

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue
Beaumont, California 92223
Minutes of the
Board Finance and Engineering Workshop
September 20, 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
Ron Duncan, Director
Chander Letulle, Director
Robert Ybarra, Director

Staff and Consultants - Present via Zoom:

Lance Eckhart, General Manager
Jeff Ferre, 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., September 20, 2021. Director Duncan led the Pledge of Allegiance to the flag. Director Letulle gave the invocation. Vice President Smith requested a roll call.

<u>Roll Call:</u>	<i>Present</i>	<i>Absent</i>
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:** The agenda was adopted as presented.
- 3. Public Comment:** Vice President Smith asked if anyone from the public wished to make a comment. Director Nyles O'Hara (YVWD) introduced himself to the Board; no other members of the public requested to speak at this time.

4. New Business: Vice President Smith turned the meeting over to Treasurer Valdivia. Treasurer Valdivia noted that both he and Vice President Smith reviewed the reports for paid invoices, the legal invoice, and the bank reconciliation prior to today's meeting. Agenda items 4. A-C will be grouped together, and Agenda item 4. D will be discussed separately.

- A. Ratification of Paid Invoices and Monthly Payroll for August, 2021 by Reviewing Check History Reports in Detail: The Board reviewed paid monthly invoices of \$971,559.98 and payroll of \$44,587.36 for the month of August, 2021, for a combined total of \$1,016,147.34.
- B. Review of August, 2021 Bank Reconciliation: The Board reviewed the bank reconciliation for July, 2021.
- C. Review of Budget Report for August, 2021: The Board reviewed the budget report for July, 2021.

After discussion, Treasurer Valdivia requested a motion on items 4. A-C. Director Duncan made a motion, seconded by President Lehtonen, to recommend that the Board accept items A, B, and C 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 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, none opposed.

- D. Review of Pending Legal Invoices for August 2021: The Board reviewed the pending legal invoice for the total amount of \$7,614.48.

Treasurer Valdivia requested a motion on items 4. D. Director Duncan made a motion, seconded by Treasurer Valdivia, recommending that the Board accept item D as presented. Treasurer Valdivia 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, none opposed.

5. Reports - Staff:

A. Water Conditions Update: General Manager Eckhart reported on the weather and reservoir conditions, forecasted hydraulic conditions, water debt, and water requests and deliveries.

6. New Business:

A. Authorization to Include Sites Reservoir Project Phase 2 Amendment 3 Charges on the DWR’s Statement of Charges: A staff report, and related materials were included in the agenda packet. General Manager Eckhart noted that the 1959 Burns-Porter Act authorized the reimbursement of State Water Project (SWP) related expenses to be collected through a special local property tax as an alternative to other revenue streams. The Sites Reservoir Project (SRP) would augment the supplies of water in the Sacramento-San Joaquin Delta and is expedient for the accomplishment of the purposes of the State Water Resources Development System. Due to the costs involved in the Sites Reservoir Project several agencies (Coachella Valley Water District, Desert Water Agency, San Bernardino Valley Municipal Water District, and San Geronio Pass Water Agency) are requesting that the Department of Water Resources include certain charges in the Agency’s SWP Annual Statement of Charges (SOC) related to planning costs for the Sites Reservoir Project. The Agreement, SWPAO #21034 addresses the inclusion of A3 Planning Costs in the SOC for calendar years 2022, 2023, and 2024. Staff is recommending moving this item forward to the September 27th Board meeting for consideration of authorizing the General Manager to execute SWPAO #21034 Agreement, allowing SRP planning costs to be included in the DWR Statement of Charges for the SGPWA. General Manager Eckhart concluded his presentation. Treasurer Valdivia requested comments from the public. Kevin Walton (Banning resident) spoke on the possibility of other agencies looking to capitalize without investing any capital themselves in the SRP. General Manager Eckhart addressed Mr. Walton’s question. Director Letulle requested further information on the Sites Reservoir Agreement between BCVWD and the Agency. General Manager Eckhart stated that staff will answer questions related to the agreement during the next Board meeting.

Treasurer Valdivia read the following announcements:

7. Announcements:

- A. Board Meeting, September 27, 2021, at 1:30 p.m. – Teleconference/Zoom
- B. Board Meeting, October 11, 2021, at 1:30 p.m. – Teleconference/Zoom
- C. Water Conservation & Education Committee Meeting October 12, 2021, at 1:30 p.m. – Teleconference/Zoom
- D. Finance and Engineering Workshop, October 18, 2021, at 6:00 p.m. – Teleconference/Zoom

8. Adjournment: The Finance and Engineering Workshop of the San Geronio Pass Water Agency Board of Directors was adjourned at 7:16 p.m.



Lance E. Eckhart, Secretary of the Board
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