

**SAN GORGONIO PASS WATER AGENCY**  
**1210 Beaumont Avenue, Beaumont, California 92223**  
**Minutes of the**  
**Board of Directors Meeting**  
**November 22, 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  
Robert Ybarra, Director

**Board Absent:** Chander Letulle, 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, Legal Counsel  
teleconferencing

- Call to Order, Flag Salute, Invocation, and Roll Call:** The San Gorgonio Pass Water Agency Board of Directors meeting was called to order by Board President Steve Lehtonen at 1:30 pm, November 22, 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><b>Roll Call:</b></u>	<b>Present</b>	<b>Absent</b>
Director Ball	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Duncan	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Letulle	<input type="checkbox"/>	<input checked="" 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.

- Adoption and Adjustment of Agenda:** The agenda was adopted as published.
- Public Comment:** President Lehtonen asked for public comment on any matter within the jurisdiction of the Agency. There was no public comment.

**4. Consent Calendar:**

- A. Approval of the Minutes of the Regular Board Meeting, November 8, 2021
- B. Approval for the Minutes of the Finance & Engineering Workshop, November 15, 2021
- C. Adopt Resolution No. 2021-21 of the Board of Directors of the San Geronio Pass Water Agency Re-authorizing Remote Teleconference/Virtual Meetings of Pass Water Agency Legislative Bodies of the Period of December 8, 2021 to January 7, 2021 Pursuant to Brown Act Provisions

Legal Counsel Ferre recommended that Item 4.C be acted upon separately, as there are some clerical corrections that need to be addressed prior to approval. Director Valdivia made a motion, seconded by Director Duncan to approve items 4.A and 4.B.

<b>Roll Call</b>	<b>Ayes</b>	<b>Noes</b>	<b>Abstain</b>	<b>Absent</b>
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 type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 – 0, with Director Letulle absent.

Mr. Ferre reviewed the recommended revisions to item 4.C. Director Smith made a motion, seconded by Director Duncan, to approve item 4. C with the noted changes.

<b>Roll Call</b>	<b>Ayes</b>	<b>Noes</b>	<b>Abstain</b>	<b>Absent</b>
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 type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 – 0, with Director Letulle absent.

**5. Reports:**

- A. **General Manager's Report:** General Manager Eckhart passed on providing a report.
- B. **Legal Counsel's Report:** Mr. Ferre passed on providing a report.

**6. New Business:**

- A. **Proposal – Strategic Financial Plan Study:** A staff report and a proposal from Raftelis were included in the agenda packet. Mr. Eckhart noted that the Study will show how to maximize income, how the water rate fits into various

incomes, and present other sources of revenue. The Study will be a collaborative process working with local stakeholders and retail agencies with a regional perspective regarding finances and investments that are needed in the next five to ten years. CFO Tom Todd noted that Raftelis produced the Agency’s financial model the Agency is currently using, and that it would make sense for them to do the financial study. He also stated that the cost of the proposed study is not to exceed \$85,050. Mr. Todd introduced John Wright of Raftelis. Mr. Wright reviewed the process that Raftelis will take to produce the Strategic Financial Plan Study. He introduced Sanjay Gaur who will be leading the process, as he was responsible for the creation of the Agency’s current financial model. President Lehtonen requested public comment. There being none, he requested Board comment. After discussion, President Lehtonen requested a motion. Director Valdivia made a motion, seconded by Director Ybarra, authorizing the General Manager to enter into an agreement with Raftelis to develop a Strategic Financial Plan and Finalize Water Rates for the San Gorgonio Pass Water Agency, with the understanding that Staff will return at a future meeting with a recommendation for a budget adjustment.

<b>Roll Call</b>	<b>Ayes</b>	<b>Noes</b>	<b>Abstain</b>	<b>Absent</b>
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 type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 – 0, with Director Letulle absent.

- B. Audio-Visual Headquarters Upgrades:** A staff report and a proposal for consulting services from AVI-SPL were included in the agenda packet. Mr. Eckhart noted the importance of transitioning to a hybrid style of participation in Board and Committee meetings. Staff sought out various agencies that are currently conducting board meetings and have transitioned to an audio/visual participation venue. AVI-SPL had the best technical solution for the upgrades to the Headquarters Office. The proposed cost is \$145,551. Because there may be potentially additional costs Staff is recommending an approximate \$10,000 contingency be added to the recommended authorized contract. After discussion, Director Valdivia made a motion, seconded by Director Duncan, to authorize Staff to enter into a contract with SPL-AVE for Headquarters audio-visual upgrades for a cost not to exceed \$155,000. President Lehtonen request public comment. There was no public comment. President Lehtonen requested a roll call vote.

<b>Roll Call</b>	<b>Ayes</b>	<b>Noes</b>	<b>Abstain</b>	<b>Absent</b>
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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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, 5-1, with Director Letulle absent.

7. **A. Reports - Directors:** Director Valdivia reported on the Riverside County Redistricting and Riverside County Flood Control; the December 18, 2021 MAC meeting about San Geronio redistricting has been changed to January 13, 2022. Director Duncan reported on the Riverside County Redistricting, November 12<sup>th</sup> Good Morning Beaumont Breakfast, November 15<sup>th</sup> Banning Unified District dedication, November 17<sup>th</sup> Sunrise Banning Breakfast, Guest Speaker: Rosalice Ochoa Bogh, and the Republican Women’s meeting. Director Ball reported on the Yucaipa GSP Subbasin meeting, and the Financial Feasibility Committee.

**B. Committee Reports:** None.

8. **Topics for Future Agendas.** None.

9. **Announcements**

- A. Office closed in observance of the Thanksgiving holiday, November 25-26, 2021
- B. 2021 ACWA Fall Conference, November 30 – December 2, 2021
- C. Regular Board Meeting, December 13, 2021 at 1:30 p.m.
- D. Water Conservation and Education Committee meeting, December 14, 2021, at 1:30 p.m. – Teleconference/Zoom

10. **Closed Session: (1 Item)**

**A. CONFERENCE WITH REAL PROPERTY NEGOTIATIONS**

Pursuant to Government Code Section 54956.8  
 Government Code Section 54956.8  
 Property: APN 411-150-027  
 Agency negotiator: Lance Eckhart, General Manager, San Geronio Pass Water Agency  
 Negotiating parties: MBTK Homes, LLC  
 Under negotiation: price and terms of payment

- The Board adjourned from open session at 2:55 pm
- President Lehtonen called the closed session to order at 3:01 pm
- The Board adjourned from closed session at 3:55 p.m.
- The Board reconvened to open session at 3:57 p.m.

Legal Counsel Jeff Ferre stated that the Board conducted the closed session under Item 10 (A) and there was no reportable action.

**11. Adjournment:** President Lehtonen adjourned the meeting at 3:59 p.m.

***Draft - Subject to Board Approval***

Lance Eckhart, Secretary of the Board

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