

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223
Minutes of the Board of Directors
July 17, 2023

THIS MEETING WAS HELD IN PERSON,
WITH PUBLIC AVAILABILITY PROVIDED VIA ZOOM.

Board Present: Larry Smith, President
In-person Chander Letulle, Treasurer
Robert Ybarra, Secretary
Blair M Ball, Director
Ron Duncan, Director
Kevin Walton, Director

Board Present: Mickey Valdivia, Vice President
Video Conference Sun Palace Blvd. Kukulcan, Zona Hotelera 77500
Cancun, Q.R., Mexico

Staff Present: Lance Eckhart, General Manager
In-person 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
In-person

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 6:00 p.m., July 17, 2023. Mr. Ball led the Pledge of Allegiance to the flag. Mr. 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"/>
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"/>
Secretary Ybarra	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Director Walton	<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 asked to table item 7.A. The Board approved the adjustment to the Agenda.

3. Public Comment

Joyce McIntyre provided public comment.

4. Consent Calendar

A. Approval of the Regular Board Meeting Minutes, June 26, 2023.

Mr. Letulle moved, seconded by Mr. Ybarra, to approve the consent calendar. 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"/>
Secretary Ybarra	<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"/>
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 reported on the following topics: City of Beaumont Recycle Plan, City of Beaumont Brookside beautification project, Flume video, Beaumont Basin Watermaster meeting, Class 8 meeting, banking opportunities, capacity constraints during summer months, Cabazon isolation valves, and Cabazon Water District gap repayment. Mr. Jaggars (General Manager BCVWD) provided public comment.

B. **Legal Counsel's Report:** None.

6. Informational Presentations

A. Water Conditions Update

Mr. Howard presented an update on current weather, reservoir conditions, SWP allocation, the Agency's water portfolio, SWP deliveries, and recharge. Mr. Valdivia requested a demonstration of the valve opening at the recharge facility.

7. New Business – Discussion and Possible Action

A. Contract for Professional Services with the Inland Empire Resource Conservation District for FY 2023-24

President Smith requested a motion to table this item. Mr. Ball moved, seconded by Mr. Duncan, to table this item to a future Board meeting.

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"/>
Secretary Ybarra	<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"/>
President Smith	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The motion passed 7-0.

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

B. Expansion of Gap Funding

Mr. Eckhart made a presentation requesting the Board to consider expanding the Gap Funding initiative already in place with the Cabazon Water District. He noted that there are several representatives in the audience that are interested in requesting gap funding. In addition, Art Vela (City of Banning, who is involved with the Integrated Regional Water Management Plan) is in attendance. Mr. Eckhart provided background information on the current Gap Funding program, noting that the program is running smoothly. Four small water systems within our service area have recently received grants for infrastructure improvements. New agreements would be developed between the Agency and each water system. Each agreement would be presented to the Board for consideration and approval. Art Vela (City of Banning), Stan Houghton (High Valleys Water District), Taffy Brock (Cabazon Water District), and Dave Armstrong (South Mesa Water Company) provided public comment. After further discussion, President Smith moved, seconded by Mr. Ball, to approve expanding the Gap Funding program. 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"/>
Secretary Ybarra	<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"/>
President Smith	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The motion passed 7-0.

C. Water Education for Latino Leaders (WELL) Program

Mr. Eckhart informed the Board that Mr. Letulle was selected for a fellowship with the Water Education for Latino Leaders (WELL) Program. The Agency has not previously participated with WELL. Mr. Letulle provided more information about the WELL program. After discussion, Mr. Valdivia moved, seconded by Mr. Duncan: pursuant to Section 4(f) and (g) of Ordinance 17, the Board approves the attendance of Mr. Letulle at the upcoming 2023 AAPI, UnTapped Fellowship Program sponsored by WELL. 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 type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Vice President Valdivia	<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"/>
Director Walton	<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 6-1, with Mr. Letulle abstaining.

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

proceeds of taxes by each government agency of the State of California and requires each local jurisdiction to establish, by resolution, its appropriations limit for each fiscal year. The Agency met its obligation to post the notice of its calculations fifteen days prior to the adoption of this resolution. After discussion, Mr. Letulle moved, seconded by Mr. Ybarra, to adopt Resolution 2023-13, establishing the Appropriations Limit for FY 2023-24.

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"/>
Secretary Ybarra	<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"/>
President Smith	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The motion passed 7-0.

G. Ratification of Paid Invoices and Monthly Payroll for June, 2023

The Board reviewed paid invoices of \$1,655,302.63, and monthly payroll of \$116,541.87 for June, 2023.

H. Review of Bank Reconciliation for June, 2023

The Board reviewed the bank reconciliation for June, 2023.

I. Review of Budget Report for June, 2023

The Board reviewed the Budget Report for June, 2023.

J. Review of Cash Reconciliation Report June, 2023

The Board reviewed the Cash Reconciliation Report June, 2023.

After review and discussion, Mr. Duncan moved, seconded by Mr. Walton, to accept items 7.G through 7.J. Mr. 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"/>
Secretary Ybarra	<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"/>
President Smith	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The motion passed 7-0.

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

K. Review of Pending Legal Invoices for June, 2023

The Board reviewed the Pending Legal Invoices for June, 2023.

L. Review of Reserve Allocation Report for June, 2023

The Board reviewed the Reserve Allocation Report for June, 2023.

After review and discussion, Mr. Smith moved, seconded by Mr. Valdivia, to approve items 7.K and 7.L. Mr. 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"/>
Secretary Ybarra	<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"/>
President Smith	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The motion passed 7-0.

M. Procurement Policy Required Notification and Request for Contract Increase Approval

Mr. Eckhart stated that Provost and Pritchard provided support for the SGMA Grant Application in December and January of this fiscal year. Staff was notified that additional efforts beyond the original scope were needed to finalize the grant application. Because the original contract was \$15,000, the authorization limit to increase the contract is \$1,500, which requires Board approval. After discussion, Mr. Ball moved, seconded by Mr. Ybarra, to approve the contract increase of \$2,710.80 with Provost & Pritchard. Mr. 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"/>
Secretary Ybarra	<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"/>
President Smith	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The motion passed 7-0.

N. Cabazon Gap Funding Report: Mr. Todd reviewed the report.

8. Reports - Directors and Committee Reports

Director Ball reported on:

- BCVWD Board Meeting (7/12/2023)
- Beaumont Basin Watermaster Meeting (7/13/2023)

8. Reports - Directors and Committee Reports (con't.)

Director Duncan reported on:

- Calimesa Chamber Breakfast (7/11/2023)
- SBVMWD (7/12/2023)
- BCVWD Board Meeting (7/6/2023)
- Beaumont Basin Watermaster Meeting (7/13/2023)
- Beaumont Chamber Breakfast (7/14/2023)

Director Valdivia reported on:

- City of Banning Council Meeting (7/11/2023)
- South Mesa (7/12/2023)
- Finance Committee (7/13/2023)

Director Letulle reported on:

- A Heli-Hydrant tank for firefighting purposes, that he observed at a Ramona site tour.

Director Walton reported on:

- A Heli-Hydrant tank for firefighting purposes, that he observed at a Ramona site tour.

President Smith reported on:

- Calimesa Chamber Breakfast (7/11/2023)

9. Topics for Future Agendas

Mr. Ball requested information on early bond payoff.

Mr. Ball requested discussion about administrative aspects of the gap funding program.

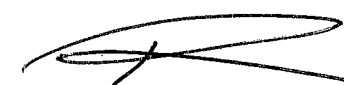
10. Announcements

President Smith reviewed the following announcements:

- A. Regular Board Meeting, August 7, 2023 at 1:30 p.m.
- B. Water Conservation & Education Committee Meeting, August 15, 2023 at 1:30 p.m.
- C. Regular Board Meeting, August 21, 2023 at 6:00 p.m.
- D. Office closed September 4, 2023 in observance of Labor Day
- E. Regular Board Meeting, September 11, 2023 at 1:30 p.m.

11. Adjournment

President Smith adjourned the meeting at 9:07 p.m.



Robert Ybarra, Secretary of the Board