

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223
Minutes of the Board of Directors
August 21, 2023

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

Board Present: Larry Smith, President
In-person 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
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., August 21, 2023. President Smith led the Pledge of Allegiance to the flag. President Smith 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

The agenda was adopted as published.

3. Public Comment

None.

4. **Consent Calendar**

- A. Approval of the Regular Board Meeting Minutes, August 7, 2023.

Mr. Ybarra moved, seconded by Mr. Walton, to approve the consent calendar. President Smith requested a voice vote. The motion passed 7-0.

5. **Reports**

A. General Manager's Report: Mr. Eckhart reported on the following:

1. Sites Reservoir Project: Information was provided on the final EIR and the Water Rights application.

2. Water Portfolio Strategic Plan: Mr. Eckhart explained what the plan will address and how it will help the Agency understand the opportunities and risks associated with regional conveyance, recharge, and storage. The plan will be presented to the Board sometime in the Fall.

3. Grants: Mr. Eckhart stated that the Agency is preparing a grant application for its local turf pilot program. He also informed the Board that SBVMWD and SGPWA are resubmitting the grant application for the County Line Recharge project to other programs. Staff is looking for opportunities for planning money for the design and permitting of Brookside West and the Backbone Pipeline project. He informed the Board that South Mesa Water Company received an Award Letter from the State Water Resources Control Board for \$10 million; the grant will help fund the County Line Road Waterline Replacement Project.

4. Water Orders and Water Deliveries meeting: Mr. Eckhart met with staff from the City of Banning, BCVWD, and YVWD on August 15th to discuss water orders and water deliveries. General Manager's meetings will be resumed in the future.

5. City of Beaumont 3x2 meeting: On August 21, 2023 Mr. Eckhart met with staff from the City of Beaumont, BCVWD, and a facilitator to discuss the Recycled Water Plant and a purchase and distribution agreement.

6. Brookside/Beaumont Avenue Intersection: An update on the project was provided to the Board.

Mr. Jagers (General Manager BCVWD) provided public comment.

B. Legal Counsel's Report: None.

6. **Informational Presentations**

A. Water Conditions Update

Mr. Howard provided an update on the current weather, reservoir conditions, SWP deliveries, and recharge.

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

A. Inland Empire Resource Conservation District (IERCD) Contract

Mr. Eckhart informed the Board that IERCD spoke to the Water Conservation and Education Committee and discussed the proposed contract in detail. He noted that IERCD has consistently assisted in the development and execution of educational and public outreach programs, aligning with SGPWA's mission and goals. He is very pleased with the exposure and coverage IERCD has provided over the years. After discussion, Mr. Ybarra moved, seconded by Mr. Valdivia, to

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

approve a contract with IERCD for professional services for FY2023-24. 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.

B. ACWA Region 9 Election 2024-2025

Ms. Stiff stated that an election ballot for ACWA Region 9 is included in the Agenda packet. At this time, the Board will need to decide who it wishes to nominate as the Chair, Vice Chair, and five to seven board members. A recommended slate and the option of selecting individual board candidates are on the ballot. After discussion, the Board nominated G. Patrick O’Dowd as the Chair, Carol Lee Gonzales-Brady as Vice Chair, and Ms. Duff, Mr. Letulle, Mr. Raley, Ms. Dennstedt, and Mr. Ortega as Board Members. Mr. Valdivia moved, seconded by Mr. Ybarra, to submit the ballot with the options so noted. President Smith requested a voice vote. The motion passed 7-0.

C. Establishment of Ad Hoc Committees and Naming of Committee Members

1. Public Information and Outreach Committee:
 President Smith appointed Mr. Walton as Chair of the Committee, and Mr. Mr. Ybarra and Mr. Duncan as Committee members.
2. Personnel Policy Manual Update Committee:
 President Smith appointed Dr. Ball as Chair of the Committee, and Mr. Valdivia and Mr. Letulle as Committee members.
3. President Smith noted that the General Manager Evaluation Committee will meet as soon as possible. The Committee members are Mr. Duncan, Mr. Walton, and President Smith.

D. Discussion Regarding Resumption of Finance and Budget Standing Committee Meetings with Designated Committee Members

President Smith noted that the Finance and Budget committee reviews the financial material on a monthly basis before the Board meeting. He announced that the Finance and Budget Committee will resume meetings on a monthly basis, starting in September. It will review the financial material and present a report to the Board at a following meeting. He reviewed the current members of the Committee: Mr. Letulle is the Chair; Mr. Valdivia and Mr. Ybarra are Committee members.

E. Ratification of Paid Invoices and Monthly Payroll for July, 2023

The Board reviewed paid invoices of \$1,904,058.15 and monthly payroll of \$21,715.22 for a total of \$1,925,773.37 for July, 2023.

F. Review of Bank Reconciliation for July, 2023

The Board reviewed the bank reconciliation for July, 2023.

G. Review of Budget Report for July, 2023

The Board reviewed the Budget Report for July, 2023.

After review and discussion, Mr. Duncan moved, seconded by Mr. Ybarra, to accept items 7.E through 7.G. 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.

H. Review of Pending Legal Invoices for July, 2023

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

After review and discussion, Mr. Smith moved, seconded by Mr. Valdivia, to approve items 7. H. 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.

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

8. Reports - Directors and Committee Reports

President Smith reported on:

- Beaumont City Council Meeting

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

Director Walton reported on:

- SBVMWD District Board Meeting
- YVWD Board Meeting
- Banning Chamber Breakfast
- MAC Meeting

Director Ybarra reported on:

- Banning City Council Meeting

Director Valdivia reported on:

- Calimesa Chamber Breakfast
- MAC Meeting

Director Letulle reported on:

- BIA – SCWC
- Cal-Nevada AWWA Education Seminar

Director Duncan reported on:

- Banning City Council Meeting and Special Meeting
- BCVWD
- YVWD
- Water Education and Conservation Committee meeting
- Banning Chamber Breakfast
- Cert Training EMD

Director Ball reported on:

- BCVWD Engineering Meeting

9. Topics for Future Agendas

1. Mr. Valdivia requested the BCVWD MDN Line 16 Update be removed from pending items.
2. Mr. Walton requested the Strategic Plan discussion be removed from pending items.
3. Dr. Ball requested additional discussion on the GAP Funding Program.
4. Mr. Letulle requested a discussion on the retailer water rate.
5. Mr. Eckhart suggested having a workshop in the near future to discuss the Gap Funding Program..
6. Mr. Valdivia requested a discussion on a non-profit foundation sponsorship program.

10. Announcements

President Smith reviewed the following announcements:

- A. The Office will closed in observance of Labor Day, September 4, 2023
- B. Regular Board Meeting, September 11, 2023 at 1:30 p.m.
- C. Regular Board Meeting, September 18, 2023 at 6:00 p.m.
- D. Regular Board Meeting, October 2, 2023 at 1:30 p.m.
- E. Banning Stagecoach Days, September 8th – 9th from 5-9 p.m.,
Dysart Equestrian Park

11. Closed Session (one item)

A. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Government Code Section 54956.8

Property: Water rights/supplies/exchange – SWP Table A

Agency negotiator: Lance Eckhart, General Manager, SGPWA

Negotiating parties: Matt Knudson, General Manager, AVEK

Under negotiation: price and terms of payment

The Board recessed from open session at 7:31 p.m.

The Board convened to closed session at 7:40 p.m.

The Board adjourned from closed session at 8:00 p.m.

The Board reconvened to open session at 8:02 p.m.

There was no reportable action.

12. Adjournment

President Smith adjourned the meeting at 8:02 p.m.

Draft – Subject to Board Approval

Robert Ybarra, Secretary of the Board

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