

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223
Minutes of the Board of Directors
June 27, 2022

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: Larry Smith, President
 All participants Mickey Valdivia, Vice President
 attended by video Chander Letulle, Treasurer
 conferencing/ Blair M Ball, Director
 teleconferencing Ron Duncan, Director
 Kevin Walton, Director
 Robert Ybarra, Director

Staff Present: Lance Eckhart, General Manager
 Tom Todd, Jr., Chief Financial Officer
 Cheryle Stiff, Executive Assistant

Consultants Present: Jeffry Ferre, Legal Counsel

1. Call to Order, Flag Salute, Invocation, and Roll Call

The San Gorgonio Pass Water Agency Board of Directors meeting was called to order by President Larry Smith at 1:30 p.m., June 27, 2022, by video/teleconference. Vice President Valdivia led the Pledge of Allegiance to the flag. Director Duncan gave the invocation. President Smith requested a roll call.

<i>Roll Call</i>	<i>Present</i>	<i>Absent</i>
Director Ball	<input checked="" type="checkbox"/>	<input type="checkbox"/> (joined at 1:35 pm)
Director Duncan	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Treasurer Letulle	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Vice President Valdivia	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Walton	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Ybarra	<input checked="" type="checkbox"/>	<input type="checkbox"/> (joined at 1:35 pm)
President Smith	<input checked="" type="checkbox"/>	<input type="checkbox"/>

A quorum was present.

2. Adoption and Adjustment of Agenda

The agenda was adopted as published.

3. Public Comment

President Smith asked for public comment on any matter within the jurisdiction of the Agency. Nyles O’Harra (YVWD Board Member) spoke.

4. Consent Calendar

A. Approval of the Minutes of the Regular Board Meeting, June 13, 2022

4. Consent Calendar (con't.)

B. Approval of the Minutes of the Finance and Engineering Workshop, June 20, 2022

Vice President Valdivia made a motion to approve the consent calendar. Director Duncan seconded the motion. 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"/>
Treasurer Letulle	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vice President Valdivia	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Walton	<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 Smith	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The motion passed 7 – 0.

5. Reports

A. General Manager's Report: General Manager Eckhart informed the Board that Saturdays are the best days to tour the Flume. If the Board agrees, then a tour will take place sometime later this summer.

B. Legal Counsel's Report: Legal Counsel Ferre reported on SB 1157, which is related to the Water Code. He summarized the proposal: until January 1, 2025, the standard for indoor residential water use is set at 55 gallons per capita daily. Beginning January 1, 2025, and until January 1, 2030, the standard is set at 47 gallons per capita daily. Beginning January 1, 2030, the standard is set at 42 gallons per capita daily.

6. New Business

A. The Ferguson Group (TFG)

A PowerPoint presentation was included in the agenda packet. Mr. Eckhart noted that TFG specializes in grants. He introduced Kristi More (TFG – Managing Partner for Strategic Development). Ms. More gave a brief biographical report about her involvement with TFG. She introduced Roger Gwinn (TFG – CEO), who also gave a brief biographical report. He noted that he has worked with the Sites Project Authority and Western Municipal Water District. Ms. More spoke about the TGF Team, grant funding opportunities, and water infrastructure funding. She noted that this is the perfect time to be involved in grants for federal funding. Ms. More concluded her presentation. Ms. More and Mr. Gwinn answered questions from the Board.

B. Auditor Selection

A Proposal for Professional Auditing Services from Nigro & Nigro and a Staff report were included in the agenda packet. Mr. Todd reviewed the Staff report.

He remarked that the Agency has a Board policy that requires a change of auditors every five years. Mr. Todd explained the process of selecting an Auditor. Mr. Todd stated that three proposals were received. After careful consideration, Staff is recommending the auditing firm of Nigro & Nigro. As stated in the Request for Proposals, the initial contract is for three years, with a possible extension for an additional two years. The fee quoted by Nigro & Nigro for all years is \$19,500 per year. After discussion, President Smith requested a motion. Director Walton made a motion to authorize the General Manager to enter into a contract with the firm of Nigro & Nigro to perform auditing services beginning with FY 2021-22. Director Duncan seconded the motion. President Smith requested a roll call vote.

<i>Roll Call</i>	<i>Ayes</i>	<i>Noes</i>	<i>Abstain</i>	<i>Absent</i>
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"/>
Treasurer Letulle	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vice President Valdivia	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Walton	<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 Smith	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The motion passed 7 – 0.

C. Payment Cost for the Candidate’s Statement for the November 2022 Consolidated Election

Mr. Eckhart noted that the Board has always voted to have individual candidates running for election pay for their own candidate’s statements. The Board discussed the matter. President Smith requested a motion. Director Duncan made a motion that the Board follows its past practice of having individuals fund their candidate statements for the November election. President Smith requested public comment. Joyce McIntire (YVWD Board member) spoke. President Smith requested a roll call vote.

<i>Roll Call</i>	<i>Ayes</i>	<i>Noes</i>	<i>Abstain</i>	<i>Absent</i>
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"/>
Treasurer Letulle	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vice President Valdivia	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Walton	<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 Smith	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The motion passed 7 – 0.

D. Approval of Third Amendment to General Manager Employment Agreement

Mr. Ferre noted that the Board entered into an Employment Agreement with the General Manager on July 13, 2020. In addition, the Board authorized two subsequent Amendments to the Agreement. Mr. Ferre read the changes and

additions to the draft Third Agreement. Mr. Ferre recommended that the Board approve entering into a Third Amendment to the Employment Agreement with the General Manager. After Board discussion, Director Valdivia made a motion to approve Staff's recommendation. Director Duncan seconded the motion. 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"/>
Treasurer Letulle	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vice President Valdivia	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director Walton	<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 Smith	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The motion passed 7 – 0.

7. Reports

A. Directors and Committee Reports

Director Ball reported on:

- BCVWD Board Meeting (June 23, 2022)
- Riverside County Water Task Force (June 17, 2022)

Director Duncan reported on:

- BCVWD Board Meeting (June 23, 2022)
- YVWD Board Meeting (June 21, 2022)

President Smith reported on:

- BCVWD Board Meeting (June 23, 2022)
(General Manager Dan Jagers (BCVWD) commented on the meeting).

8. Topics for Future Agendas

None.

9. Announcements

President Smith reviewed the announcements:

- A. Office closed on July 4, 2022 in observance of Independence Day
- B. Regular Board Meeting, July 11, 2022 at 1:30 p.m.
– Teleconference/Zoom
- C. Finance and Engineering Workshop, July 18, 2022 at 6:00 p.m.
- D. Regular Board Meeting, July 25, 2022 at 1:30 p.m.

10. Adjournment

President Smith adjourned the meeting at 2:59 p.m.

Draft – Subject to Board Approval

Lance Eckhart, Secretary of the Board

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