

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223
Minutes of the
Board of Directors Meeting
August 9, 2021, 1:30 p.m.

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 Maya Mouawad, General Counsel

- 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 Steve Lehtonen at 1:30 pm, August 9, 2021, by video/teleconference. President Lehtonen led the Pledge of Allegiance to the flag. Director Ball gave the invocation. President Lehtonen 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. Adoption and Adjustment of Agenda:** President Lehtonen noted that item 7A will be preceding item 6A. He asked if there were any additional adjustments to the agenda. General Manager Eckhart responded, stating that there were no additional adjustments.
- 3. Public Comment:** President Lehtonen asked for public comments on any matter within the Agency's jurisdiction. Kevin Walton (resident of Banning) commented in support of item 6A, maintaining the current tax rate.

4. **Consent Calendar:**

A. Approval of the Minutes of the Board Meeting, July 26, 2021

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

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

Motion passed 7-0.

5. **Reports:**

A. **General Manager's Report:** General Manager Eckhart reported on the following:

- 1) **Grant Consultant:** Kennedy Jenks has been retained for grant services.
- 2) **Agency IT Update:** Staff have received a preliminary design for modification of the Board and Conference rooms. Bids will be solicited in the near future. General Manager Eckhart remarked that he visited both Rancho Cucamonga Water District and BCVWD to review the changes that they have made to their conference and board rooms for teleconferencing capabilities.
- 3) **SGPWA Administrative Building Upgrade:** Painting has commenced.
- 4) **Announcement:** The So. Cal. Water Conference will take place on Friday, August 13th. The keynote speaker is Jennifer Pierre.

B. **General Counsel's Report:** General Counsel Ferre introduced Maya Mouawad. Ms. Mouawad is an attorney with the Environmental Law & Natural Resources practice group at Best Best & Krieger LLP. She is observing today's meeting because Mr. Ferre will be on vacation next week and she will be present at the August 16th workshop. Mr. Ferre mentioned that a request was made by a member of the Board to discuss the number of days of service or number of days per month for which a Director can receive compensation at a future Board meeting. He noted that the Agency has two resolutions and two Ordinances. He recommended that the Ordinances be combined into one Ordinance, with updated information. He stated he will provide a report on the current Agency guidelines upon his return, and lead a discussion with the Board on streamlining these items. The Board could also discuss potential changes to the number of paid days of service. Any changes would require a public hearing and a new Ordinance passed by the Board.

6. **New Business:**

A. **Consider Contract Extension with the Inland Empire Resource**

Conservation District for Fiscal Year 2021-22: A staff report and related materials were included in the agenda packet. General Manager Eckhart state that Mandy Parkes (General Manager of IERCD) was present to answer any questions from the Board. He noted that this is the eighth year that the Agency is considering entering into a contract with IERCD. This year is the contract is for an amount not to exceed \$25,000. On June 8, 2021 the Water Conservation and Education Committee reviewed the contract, and discussed the program in detail. The Committee decided by consensus to present this item for Board approval. After discussion, President Lehtonen requested a motion. Director Duncan made a motion, seconded by Director Valdivia, to approve the contract with IERCD for Fiscal Year 2021-22. President Lehtonen requested public comment. There being none, he requested a roll call vote.

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

Motion passed 6-1, with Director Letulle opposed.

7. Old Business:

A. Setting Tax Rate for Fiscal Year 2021-22, Resolution 2021-13: A staff report, Resolution 2021-12, and a PowerPoint presentation were included in the agenda packet. General Manager Eckhart noted that this item was presented at the July 26, 2021 Board meeting and at that time, the Board requested additional information. General Manager Eckhart remarked that the Board adopted the budget for the General Fund on June 21, 2021, and the budget for the Debt Service Fund on July 26, 2021. The Debt Service Fund is used to pay for all State Water Project-related costs. The Board reviews the Debt Service Budget and then decides on a rate that will provide sufficient income to meet the Agency obligations for the State Water Project and related expenses. The Board action today is to set the tax rate. General Manager Eckhart detailed the projected costs of the Debt Service Fund and reviewed projected growth in the area. The Board was provided with three different tax rate scenarios (17.50, 17.25, and 17.00 cents per \$100 of the assessed value) for a median house value of \$400,000. Staff recommendation is that the Board approve Resolution 2021-13, maintaining the tax rate at 17.50. General Manager Eckhart concluded his presentation. President Lehtonen asked for public comment. He read an email from David Fenn (resident of Beaumont); Mr. Fenn was opposed to maintaining the current tax rate and was in favor of lowering the tax rate to 17.00 cents per \$100 of assessed value. Joyce McIntyre (resident of Calimesa) was also opposed to maintaining the current tax rate and was in favor of lowering the tax rate. Kevin Walton (resident of Banning) reiterated his support for maintaining the current tax rate. Dan Jagers (General Manager – BCVWD) stated that he believes that staff has made a good recommendation, due to the uncertainty of the economy. President Lehtonen requested any further public comment. There being none,

he opened this item up to Board discussion. President Lehtonen responded to Mr. Fenn's email in order to correct a couple of Mr. Fenn's statements. After discussion from the Board, Director Ball made a motion to approve a tax rate of 17.00 cents per \$100 of assessed value for fiscal year 2021-22. President Lehtonen asked for a second on the motion. There being none, the motion died for lack of a second. Director Letulle made a motion, seconded by Director Valdivia, to approve a tax rate of 17.50 cents per \$100 of assessed value as recommended by staff. After discussion, President Lehtonen requested a roll call vote.

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

Motion passed 6-1, with Director Ball opposed.

8. Reports – Directors

A. 1) President Lehtonen noted that there will be a General Manager Ad-hoc Committee meeting next week.

B. Committee Reports: 1) Director Ybarra stated that there was a Capital Improvement Committee meeting on August 6th. He informed the Board that the Committee will be meeting every two weeks, until further notice.

2) Director Valdivia reported that he attended a meeting on August 6th about a multi-use flood control and imported water facility in the Calimesa area. He noted that he will not be able to attend next Monday's meeting. He requested that Director Smith run his portion of the meeting. Director Smith acknowledged the request.

9. Topics for Future Agendas: None

10. Announcements

A. Water Conservation and Education Committee Meeting, August 10, 2021 at 1:30 p.m. - Teleconference/Zoom

B. Finance & Engineering Workshop, August 16, 2021, at 6:00 p.m. - Teleconference/Zoom

C. Board Meeting, August 23, 2021, at 1:30 p.m. - Teleconference/Zoom

11. Adjournment: President Lehtonen adjourned the meeting at 3:43 p.m.

Draft – Subject to Board Approval

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 Engineering Workshop
August 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.

Directors - Present via Zoom:

Steve Lehtonen, President
Larry Smith, Vice President
Mickey Valdivia, Treasurer
Blair Ball, Director (arrived at 1:33 p.m.)
Ron Duncan, Director
Chander Letulle, Director
Robert Ybarra, Director

Staff and Consultants - Present via Zoom:

Lance Eckhart, General Manager
Maya Mouawad, Legal Counsel
Tom Todd, Jr., Chief Financial Officer
Cheryle Stiff, Executive Assistant

- 1. Call to Order, Flag Salute and Roll Call:** The Finance and Engineering Workshop of the San Gorgonio Pass Water Agency Board of Directors was called to order by Vice President Smith at 6:00 p.m., August 16, 2021. Vice President Smith led the Pledge of Allegiance to the flag. Director Duncan gave the invocation. Vice President Smith requested a roll call.

<u>Roll Call:</u>	<i>Present</i>	<i>Absent</i>
Director Ball	<input type="checkbox"/>	<input checked="" 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 type="checkbox"/>	<input checked="" 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 posted.
- 3. Public Comment:** Vice President Smith 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: Vice President Smith noted that both he and Director Letulle reviewed the reports for paid invoices, the legal invoice, and the bank reconciliation.

A. Ratification of Paid Invoices and Monthly Payroll for July, 2021 by Reviewing Check History Reports in Detail: The Board reviewed paid monthly invoices of \$1,379,315.15 and payroll of \$38,075.57 for the month of July, 2021, for a combined total of \$1,417,390.72. After review and discussion, a motion was made by Director Duncan, seconded by President Lehtonen, to recommend that the Board approve this item. Vice President Smith request 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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, no opposed, with Treasurer Valdivia absent.

Items B, C, and D were considered as a group.

B. Review of June, 2021 Bank Reconciliation: The Board reviewed the bank reconciliation for July, 2021.

C. Review of Budget Report for July, 2021: The Board reviewed the budget report for July, 2021.

D. Review of Pending Legal Invoices for July, 2021: The Board reviewed the pending legal invoice for \$6,949.80.

After discussion, Vice President Smith requested a motion on items 4. B-D. Director Duncan made a motion, seconded by President Lehtonen, to recommend that the Board accept items B, C, and D as presented. Vice President Smith 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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, no opposed, with Treasurer Valdivia absent.

5. Reports - Staff:

A. Water Conditions Update: General Manager Eckhart reported that California is still in a dry weather pattern. He reviewed the weather and reservoir conditions, water debt, 2021 SWP Table A water requests and 2021 SWP water deliveries. He also reviewed DWR's projected 2022 SWP Table A water allocation. General Manager Eckhart noted that California shut down a major hydroelectric power plant at Lake Oroville as water levels fell near the minimum necessary to generate power. He noted that this is the first time the state has shut down the Hyatt Power Plant due to depleted water levels since the plant went into operation in 1967. General Manager Eckhart concluded his presentation and answered questions from the Board. Vice President Smith requested public comment. Dan Jagers (BCVWD, General Manager) remarked that he appreciated the information and transparency provided in the presentation, and that BCVWD will be a willing partner in purchasing water that the Agency can provide.

6. New Business:

A. ACWA Region 9 Committee Nominations: General Manager Eckhart stated that ACWA is providing opportunities for board members and staff to apply for a number of committees within ACWA's Region 9. If there are any members of the Board that wish to apply, all that is needed is to fill out the application and submit it to the Agency. He noted that he will likely apply for the Groundwater Committee.

Vice President Smith read the following announcements:

7. Announcements:

- A. Board Meeting, August 23, 2021, at 1:30 p.m. - Teleconference/Zoom
- B. Office closed in observance of Labor Day, September 6, 2021
- C. Board Meeting, September 13, 2021, at 1:30 p.m. - Teleconference/Zoom

8. Adjournment: The Finance and Engineering Workshop of the San Geronio Pass Water Agency Board of Directors was adjourned at 6:44 p.m.

Draft – Subject to Board Approval

Lance E. Eckhart, Secretary of the Board

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