

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223
Minutes of the Board of Directors
September 26, 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
 Cheryle Stiff, Executive Assistant
 Tom Todd, Jr., Chief Financial Officer
 Emmett Campbell, Sr. Water Resources Planner

Consultants Present: Holland Stewart, 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., September 26, 2022, by video/teleconference. General Manager Eckhart led the Pledge of Allegiance to the flag. Director Walton 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"/>
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"/> arrived at 1:40 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. There was no public comment.

4. Consent Calendar

A. Approval of the Minutes of the Regular Board Meeting, August 22, 2022

B. Approval of the Minutes of the Finance and Engineering Workshop, September 19, 2022

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

The motion passed 6 – 0.

5. Reports

A. General Manager’s Report:

1. Mr. Eckhart spoke on the long-term lease with the City of Ventura for its SWP Table A water. The final step is publishing and approving a Negative Declaration.
2. The County Line Recharge Project is moving forward. Mr. Eckhart thinks the project will be ready for grant consideration by the early part of 2023.
3. Mr. Eckhart met with representatives from BCVWD and the City of Beaumont to talk about a recycled water project. It is anticipated that the project will commence in October.

B. Legal Counsel’s Report:

1. Legal Counsel Stewart stated that Legal Counsel Ferre will be updating the Board at a future Board meeting on a number of bills that Governor Newsome passed that are relevant to the Agency.

6. Informational Presentation:

A. Small Community Drought Relief Program (Budget Act of 2021) – Banning Heights Mutual Water Co.

Mr. Eckhart noted that the Small Community Drought Relief Program is a grant program funded by the State of California that targets small communities to provide drought relief. He explained that he and Julie Hutchinson (BHMWC Board President) have been working with the California Rural Water Association (CRWA) to secure grant funding for Banning Heights Mutual Water Company. He spoke on the grant process and announced that BHMWC was awarded \$3.7 million. Ms. Hutchinson spoke on the importance of this grant and remarked that

(6. A. cont.)

it is a great example of the partnership between BHMWC and the Agency. Mr. Eckhart noted that he met with High Valleys General Manager and the new General Manager at Cabazon Water District on separate occasions. He spoke to them about CRWA’s ability to assist with grant applications for disadvantaged communities. Both General Managers are receptive to meeting with CRWA. Mr. Eckhart and Ms. Hutchinson answered questions from the Board. John Covington (Board Member – CRWA) provided public comment.

7. New Business

A. Joint Funding Agreement between San Geronio Pass Water Agency and the United States Geological Survey for the Annual Extension of the Cooperative Water Resources Program

Mr. Eckhart reviewed the information that was provided to the Board during the September 19th Finance and Engineering Workshop. During the Workshop, the Board recommended consideration of the USGS annual extension to the following Board meeting for consideration. The Agency would be responsible to contribute \$143,607, and USGS would be responsible to contribute \$25,983, for a total of \$169,590. Some of the contract would be paid in FY 2022-23, with the balance payable in the next fiscal year. After discussion, President Smith requested a motion. Director Duncan made a motion to approve the execution of a Joint Funding Agreement between the Agency and the United States Geological Survey (USGS) during the period October 1, 2022 and November 30, 2023. Director Walton 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.

B. Adopt Resolution 2022-24 Approving an Agreement for the Transfer and Exchange of State Water Project Table A Supply from the Agency to the Central Coast Water Authority and Making Findings Required Under the Agency’s State Water Project Contract

Mr. Eckhart reviewed with the Board the Agency’s water portfolio. He also explained an unbalanced water exchange. He explained that Central Coast Water Authority (CCWA) desires to receive a transfer of up to 400 acre-feet (AF) of the Agency’s SWP supply in 2022. In exchange, CCWA will return to the Agency two acre-feet for each acre-foot of water delivered; this is known as a two for one exchange. CCWA will return two acre-feet of Exchange Water to SGPWA at the Point of Delivery by December 31, 2032. In addition, CCWA will return a minimum quantity of Exchange Water, equivalent to 10 percent of the quantity of

(7. B cont.)

Transfer Water delivered to CCWA, each year during the term of the agreement under appropriate conditions, until all Exchange Water is returned. Mr. Eckhart spoke about the additional terms and conditions of the agreement. In addition, CCWA will pay the Agency \$1,500 per AF, which will be \$600,000 if the maximum of 400 AF is delivered, which will be deposited in the General Fund. Staff also recommends establishing a special fund to purchase supplemental water supplies to increase long-term water reliability. Mr. Eckhart responded to questions and comments by the Board. Dan Jagers (General Manager – BCVWD) provided public comment. President Smith requested a motion. Vice President Valdivia made a motion to adopt Resolution 2022-24 which approves the Transfer and Exchange Agreement with the Central Coast Water Authority and makes findings as required by the Department of Water Resources under the Agency’s State Water Project Contract. Director Ybarra 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.

8. Reports

A. Directors and Committee Reports

Director Ball reported on:

- BCVWD Board Meeting (9/14/2022)

Director Duncan reported on:

- California Special District Leadership Conference (9/19 – 9/21/2022)
- YVWD Board Meeting (9/6/2022)
- Services for YVWD’s past board member Bruce Granlund (9/17/2022)
- Pass EDA (9/15/2022)

Director Letulle reported on:

- Pass EDA (9/15/2022)
- Beaumont State of the City (9/22/2022)

Director Valdivia reported on:

- Pass EDA (9/15/2022)
- City of Beaumont Recycled Water Plant Collaboration (9/26/2022)
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(8. A. cont.)

- California Special District Leadership Conference (9/19 – 9/21/2022)
- Calimesa State of the City (8/24/2022)
- Beaumont State of the City (9/22/2022)

Director Walton reported on:

- South Mesa Water Company Board Meeting (9/14/2022)

Director Ybarra reported on:

- California Special District Leadership Conference (9/19 – 9/21/2022)

President Smith reported on:

- Pass EDA (9/15/2022)

9. Topics for Future Agendas

- Director Valdivia requested information (to be presented in October) on the Division 3 election costs.
- Director Duncan requested an update on the signage for the spreading ponds.

10. Announcements

President Smith reviewed the announcements:

- Regular Board Meeting, October 10, 2022 at 1:30 p.m.
– Teleconference/Zoom
- Water Conservation and Education Committee Meeting, October 11, 2022 at 1:30 p.m. – Teleconference/Zoom
- Finance and Engineering Workshop, October 17, 2022 at 6:00 p.m.
– Teleconference/Zoom

11. Adjournment

President Smith adjourned the meeting at 2:38 p.m.

Draft – Subject to Board Approval

Lance Eckhart, Secretary of the Board

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