

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223
Minutes of the
Board of Directors Meeting
July 26, 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 Tom Todd, Jr., Chief Financial Officer
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 pm, July 26, 2021 by video/teleconference. President Lehtonen led the Pledge of Allegiance to the flag. Director Letulle gave the invocation. President Lehtonen requested a roll call.

<u>Roll Call:</u>	Present	Absent	
Director Ball	<input checked="" type="checkbox"/>	<input type="checkbox"/>	(arrived at 1:53 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:** The agenda was adopted as presented.
- 3. Public Comment:** President Lehtonen asked for public comment on any matter within the jurisdiction of the Agency. There were no members of the public that wished to speak at this time.

4. Consent Calendar:

- A. Approval of the Minutes of the Regular Board Meeting, July 12, 2021
- B. Approval for the Minutes of the Finance & Engineering Workshop, July 19, 2021

President Lehtonen asked for a motion on the Consent Calendar. Director Smith made a motion, seconded by Director Ybarra, to adopt the consent calendar as presented.

Roll Call	Ayes	Noes	Abstain	Absent
Director Ball	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The motion passed, 6 in favor, 0 opposed, with Director Ball not yet participating in the meeting.

5. Reports:

A. General Manager's Report: General Manager Eckhart reviewed the following items with the Board:

- 1) State of Emergency Proclamation signed April 21, 2021.
- 2) State of California Executive Order N-10-21 signed July 8, 2021, calling on all Californians to voluntarily reduce their water use by 15 percent from their 2020 levels.
- 3) Drought Emergency Declarations Map: The governor has declared a drought emergency in 50 counties (not including Riverside County) due to extreme dry conditions. Review of applied water use between environment, agriculture and urban.

General Manager Eckhart answered questions from the Board. President Lehtonen requested public comment; there was no public comment at this time.

B. General Counsel's Report: None.

6. New Business:

A. Proposed Debt Service Budget for FY 2021-22: A staff report and a copy of the proposed Debt Service Budget were included in the agenda packet. General Manager Eckhart referred this item to CFO Thomas Todd. Mr. Todd noted that the Board reviewed and discussed the proposed Debt Service Fund budget on July 19, 2021. He reviewed the proposed budget. Proposed expenditures are \$25,632,403. Assuming a tax rate of 17.5 cents, projected income would be \$26,247,910. At this rate, reserves would increase by \$615,505. Mr. Todd asked for questions from the Board. After discussion from the Board, President Lehtonen requested comments from the public. There being none, Director Valdivia made a motion, seconded by Director

Duncan to adopt the proposed Debt Service Budget for FY 2021-22. President Lehtonen requested a roll call vote.

Roll Call	Ayes	Noes	Abstain	Absent
Director Ball	<input checked="" type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The motion passed, 7 in favor, 0 opposed.

- B. Setting Tax Rate for FY 2021-22:** A staff report and Resolution No. 2021-12 were included in the agenda packet. President Lehtonen referred this item to Mr. Todd. Mr. Todd reviewed a graph of the Debt Service Fund balance starting in 2021 going through 2030, assuming the tax rate remains 17.5 cents. He also reviewed a graph of the Debt Service Fund balance for the same time period, assuming a tax rate of 16 cents. He remarked that staff will continue to monitor costs in upcoming years and the Board has until August 9th to approve a tax rate. President Lehtonen requested comments from the Board. After discussion from the Board, President Lehtonen requested public comment. Joyce McIntire (Calimesa resident) and David Fenn (Beaumont resident) both voiced their opposition to leaving the tax rate at 17.5 cents, as they were both in favor of lowering the tax rate. Due to Board members requesting additional analysis prior to making a decision, President Lehtonen suggested that this item be tabled to August 9th. After discussion, Director Duncan made a motion, seconded by Director Ball, to table this item to the August 9th Board meeting. After further discussion from the Board, Director Smith called for the question. President Lehtonen requested a roll call vote on the call for the question.

Roll Call	Ayes	Noes	Abstain	Absent
Director Ball	<input checked="" type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The motion passed, 7 in favor, 0 opposed.

- C. Revision of Credit Card Policy:** A staff report and a copy of the proposed revised Credit Card Policy were included in the agenda packet. President Lehtonen referred this item to Mr. Todd. Mr. Todd commented that this item was reviewed during the July 19th Finance and Engineering workshop. The change to the policy would give the Chief Financial Officer the authority to request a credit card through the Agency, thereby allowing the CFO to improve the process of overseeing the review, approval, and documentation of office expenditures. President Lehtonen requested Board discussion on this item. After further discussion, President Lehtonen requested a motion on this item. Director Duncan made a motion, seconded by Director Valdivia, to approve the revised Credit Card Policy. President Lehtonen requested comments from the public. There being none, President Lehtonen requested a roll call vote.

Roll Call	Ayes	Noes	Abstain	Absent
Director Ball	<input checked="" type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The motion passed, 7 in favor, 0 opposed.

- 7. A. Reports - Directors:**
- 1) **Director Ball** reported that he attended two BCVWD’s Board meeting held on July 14th and July 22nd.
 - 2) **Director Valdivia** commented that he would like to adjourn this meeting in honor of Patsy Reeley. He further stated that she was politically active in her community; she was the President of Cherry Valley Acres and Neighbors; and she was a jewel for our area.
- B. Committee Reports:** None.
- 8. Topics for Future Agendas.** Director Valdivia requested discussion on the posting of the Agency’s agendas.
- 9. Announcements**
- A. Regular Board Meeting, August 9, 2021, at 1:30 pm. – Teleconference/Zoom
 - B. Water conservation and Education Committee Meeting, August 10, 2021 at 1:30 p.m. – Teleconference/Zoom
 - C. Finance and Engineering Workshop, August 16, 2021, at 6:00 pm. – Teleconference/Zoom
 - D. General Manager Eckhart commented that there will be a SGPRWA meeting on July 28th at 5:00 p.m. He stated that he was scheduled to speak on the Sites Reservoir project, but due to a personal matter he, would not be available. He noted that General Manager Dan Jagers

(BCVWD) graciously volunteered to give the Sites Reservoir presentation.

10. Adjournment: President Lehtonen adjourned the meeting in honor of Mrs. Patsy Reeley at 3:05 p.m.

A handwritten signature in black ink, appearing to read "Lance Eckhart", written over a horizontal line.

Lance Eckhart, Secretary of the Board

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