

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue
Beaumont, California 92223
Minutes of the
Board Finance and Engineering Workshop
January 17, 2023

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 attended by video conferencing/teleconferencing
Mickey Valdivia, Vice President
Chander Letulle, Treasurer
Robert Ybarra, Secretary
Blair Ball, Director
Ron Duncan, Director
Kevin Walton, Director

Staff Present: Lance Eckhart, General Manager
Tom Todd, Jr., Chief Financial Officer
Cheryle Stiff, Executive Assistant
Emmett Campbell, Sr. Water Resources Planner
Matt Howard, Operations Manager

Consultants Present: Holland Stewart, Legal Counsel
Paul Kaymark, Nigro & Nigro

- 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 Treasurer Chander Letulle at 6:00 p.m., January 17, 2023. Treasurer Letulle led the Pledge of Allegiance to the flag. Treasurer Letulle gave the invocation. Treasurer Letulle 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"/>	
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"/>	Arrived at 6:50 pm
Secretary Ybarra	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
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

There was no public comment.

4. Reports - Staff

A. General Manager's Report

Mr. Eckhart announced that Sites Reservoir Project Executive Director Jerry Brown will be attending the January 23, 2023 Board meeting remotely.

5. New Business Finance & Budget

Audit Report (Nigro & Nigro)

Mr. Tom Todd introduced Mr. Paul Kaymark, who is the Audit Services Partner at Nigro & Nigro. Mr. Kaymark reported on the Audited Financial Statements for the Fiscal Year Ended June 30, 2022. Mr. Kaymark discussed the audit and answered questions. Mr. Todd remarked that this item will be presented at the January 23, 2022 Board meeting, at which time the Board will be asked to receive and file the finalized report. During discussion, Vice President Mickey Valdivia requested an investment update from PFM Asset Management at a future board meeting. Director Ron Duncan made a motion, seconded by Director Blair Ball, to accept and file the Audited Financial Statements and Individual Auditors' Report for the FY ending June 30, 2022 at the next regular Board meeting. Treasurer Letulle 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Secretary 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 6 – 0, with Director Walton not yet present.

B. Ratification of Paid Invoices and Monthly Payroll for December, 2022: The Board reviewed paid invoices of \$1,435,193.57 and monthly payroll of \$61,654.75 for a total of \$1,496,848.32 for December, 2022.

C. Review of Bank Reconciliation for December, 2022: The Board reviewed the bank reconciliation for December, 2022.

D. Review of Budget Report for December, 2022: The Board reviewed the budget report for December, 2022. After discussion, Director Duncan moved, seconded by Director Kevin Walton, to recommend the Board accept Items 5 B-D at the next regular Board meeting. Treasurer Letulle 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"/>

5. New Business Finance & Budget (con't)

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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Secretary 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 6 – 0, with Director Walton not yet present.

E. Review of Pending Legal Invoices for December, 2022: President Smith moved, seconded by Director Ball, to recommend that the Board approve payment of the legal invoice for December, 2022 in the amount of \$11,267.05 at the next regular Board meeting. Treasurer Letulle 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Secretary 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 6 – 0, with Director Walton not yet present.

F. Cabazon Gap Funding Report – Mr. Todd reviewed this report.

G. Cost of Living Adjustment Staff Report – Mr. Todd reviewed this report. The Board discussed the calendar year 2023 cost-of-living adjustment for Board members. The Board agreed to discuss this topic again at a future Board meeting.

6. New Business Engineering

A. Albert A. Webb Associates Change Order – Backbone Pipeline

Mr. Emmet Campbell made a presentation that included an update on the progress of the feasibility study for the Backbone pipeline and information on a change order for Board consideration. After discussion, Director Ball moved, seconded by Director Walton, to accept the proposal for additional consulting services for the Backbone Water System Feasibility Study at the next regular Board meeting. Treasurer Letulle 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"/>

6. New Business Engineering (con't.)

Director Walton	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Secretary 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. Informational

1. Water Conditions Report

Mr. Matt Howard presented the monthly Water Conditions Report.

8. Announcements

Treasurer Letulle reviewed the announcements:

- A. Regular Board Meeting, January 23, 2023 at 1:30 p.m.- Teleconference/Zoom
- B. Regular Board Meeting, February 13, 2023 at 1:30 p.m. - Teleconference/Zoom
- C. Water Conservation & Education Committee Meeting, February 14, 2023 at 1:30 p.m. - Teleconference/Zoom

9. Adjournment

Treasurer Letulle adjourned the meeting at 7:51 p.m.

Draft - Subject to Board Approval

Robert Ybarra, Secretary of the Board

cms