

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223
Minutes of the
Board of Directors Meeting
April 5, 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/ Jeff Ferre, General Counsel
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., April 5, 2021 by video/teleconference. President Lehtonen 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	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Arrived at 1:41 p.m.
Director Duncan	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Director Letulle	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Director Smith	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Director Valdivia	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Director Ybarra	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
President Lehtonen	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

A quorum was present.

- 2. Adoption and Adjustment of Agenda:** President Lehtonen noted that 6A (HdL Presentation) will be moved to directly after the General Manager's Report and that General Counsel Report will follow.
- 3. Public Comment:** President Lehtonen asked for public comments on any matter within the jurisdiction of the Agency. There were no other public comments currently at this time.

4. Consent Calendar:

- A. Approval of the Minutes of the Regular Board Meeting, March 15, 2021
- B. Approval for the Minutes of the Finance and Budget Workshop, March 22, 2021
- C. Approval of the Finance and Budget Report, March 22, 2021

President Lehtonen asked for a motion on the Consent Calendar. Director Duncan asked for a point of clarification. He stated that Director Ybarra's comments should be noted in Director's Reports, not under Director Committee Reports, even though he made the comments during the time for Committee Reports. Director Duncan made a motion, seconded by Director Smith, to adopt the consent calendar with the noted revision.

<u>Roll Call:</u>	Aye	Noes	Abstain
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) DWR reduced the current year SWP Table A water allocation from 10% to 5%. Therefore, the Agency will not be able meet the region's water retailer's delivery requests. However, one of our water retailers has been banking water throughout the year.
 - 2) Other sources of water are favorable for long-term partnerships.
 - 3) Sites Reservoir: Jeff Davis has been selected as the committee chair and will hold this position until the early part of 2022. The main issue of discussion for SWC is whether DWR will include payments for Sites in the Statement of Charges. This would allow Contractors to use debt service funds for Sites expenses. SWC will be meeting with DWR in the near future to discuss this issue.
 - 4) SGPWA has an agreement with BCVWD for Sites. BCVWD has invested in 4,000 shares and SGPWA has invested in 10,000 shares. Close coordination between the Agency and BCVWD will be needed in the future to fully optimize the benefits of the Sites project.
 - 5) UWMP is coming along and close coordination with the UWMP retail agencies is occurring.

6. New Business:

A. HDL Presentation – Presented by Paula Cone (President, HdL): A PowerPoint presentation was included in the agenda packet. General Manager Eckhart introduced Ms. Cone, noting that Ms. Cone's firm was hired to assist staff with revenue management, and she is here today to speak on financial forecasting. HdL data will be included in a 5-year financial model to help give clarity for informed decisions about future revenues and expenses. Ms. Cone provided background on her company and experience. She reviewed with the Board the property tax timeline for 2020-21, what property is taxed, and how property taxes are managed within Riverside County departments. She provided a property tax dollar breakdown and a breakdown of the assessed value of different classes of property; all this data helps with forecasting property tax revenues. Director Valdivia asked if there is a policy in place if the Agency receives more money than what is anticipated. Finance Manager Todd stated that there is not a policy; if income exceed expenses, the excess goes into reserves. Ms. Cone concluded her presentation and answered questions from the Board.

B. General Counsel Reports: General Counsel Ferre provided a PowerPoint presentation titled 'Update on Parliamentary Procedures and Board Functions.' General Council Ferre stated that his report today will be on two items, 1) Board meetings and how they operate, and 2) Relationships between the Board and Staff. General Counsel Ferre reviewed in detail the resolution adopted by the Board (November 18, 2019, Resolution No. 2019-10) regarding Rosenberg's Rules of Order. He noted that Rosenberg's Rules of Order applies to public agencies whereas Robert's Rules of Order is more for private entities. In addition, if the Rules of Order are not adhered to, no law is broken. During his presentation he answered questions from the Board. General Counsel Ferre then went on to review the role of the Board, and the role of Staff. Director Smith inquired about the role of the Board on the hiring and evaluating of legal services. General Counsel Ferre stated that the Board can have the same evaluation with Legal Counsel as the Board would have with the General Manager, and that he welcomes evaluations from the Board and appreciates the feedback during those evaluations. He is in favor of doing evaluations on a regular basis. Director Ball noted that the Board has evaluated legal counsel in the past. General Counsel Ferre also reviewed the potential of legal liability issues. Lastly, he reviewed the role of the general manager. Director Smith suggested that every time there is a new board member elected or appointed to the Agency, that this presentation be made available to that individual. Director Valdivia suggested that it would be beneficial if the Board formally adopt a policy to do so. General Counsel Ferre concluded his report.

7. Reports - Directors:

- A. 1) Director Valdivia** reported that he attended the Banning Chamber Installation Dinner and the Good Morning Beaumont breakfast meeting.
2) Director Ball reported that he attended the BCVWD workshop.

3) Director Ybarra reported that he attended the Banning Chamber Installation Dinner and the YVWD Board meeting.

4) President Lehtonen reported that he attended the Banning Chamber Installation Dinner.

5) Director Duncan reported that he attended the Banning Chamber Installation Dinner.

Committee Reports:

B. 1) Director Duncan stated that there will be a Water Conservation and Education committee meeting on April 14th.

8. Topics for Future Agendas. None.

9. Announcements

A. Engineering Workshop, April 12, 2021 at 1:30 p.m.

B. Water Conservation & Education Workshop, April 14, 2021 at 1:30 p.m.
at 1:30

C. Regular Board Meeting, April 19, 2021 at 1:30 p.m.

D. Finance and Budget Workshop, April 26, 2021 at 1:30 p.m.

10. Adjournment: President Lehtonen adjourned the meeting at 4:50 pm

Draft - Subject to Board Approval

Lance Eckhart, Secretary of the Board

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SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, CA 92223
Minutes of the
Board of Directors Engineering Workshop
April 12, 2021 at 1:30 p.m.

IN AN EFFORT TO PREVENT THE SPREAD OF COVID-19 (CORONAVIRUS),
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20, THIS MEETING WAS HELD VIA ZOOM.

Directors Present: Stephen Lehtonen, President
All 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
All staff members Jeff Ferre, General Counsel
Attended by video Tom Todd, Jr., Finance Manager
conferencing/ Cheryle Stiff, Executive Assistant
Teleconferencing

1. Call to Order, Flag Salute and Roll Call: The Engineering workshop of the San Gorgonio Pass Water Agency Board of Directors was called to order by Vice President Smith at 1:30 p.m., April 12, 2021 via videoconference. Director Letulle led the Pledge of Allegiance to the flag. Vice President Smith requested a roll call.

<u>Roll Call:</u>	Present	Absent
Director Ball	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Duncan	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Letulle	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Smith	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Valdivia	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Ybarra	<input checked="" type="checkbox"/>	<input type="checkbox"/>
President Lehtonen	<input checked="" type="checkbox"/>	<input type="checkbox"/>

A quorum was present.

2. Public Comment: Vice President Smith 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. No members of the public spoke at this time.

3. Continued Discussion on Agency's Meeting Times: A PowerPoint presentation was included in the agenda materials. General Manger Eckhart stated that this is a continued discussion from the March 8th Engineering workshop He noted that today's primary discussion will be on the times of the meetings and workshops, and on the number of meetings and types. During his presentation he reviewed the objectives with the Board. Vice President Smith asked the Board for input on what they would propose for a meeting schedule. Each Board were in favor of combining meetings, however each board member had different suggestion as to dates and times. General Manager Eckhart summarized the Board input on dates and times and asked for further clarification. The Board provided several different suggestions on this topic. Vice President Smith concluded the discussion

by directing General Manager Eckhart to present to the Board at a future meeting some options for consideration.

4. Announcements:

- A. Water Conservation & Education Workshop, April 14, 2021 at 1:30 p.m.
Teleconference/Zoom
- B. Regular Board Meeting, April 19, 2021 at 1:30 p.m.
Teleconference/Zoom
- C. Finance and Budget Workshop, April 26, 2021 at 1:30 p.m.
Teleconference/Zoom

Vice President Smith adjourned the Board meeting to a separate video conference meeting for Item 5. A&B, at 2:24 p.m.

5. Closed Session: (2 items) –

- A. CONFERENCE WITH REAL PROPERTY NEGOTIATOR
Pursuant to Government Code section 54956.8
Property: Potential water rights/supplies offers from the City of Ventura
Agency negotiator: Lance Eckhart, General Manager
Negotiating parties: Susan Rungren, General Manager, City of Ventura
Under negotiation: price and terms of payment
- B. CONFERENCE WITH REAL PROPERTY NEGOTIATOR
Pursuant to Government Code Section 54956.8
Property: Potential water exchange with Casitas Municipal Water District
Agency negotiator: Lance Eckhart, General Manager
Negotiating parties: Mike Flood, General Manager, Casitas Municipal Water District
Under negotiation: price and terms of payment

- **The Board came out of closed session at - Time: 2:56 p.m.**
- **The Board reconvened to open session at – Time: 2:58 p.m.**

General Counsel Jeff Ferre stated that there was no action taken during closed session that is reportable under the Brown Act.

6. Adjournment: Vice President Smith adjourned the meeting at 3:00 p.m.

Draft - subject to Board approval

Lance Eckhart, Secretary to the Board

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