

# ***San Gorgonio Pass Water Agency***

**DATE:** January 22, 2024

**TO:** Board of Directors

**FROM:** Lance Eckhart, General Manager

**BY:** Tom Todd, Jr., Chief Financial Officer

**SUBJECT: PROCUREMENT POLICY REQUIRED NOTIFICATION; INFORMATION ONLY**

## **BACKGROUND**

The Procurement Policy requires the General Manager to notify the Board concerning various contracts.

## **ANALYSIS**

This report notifies the Board about the following contract that the General Manager has authorized according to the Procurement Policy:

- **Ontario Refrigeration; Replace Air Conditioning Unit at Cherry Valley Pump Station; \$24,779**

The Agency was recently informed that an air conditioning unit at Cherry Valley Pump station had failed and needed replacement. The Operations Manager contacted San Bernardino Valley Municipal Water District to ask for referrals and learned that they have a contract with Ontario Refrigeration for the maintenance of the numerous air conditioning units installed in SWP facilities along the East Branch Extension.

This repair was authorized under the cooperative services agreement provision of the Agency Procurement Policy.

## **FISCAL IMPACT**

The Agency will be billed by San Bernardino Valley Municipal Water District through the agreement the Agency has with them to pay for East Branch Extension facility maintenance and improvements.

The expenditure will be included in the 'Engineering, Maintenance, Consulting' line item of the Debt Service Budget for FY 2023-24. \$200,000 has been budgeted for this item. As of the December 2023 report, about \$57,000 has been expended so far.

## **ACTION**

No action. This report informs the Board about contract authorizations according to the Procurement Policy.

# ***San Gorgonio Pass Water Agency***

**DATE:** January 22, 2024

**TO:** Board of Directors

**FROM:** Lance Eckhart, General Manager

**BY:** Tom Todd, Jr., Chief Financial Officer

**SUBJECT: PROCUREMENT POLICY REQUIRED NOTIFICATION; INFORMATION ONLY**

## **BACKGROUND**

The Procurement Policy requires the General Manager to notify the Board concerning various contracts.

## **ANALYSIS**

This report notifies the Board about the following contract that the General Manager has authorized according to the Procurement Policy:

- **Water Resources Economics, As Needed Financial and Rate Consulting Services, \$40,000**

Sanjay Gaur is the principle consultant. The Agency had a previous contract with Raftelis to develop financial models and consult on water rates; Mr. Gaur was the principle consultant for those contracts as well. Mr. Gaur has set up his own, separate, consulting service, and this contract formalizes our relationship with his new firm.

Additionally, Mr. Gaur has significant experience in consulting on financial matters and water rates. His clients include Beaumont-Cherry Valley Water District, Mojave Water Agency, other various State Water Contractors and [multiple water agencies](#). His experience and knowledge of proprietary Agency information, the State Water Project and customized financial models justify a sole-source status.

## **FISCAL IMPACT**

This item was included in the General Fund budget for FY 2023-24. Expenditures under this contract will be included in the Consulting and Engineering Services section of the budget, in the 'Financial Modeling' line item under the category 'Studies and Reports.' This item has a budgeted amount of \$70,000 for FY 2023-24. Currently, nothing has been expended for this line item.

## **ACTION**

No action. This report informs the Board about contract authorizations according to the Procurement Policy.