

**SAN GORGONIO PASS WATER AGENCY**  
**1210 Beaumont Avenue, Beaumont, California 92223**  
**Minutes of the Board of Directors**  
**February 27, 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 M 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

**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., February 27, 2023, by video/teleconference. Mr. Eckhart led the Pledge of Allegiance to the flag. Director Walton gave the invocation. President Smith requested a roll call.

<b><i>Roll Call</i></b>	<b><i>Present</i></b>	<b><i>Absent</i></b>
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"/>
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**

Mr. Eckhart requested to move item 7. A before item 6. A. The Board agreed.

**3. Public Comment**

None.

**4. Consent Calendar**

A. Adopt Resolution No. 2023-04 of the Board of Directors of the San Geronio Pass Water Agency Re-Authorizing Remote Teleconference/Virtual Meetings of Pass Water Agency Legislative Bodies for the Period of February 27, 2023 to February 28, 2023, Pursuant to Brown Act Provisions

B. Approval of the Minutes of the Special Board Meeting Workshop, February 11, 2023

C. Approval of the Regular Board Meeting, February 13, 2023

Vice-President Valdivia moved, seconded by Director Walton, to approve the consent calendar. President Smith requested a roll call vote.

<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"/>
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"/>
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.

**5. Reports**

A. General Manager’s Report: Mr. Eckhart announced that on February 22<sup>nd</sup>, the Department of Water Resources increased the State Water Project Table A allocation from 30% to 35%.

B. Legal Counsel’s Report: Mr. Stewart reviewed with the Board Executive Order N-3-23, related to California’s Drought State of Emergency Proclamations.

**7. New Business – Discussion and Possible Action**

A. Investment Report (Richard Babbe, PFM)  
Mr. Eckhart introduced Mr. Babbe from PFM. Mr. Babbe presented the SGPWA Investment Performance Review for the Quarter Ended December 31, 2022. Mr. Babbe answered questions from the Board and Staff.

**6. Informational Presentation**

A. Water Conditions Report  
Mr. Matt Howard presented the monthly Water Conditions Report. Mr. Jagers (BCVWD) provided public comment.

**7. New Business (con’t) – Discussion and Possible Action**

Vice President Valdivia noted that he reviewed the Financials prior to today’s meeting.

**7. New Business (con't) – Discussion and Possible Action**

B. Ratification of Paid Invoices and Monthly Payroll for January, 2023:  
 The Board reviewed paid invoices of \$2,520,010.16 and monthly payroll of \$67,372.77 for a total of \$2,587,382.93 for January, 2023.

C. Review of Bank Reconciliation for January, 2023:  
 The Board reviewed the bank reconciliation for January, 2023.

D. Review of Budget Report for January, 2023:  
 The Board reviewed the budget report for January, 2023. After discussion, Director Duncan moved, seconded by Director Kevin Walton, to approve Items 7. B-D. Vice President Valdivia requested a roll call vote.

<b><i>Roll Call</i></b>	<b><i>Ayes</i></b>	<b><i>Noes</i></b>	<b><i>Abstain</i></b>	<b><i>Absent</i></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"/>
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"/>
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.

E. Review of Pending Legal Invoices for January, 2023:  
 Vice President Valdivia moved, seconded by Director Ball, to approve payment of the legal invoice for January, 2023 in the amount of \$11,076.70. Vice President Valdivia requested a roll call vote.

<b><i>Roll Call</i></b>	<b><i>Ayes</i></b>	<b><i>Noes</i></b>	<b><i>Abstain</i></b>	<b><i>Absent</i></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"/>
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"/>
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.

F. Contracts Update Report – Mr. Todd reviewed this report.

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

**7. New Business (con't) – Discussion and Possible Action**

H. Cost of Living Adjustment CY 2023:

Mr. Stewart reviewed this item with the Board. During discussion the Board requested that legal counsel draft a revision to the current Board of Directors Cost of Living Adjustment Policy. Director Ball made a motion to deny the COLA. The motion did not receive a second. The Board did not take action on this item.

**8. Reports**

A. Directors and Committee Reports

**President Smith** reported on:

- Urban Water Institute Conference

**Director Ball** reported on:

- Board of Directors Special Workshop

**Director Walton** reported on:

- Urban Water Institute Conference
- Board of Directors Special Workshop

**Director Letulle** reported on:

- Board of Directors Special Workshop

**Vice President Valdivia** reported on:

- Water Conservation and Education Committee meeting
- Financial Feasibility Committee
- Board of Directors Special Workshop

**Director Duncan** reported on:

- City of Banning City Council meeting held on January 10<sup>th</sup>
- Inland Empire Resource and Conservation District Water Conservation presentation

**Director Ybarra** reported on:

- Water Conservation and Education Committee meeting

**9. Topics for Future Agendas**

Mr. Valdivia requested that the HdL update presentation be provided to the Board twice, once during a Finance and Budget workshop and at the following Board meeting. He also suggested that the PFM updates occur on the same dates as the HdL updates. Mr. Walton asked that the Board consider business cards with QR codes.

**10. Announcements**

President Smith reviewed the following announcements:

- A. Regular Board Meeting, March 13, 2023 at 1:30 p.m.
- B. Finance and Engineering Workshop March 20, 2023 at 6:00 p.m.

**10. Announcements (con't)**

C. Regular Board Meeting, March 27, 2023 at 1:30 p.m.

**11. Adjournment**

President Smith adjourned the meeting at 3:08 p.m.

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

Robert Ybarra, Secretary of the Board

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