

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223

Official Minutes
Board of Directors Regular Meeting
August 5, 2024

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

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 Mickey Valdivia at 1:30 p.m., Monday, August 5, 2024, at the office of the Agency. Director Duncan gave the invocation; Secretary Walton led the Pledge of Allegiance and President Valdivia requested a roll call.

Board Present:

Mickey Valdivia, President
Chander Letulle, Vice-President
Robert Ybarra, Treasurer
Kevin Walton, Secretary
Blair M Ball, Director
Ron Duncan, Director
Larry Smith, Director

Staff Present:

Lance Eckhart, General Manager
Thomas Todd, Jr., Chief Financial Officer
Maricela Cabral, Exec. Asst. /Clerk of the Board
Emmett Campbell, Sr. Water Resources Planner
Matt Howard, Operations Manager

Consultant Present:

Jeff Ferre, Legal Counsel

A quorum was present.

2. Adoption and Adjustment of Agenda

The agenda was adopted as published.

3. Public Comment

Dejanae McNair, Senator Rosilicie Ochoa Bogh representative for the Pass area introduced Emily Davalos, newest addition to the Senators office.

4. Consent Calendar

- A. Approve Minutes of the July 9, 2024, Special Meeting of the San Gorgonio Pass Water Agency Board of Directors.
- B. Approve Minutes of the July 15, 2024, Regular Meeting of the San Gorgonio Pass Water Agency Board of Directors.

C. Approval of the Finance and Budget Committee Meeting Report for July 2024.

On a motion by Secretary Robert Ybarra, seconded by Director Ron Duncan, the board approved the Consent Calendar as presented.

Approved by the following vote:

Ayes: Smith, Walton, Duncan, Ybarra, Letulle, Ball, Valdivia

Noes: None

Absent: None

Motion passed 7-0.

5. Reports

A. General Manager's Report

General Manager, Lance Eckhart reported on the following:

1. ARPA contracts, including Heli-Hydrant and County Line Road, are currently under review by the County.
2. Provided an update on the Heli-Hydrant project.
3. Recapped the recent Yucaipa GSA Meeting. Future workshops will address private well owners and groundwater sustainability plans under the Sustainable Groundwater Management Act of 2014.
4. Provided an update on the Sites Project.
5. Participating via teleconference for the August 19, 2024, Board meeting. Will be in Sacramento for State Water Board hearings regarding policy statement on Sites.
6. Participating in Nickel water trial over the next few weeks.

B. Legal Counsel's Report

Counsel, Jeff Ferre reported on a recent U.S. Supreme Court ruling that abolished the "Chevron deference" doctrine, which previously required courts to defer to regulatory agencies' interpretations of statutes. The ruling now affirms that courts are responsible for interpreting statutes. Additionally, Counsel discussed another Supreme Court decision clarifying the commencement of the statute of limitations for legal challenges to federal regulations, which could be beneficial in future regulatory disputes.

6. Informational Presentations and Updates:

A. State Water Contractor Activities Update, presentation by Jennifer Pierre, General Manager, State Water Contractors, Inc.

Jennifer Pierre, General Manager of State Water Contractors, Inc., delivered a comprehensive update on the organization's activities. Her presentation covered key water policy priorities, including affordability and supply issues, with particular emphasis on the State Water Project and the Delta Conveyance project.

The Board took a brief recess at 2:48 p.m. and reconvened into open session at 2:53 p.m.

B. Public Information & Outreach Update, presentation by Tara Bravo Mulally, Chief Strategy Officer, CV Strategies

Tara Bravo Mulally, Chief Strategy Officer of CV Strategies highlighted the agency's focus on value and partnerships, with plans to expand talking points, improve IERCD comfort, and update the website to better showcase projects. She discussed an op-ed to clarify the agency's mission and local impact. The website will feature a responsive design and improved organization before the next milestone. Tara outlined the media buy strategy, including targeted digital and social media ads, print ads in local newspapers, and budget details. She also emphasized the use of email newsletters and digital ads for local engagement. Additionally, she covered outreach efforts, such as submitting for the Gap Funding Innovation Award and exploring PRSA and CAPIO for further outreach.

7. New Business – Discussion and Possible Action:

A. Approve Request from Best Best & Kreiger for Increase in Rates for Legal Services

Counsel Jeff Ferre provided background information on the request from Best Best & Krieger for an increase in rates for legal services. The Board reviewed the proposed request and expressed gratitude for Best Best & Krieger's expertise and the valuable feedback provided by Counsel Ferre.

On a motion by President Mickey Valdivia, seconded by Secretary Kevin Walton, the board approved the request from Best Best & Krieger for an Increase in Rates for Legal Services.

Approved by the following roll call vote:

Ayes: Smith, Walton, Duncan, Ybarra, Letulle, Ball, Valdivia

Noes: None

Absent: None

Motion passed 7-0.

B. Adopt Resolution No. 2024-07, Appropriations Limit for Fiscal Year 2024-25

Thomas Todd, Jr., Chief Financial Officer provided background on proposed Resolution No. 2024-07, adopting the Appropriations Limit for Fiscal Year 2024-25.

On a motion by Director Larry Smith, seconded by Treasurer Robert Ybarra, the board approved Resolution No. 2024-07, a resolution establishing the Appropriations Limit for San Geronio Pass Water Agency for Fiscal Year 2024-25.

Approved by the following roll call vote:

Ayes: Smith, Walton, Duncan, Ybarra, Letulle, Ball, Valdivia

Noes: None

Absent: None

Motion passed 7-0.

C. Adopt Resolution No. 2024-08, CalPERS Pay Scale for Fiscal Year 2024-25

Thomas Todd, Jr., Chief Financial Officer provided background on proposed Resolution No. 2024-08, adopting the CalPERS Pay Scale for Fiscal Year 2024-

25. Mr. Todd stated CalPERS regulations require employee salaries be adopted by the Board and made publicly available.

On a motion by Director Ron Duncan, seconded by President Mickey Valdivia, the board approved Resolution No. 2024-08, a resolution adopting the CalPERS Pay Scale for Fiscal Year 2024-25.

Approved by the following roll call vote:

Ayes: Smith, Walton, Duncan, Ybarra, Letulle, Ball, Valdivia

Noes: None

Absent: None

Motion passed 7-0.

D. Approve Fifth Amendment to the Employment Agreement between San Geronio Pass Water Agency and Lance Eckhart, General Manager/Chief Hydrogeologist

Counsel Jeff Ferre said the Board and General Manager met in closed session on July 15, 2024, for the General Manager's annual performance evaluation. The Board approved a Fifth Amendment to the Employment Agreement providing for an increase in annual compensation to a rate of \$301,344, payable retroactive to July 1, 2024, and annual salary increases of 7.5% for both Fiscal Years ("FY") 2024-25 and 2025-26, respectively, in addition to any applicable Cost-of-Living Adjustments (COLAs) as may be approved by the Board for those respective FYs. The Board directed Agency counsel to draft a Fifth Amendment for Board review.

The purpose of the Fifth Amendment would provide the following:

1. General Manager currently has a base salary for FY 2023-24 of \$268,751. General Manager would receive a 7.5% merit increase of his base salary, in addition to the 4.3% COLA approved by the Board for all Agency employees, bringing his new salary for FY 2024-25 to \$301,344, payable retroactive to July 1, 2024.
2. General Manager would receive annual 7.5% merit increases of his salary in both FY 2024-25 and 2025-26, respectively, in addition to any applicable COLAs as may be approved by the Board for those respective FYs.

On a motion by President Mickey Valdivia, seconded by Vice President Chander Letulle, the board approved the Fifth Amendment to the Employment Agreement between San Geronio Pass Water Agency and Lance Eckhart, General Manager/Chief Hydrogeologist.

Approved by the following roll call vote:

Ayes: Smith, Walton, Duncan, Ybarra, Letulle, Ball, Valdivia

Noes: None

Absent: None

Motion passed 7-0.

8. Reports - Directors and Committee Report

Directors Ball, Duncan, Smith, Treasurer Ybarra and Vice President Letulle had no report.

President Valdivia reported on the following:

- July 10, 2024, Beaumont Cherry Valley Water District Board Meeting
- July 17, 2024, High Valleys Water District Board Meeting
- July 31, 2024, Yucaipa GSA Board Meeting

Secretary Walton stated he attended various committee meetings.

9. Topics for Future Agendas

No topics were discussed.

10. Announcements

President Valdivia reviewed the following announcements:

- A. Southern California Water Conference, August 9, 2024, at 7:30 a.m.
- B. Water Conservation & Education Committee Meeting, August 13, 2024, at 1:30 p.m.
- C. Regular Board Meeting, August 19, 2024, at 6:00 p.m.
- D. Finance & Budget Committee Meeting, August 29, 2024, at 10:00 a.m.

11. Closed Session Agenda

A. Conference with Legal Counsel – Existing Litigation (2 cases)

Paragraph (1) of Subdivision (d) of Section 54956.9

Name of Cases: Aqueous Film-Forming Foams Product Liability Litigation, Master Docket No. 2:18-mn-2873-RMG; City of Camden, et. al. v. BASF Corporation, Civil Action No.: 2:24-cv-03174-RMG; City of Camden, et. al. v. Tyco Fire Products, LP, Civil Action No.: 2-24-cv-02321-RMG

12. Reconvene

A. Report out of Closed Session

President Valdivia reconvened the meeting into open session. Counsel Ferre reported the board met in closed session for the cases listed in 11.A. On a motion by Director Larry Smith, seconded by President Mickey Valdivia and a 7-0 vote, the board took action to opt out of the proposed class action settlements in order to preserve future illegal rights and remedies.

13. Adjournment

There being no further business to discuss, President Valdivia adjourned the meeting at 3:27 p.m. The next regularly scheduled meeting is Monday, August 19, at 6:00 p.m.

Kevin Walton, Secretary of the Board

mvc