Thompson made a motion, seconded by Director Stephenson, to adopt the consent calendar, as presented. 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 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: General Manager Eckhart reported that he will be meeting with Beaumont Unified School District officials on October 20th regarding placement of K-rails at Mountain View Middle School. The school is located next to the recharge ponds. The main concern is the recent fires and the possibility of heavy rains.

B. General Counsel Reports: A General Counsel report was not provided. General Counsel Ferre informed the Board that the Riverside County Registrar will certify election results on December 3, 2020. The Agency's elected Board of Directors take office as of noon on December 4th. The Board can take the Oath of Office in front of the Clerk of the Board any time after noon on December 4th, or at the December 7th Board meeting via Zoom.

C. Directors Reports: 1) **Director Stephenson** stated that he attended YVWD's Board meeting that was held on November 10th and that there was nothing to report from that meeting. He noted that he is the ACWA JPIA representative for the Agency. There is an upcoming meeting on November 30th. He suggested that President Duncan ask the alternate to attend so that that person would be able to report at the December 7th meeting. 2) **Director Fenn** reported on the Beaumont Chamber Breakfast meeting that was held on November 13th.

D. Committee Reports: 1) **Director Thompson** reported on the Water Conservation and Education Committee meeting that was held on November

12th. He noted that IERCD provided an update on the online content for schools and for adult education. They have completed the 4th and 5th grade narrated Goggle slide links. The next step is working with local schools on regional water-related careers. IERCD is working on providing content on its website related to the Agency's Water Conservation and Education program. This will allow anyone to access the information. 2) Director Lehtonen thanked outgoing Director Thompson, stating that he brought skills to the social media format that the Agency has benefited from. 3) **Director Ball** reported on the Capacity Fee Committee meeting that was held on November 9th. He too recognized Director Thompson for his leadership as Chairman of the Water Conservation and Education Committee.

6. New Business:

A. Discussion and Possible Action to approve entering into the Amended and Restated Joint Powers Agreement Forming the Delta Conveyance Design and Construction Joint Powers Authority Agreement; and approve entering into the Memorandum of Understanding Among Class 8 Member Agencies Election Procedures for Delta Conveyance Authority Board of Directors. A staff report and related materials were included in the agenda packet. General Manager Eckhart noted that this item was discussed during the Engineering workshop that was held on November 9th. He provided a PowerPoint presentation that highlighted the discussion that took place at that meeting regarding governance changes and recommendations for Board consideration. Staff recommendations are: 1) the Board approves entering into the Amended and Restated Joint Powers Agreement Forming the Delta Conveyance Design and construction Joint Powers Authority; 2) the Board approves entering into the Memorandum of Understanding Among Class 8 Member Agencies Election Procedures for Delta Conveyance Authority Board of Directors. General Manager Eckhart concluded his presentation. President Duncan requested public comment. Dan Jaggars (General Manager, BCVWD) stated that this item is important to the local water supply and he supports it. There were no other comments by the public. President Duncan requested discussion among the Board. After discussion a motion was made by Director Thompson, seconded by Director Ball, to adopt Resolution No. 2020-07. President Duncan requested a roll call vote on the motion.

<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 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. Discussion and Possible Action on Continued Participation in the Delta Conveyance Project - Approval of Resolution No. 2020-08 Authorizing a Level of Participation in the Delta Conveyance Project (DCP); (2) Authorizing the General Manager to Enter Into a Funding Agreement for Environmental Planning Costs For The Project; (3) Authorize Entering Into The Delta Conveyance Design and Construction Authority Joint Powers Agreement; and (4) Determining that the Actions are Exempt from CEQA. A staff report, Resolution No. 2020-08, and related materials were included in the agenda packet. General Manager Eckhart noted that this item was discussed during the Engineering workshop that was held on November 9th. He provided a PowerPoint presentation that highlighted the discussion that took place at that meeting regarding governance changes and recommendations for Board consideration. Staff recommended strategies for DCP participation are: 1) Approval of Resolution 2020-08; 2) Establish SGPWA participation level of 1.55% and up to 2.0% of the Delta Conveyance Project; 3) Approve the funding agreement for the Agency portion of the planning and engineering costs by exercising a 2-year option for planning minimizing financial risk. He noted that the two-year planning cost to support the program would be \$1.5 million at a minimum level, and \$2.4 million at a maximum level. General Manager Eckhart concluded his presentation. President Duncan requested public comment. Dan Jagers (General Manager, BCVWD) gave examples as to why we need the additional water and stated that he supports participation at the highest level possible for the DCP. Joyce McIntyre (Calimesa resident) had questions related to who is going to pay for the DCP. General Manager Eckhart stated that the Agency is looking at ad-valorem taxes to cover the costs for the project. The Capacity Fee Committee has been having conversations on various financial vehicles for future development. There were no other members of the public that provided comment. President Duncan requested discussion among the Board. After discussion, a motion was made by Director Stephenson, seconded by Director Castaldo, to adopt Resolution No. 2020-08, as presented. President Duncan requested a roll call vote on the motion.

<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.

C. Discussion and Possible Action for Annual Staff Cost of Living Adjustment Increase. A staff report was included in the agenda packet. President Duncan referred to Director Castaldo on this item. Director Castaldo stated that this item was considered at the June 1, 2020 Board meeting. At that time the economy was suffering from the effects of COVID-19. He noted that

the economy is now growing and that other city and state entities have allotted COLA increases to its employees. President Duncan requested discussion among the Board. After discussion, a motion was made by Director Castaldo, seconded by Director Stephenson, that the Board approve a 2.4% cost of living increase for staff, retroactive to July 1, 2020, not including the General Manager, for fiscal year 2020-21. President Duncan requested a roll call vote on the motion.

<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 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 type="checkbox"/>	<input checked="" 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 6-1, with Director Thompson opposed.

D. Discussion and Possible Action to Contract with Former General Manager Jeff Davis as a Retired Annuitant January 1, 2021 through December 31, 2021. A staff report and a PowerPoint presentation were included in the agenda packet. General Manager Eckhart stated that Mr. Davis was the General Manager for the Agency for the past 15 years. The Board approved contracting with Mr. Davis for consulting services through the end of this year. General Manager Eckhart provided the Board with detailed explanation as to why the Agency should continue services with Mr. Davis, including but not limited to the Sites Reservoir project, preservation of institutional knowledge, and grant support. After General Eckhart's presentation President Duncan requested public comment. There being none, he requested discussion among the Board. After discussion, a motion was made by Director Castaldo, seconded by Director Thompson, authorizing an agreement with former General Manager Jeff Davis, under terms approved by General Counsel, for consulting services from January 1, 2021 through December 31, 2021 not to exceed \$50,000. Director Ball made a substitute motion, seconded by Director Fenn, to extend a consulting contract with Mr. Davis, not to exceed \$15,000 for the first six months of 2021, to be used specifically for the Sites Reservoir project, provided he is made Chair; at the end of six months (June 30, 2021) this item would be revisited. President Duncan requested discussion on the substitute motion. After discussion, Director Ball withdrew his substitute motion and made a new substitute motion to extend a consulting contract with Mr. Davis for one year, in an amount not to exceed \$25,000, specifically to be used for the Sites Reservoir project, provided Mr. Davis is made Chair. President Duncan opened the substitute motion for discussion by the Board. After discussion, President Duncan requested a roll call vote on the new substitute motion.

<u>Roll Call:</u>	<u>Aye</u>	<u>Noes</u>	<u>Absent</u>	<u>Abstain</u>
Director Castaldo	<input type="checkbox"/>	<input checked="" 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 type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Stephenson	<input type="checkbox"/>	<input checked="" 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 type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Motion failed 3-4, with Directors Castaldo, Lehtonen, Stephenson and President Duncan opposed.

President Duncan requested a roll call vote on the original motion.

<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 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 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 5-2, with Directors Ball and Fenn opposed.

7. Topics for Future Agendas: Director Ball requested an agenda item to resize the Board from a seven member Board to a five member Board within two years. General Counsel Ferre noted that this topic is not on the agenda, therefore no further discussion can take place at this time. President Duncan stated that this topic will be on the December 7, 2020 Board meeting agenda. Director Ball requested that the Ad Hoc Capacity Fee Committee remain on the Zoom call after today's meeting.

8. Announcements -

- A. Finance & Budget Workshop, November 23, 2020 at 1:30 pm –Teleconference/Zoom
- B. Office closed November 26th and 27th in observance of the Thanksgiving Holiday
- C. Regular Board Meeting, December 7, 2020 at 1:30 pm - Teleconference/Zoom

9. Adjournment

Time: 4:19 pm



Lance Eckhart, Secretary of the Board

cms