

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

Official Minutes
Board of Directors Regular Meeting
October 6, 2025

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

1. Call to Order, Pledge of Allegiance, and Invocation

The San Gorgonio Pass Water Agency Board of Directors meeting was called to order by President Mickey Valdivia at 1:30 p.m., Monday, October 6, 2025, at the office of the Agency. Vice President Letulle provided the invocation and Director Wargo led the Pledge of Allegiance.

2. Roll Call

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
Sarah Wargo, 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:

Holland Stewart, Legal Counsel

A quorum was present.

3. Adoption and Adjustment of Agenda

Director Smith requested Item 7.C be tabled to a future meeting as an informational item. Counsel Stewart said Item 8.A will be tabled to a future meeting.

4. Public Comment

Daniel Slawson, Director of Beaumont-Cherry Valley Water District commended Secretary Walton's leadership and community service.

Joyce McIntire, Director of Yucaipa Valley Water District expressed appreciation for Secretary Walton's engagement at their board meetings.

Dave Armstrong, South Mesa Water Company General Manager thanked Secretary Walton for his support and partnership.

5. Consent Calendar

- A. Approve Minutes of the September 15, 2025, Regular Meeting of the San Geronio Pass Water Agency Board of Directors
- B. Approve Finance and Budget Committee Meeting Report for September 23, 2025

On a motion by Director Smith, seconded by Secretary Walton, the board approved the Consent Calendar as presented.

Approved by the following vote:

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

Noes: None

Absent: None

Motion passed 7-0.

6. Reports

A. General Manager's Report

General Manager Eckhart reported on the following:

- 1. Update on AVEK MOU – AVEK issued a Request for Proposal for scientific work to support co-banking facilities following execution of an MOU with SGPWA.
- 2. ACWA elections – Reported results of recent ACWA leadership elections.
- 3. Beacon Economic Outlook – Economic Outlook & Forecast prepared by Beacon Economics was included in the agenda packet. Beacon will present the report at the December 1, 2025, board meeting. A follow-up on Imported Water Impact Study is underway.
- 4. State Water Contractors (SWC) correspondence – Shared a letter from SWC (CEO Jennifer Pierre) urging stronger, enforceable regulation to address subsidence impacts on statewide conveyance, including coordination with relevant state programs.

B. Legal Counsel's Report

Counsel Stewart provided an update on SB707 signed by the Governor on October 3, 2025. Key requirements include ensuring two-way telephonic or audiovisual participation for the public, enhanced language access (including agenda translation where specified demographic thresholds are met), and adoption of a policy addressing disruptions to telephonic or internet services. Most provisions become operative July 1, 2026. Counsel noted that BB&K will issue a detailed memorandum and will brief the Board at a future meeting.

7. Informational Presentations and Updates:

A. Legislative Briefing, presentation by Glenn Farrel

Glenn Farrel, summarized the 2025 legislative session status and outlook. Highlights included:

- SB 72 (Caballero) – Signed October 1, 2025; directs DWR to set long-term water supply planning targets in the California Water Plan.
- Proposition 4 allocations – Approximately \$1.2B of the Water Resilience Chapter programmed this cycle; \$2M allocated for conveyance subsidence repairs (less than requested by State Water Contractors).
- Golden mussel response – Trailer bill authority approved; \$20M from Prop 4 appropriated for invasive species efforts; further funding needs anticipated.
- Bay-Delta/Healthy Rivers & Landscapes – CEQA/process streamlining efforts did not advance; discussions expected to continue in 2026.
- Cap-and-Trade/Cap-and-Invest – Program extended to 2045 with revenue programming (including High-Speed Rail and wildfire backfills); potential opportunities may exist for conveyance subsidence repair funding.
- Energy/CAISO – AB 825 adopted; potential to improve SWP energy affordability through broader Western market participation.

Next steps include engaging on Prop 4 guideline development, preparing targeted budget requests, coordinating with regional partners, and planning a Sacramento visit in early 2026.

B. Investment Performance Report, presentation by Robert Montoya, PFM
Robert Montoya, PFM Relationship Manager, presented the investment performance report for the period ending June 30, 2025, with updates through September 30. He reported the portfolio remains well-diversified with a 1-5 year benchmark structure. The presentation was received and filed.

C. Water Education Foundation's Klamath River Tour Recap, presentation by Director Larry Smith
Item tabled to a future meeting.

D. United Water Conservation District Amicus Brief Request, presentation by Mauricio Guardado, General Manager
Mauricio Guardado, General Manager of United Water Conservation District presented an overview of its Fifth Amendment takings claim concerning federal ESA restrictions on diversions, and requested support via an amicus strategy in connection with a petition for certiorari to the U.S. Supreme Court. Staff and counsel will track developments and return with appropriate documents for Board consideration.

Given the floor by President Valdivia, Dan Jagers, General Manager for Beaumont-Cherry Valley Water District urged careful attention to water rights implications and expressed general support.

8. Pass Water Agency Foundation

A. Accept and file the Pass Water Agency Foundation report of activities for Fiscal Year 2024-25
Item tabled to a future meeting.

9. New Business – Discussion and Possible Action:

A. Consider Joint Funding Agreement between San Gorgonio Pass Water Agency and the United States Geological Survey (USGS) for the Annual Extension of the Cooperative Water Resources Program for Fiscal Year 2025-26, in the amount of \$440,252, which includes a USGS cost share credit of \$65,489

Operations Manager Matt Howard presented background on the annual USGS Cooperative Water Resources Program Letter outlining four key tasks: (1) groundwater level monitoring at existing and twelve new wells; (2) groundwater quality sampling, including required grant analytes for new wells; (3) preparation of an interpretive report integrating gravity survey data; and (4) continued operation of the Upper and Lower Burnt Canyon stream gages. Total program cost is \$440,252, with a USGS match of \$65,500 and an Agency share of \$374,752. Staff noted the sole-source justification based on USGS's specialized expertise and data defensibility.

On a motion by Vice President Letulle, seconded by Secretary Walton, the board approved the Joint Funding Agreement between San Gorgonio Pass Water Agency and the United States Geological Survey (USGS) for the Annual Extension of the Cooperative Water Resources Program for Fiscal Year 2025-26, in the amount of \$440,252, which includes a USGS cost share credit of \$65,489.

Approved by the following roll call vote:

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

Noes: None

Absent: None

Motion passed 7-0.

B. Adopt Resolution 2025-09, Honoring Kevin Walton, Secretary and Division 3 Director for his years of Dedicated Service on the Board of Directors of the San Gorgonio Pass Water Agency

General Manager Eckhart provided background on Resolution 2025-09, recognizing Secretary Walton's years of dedicated service, including leadership on small-system partnerships, support for the Sites Reservoir Project, and advancement of the Heli-Hydrant program. The Board expressed gratitude for Secretary Walton's contributions, his impact on the agency's mission, protecting lives and properties, and his ability to step up in meetings. Secretary Walton thanked various staff members, and his fellow board members for their support and contributions.

Given the floor by President Valdivia, Mr. Jagers thanked Secretary Walton for his engagement and insightful questions, which helped improve water management.

On a motion by President Valdivia, seconded by Director Smith, the board approved Resolution 2025-09, Honoring Kevin Walton, Secretary and Division 3 Director for his years of Dedicated Service on the Board of Directors of the San Gorgonio Pass Water Agency.

Approved by the following roll call vote:

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

Noes: None

Absent: None

Motion passed 7-0.

The Board recessed briefly for a commemorative photo and reconvened the meeting at 3:52 p.m.

C. Decision to fill Board vacancy in Division 3 by appointment or by calling a special election; authorize the posting of a Notice of Vacancy, and consider establishing an Ad-Hoc Committee to review applications to fill vacancy

Exec. Asst./Clerk of the Board Maricela Cabral provided background and options to fill the Division 3 vacancy (appointment or special election). Counsel Stewart outlined statutory timelines and procedures. CFO Thomas Todd described estimated costs, noting that a stand-alone special election would exceed the cost of a consolidated election. Clerk Cabral confirmed receipt of Secretary Walton's resignation effective midnight on October 6, 2025, and readiness to submit required notices to the Registrar of Voters.

Given the floor by President Valdivia, Mr. Jagers urged fiscal prudence and transparency, noted that special elections are costly, and indicated support for the Board proceeding by appointment if it meets timelines and due-process requirements.

Director Smith made a motion that the Board fill the vacancy for Division 3 by appointment, not calling a special election, post the notice of vacancy, and establish an ad-hoc committee to review applications and timelines for timely appointment. Secretary Walton seconded.

Vice President Letulle made a substitute motion to fill the Division 3 vacancy by appointment, post the notice of vacancy, and establish an Ad-Hoc Committee to review applications and recommend a candidate for Board consideration. The committee would consist of President Valdivia (Chair), Director Ball, and Vice President Letulle. Following discussion, President Valdivia vacated the chair position and requested Director Smith to serve as Chair, which he accepted. Director Ybarra seconded the motion.

Substitute motion approved by the following roll call vote:

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

Noes: None

Absent: None

Motion passed 7-0.

D. Board Committee Assignments Review and Reappointment Due to Division 3 Vacancy

The board discussed the current committee assignments and vacancies created by the Division 3 resignation. President Valdivia announced the following interim assignments:

Finance & Budget Committee – President Valdivia

Board Members Handbook Committee – Director Wargo

Legislative Committee – Treasurer Ybarra

Public Information and Outreach Committee – Vice President Letulle

General Manager Evaluation Committee – Treasurer Ybarra

10. Reports - Directors and Committee Report

The following meetings were reported on:

- September 16, 2025, Cabazon Water District Board Meeting (Wargo)
- September 17, 2025, High Valley Water District Board Meeting (Wargo)
- September 22, 2025, Public Information and Outreach Committee Meeting (Wargo)
- September 23, 2025, Know Your Water Program at Starlight Elementary (Wargo)
- September 23, 2025, Banning City Council Meeting (Wargo, Valdivia)
- September 23, 2025, Finance & Budget Committee Meeting (Walton)
- September 24, 2025, Blue Zones Event (Wargo)
- September 24-26, 2025, San Bernardino Valley Municipal Water District's State Water Project Tour (Smith)
- September 25, 2025, Calimesa State of the City (Wargo, Valdivia)
- September 25, 2025, Cabazon Community Plan Meeting (Wargo)
- September 27, 2025, Colleen Wallace Town Hall Meeting for Banning District 5 (Wargo)
- September 30, 2025, Meeting with High Valley General Manager Stan Houghton regarding Cabazon EIFD (Wargo, Valdivia)
- October 1, 2025, Beaumont Basin Watermaster (Wargo, Valdivia, Walton)
- October 2, 2025, Rotary Meeting (Wargo)
- October 3, 2025, Riverside County Water Task Force, Speaker Series (Smith, Valdivia, Walton)

Directors Ball, Letulle and Ybarra had no report.

11. Topics for Future Agendas

Director Smith requested staff evaluate whether evening meeting times have increased public participation, with an item to return after the Division 3 appointment.

12. Announcements

President Valdivia reviewed the following announcements:

- A. Gardening with Native Plants Community Workshop, Banning Senior Center, October 9, 2025 at 5:00 p.m.
- B. County Line Recharge Basin & Turnout Project Groundbreaking Ceremony, October 14, 2025 at 1:00 p.m.

- C. Water Conservation & Education Committee Meeting, October 16, 2025 at 1:30 p.m.
- D. Gardening with Native Plants Community Workshop, Noble Creek Community Center, October 16, 2025 at 5:00 p.m.
- E. Regular Board Meeting, October 20, 2025 at 6:00 p.m.

13. Adjournment

There being no further business to discuss, President Valdivia adjourned the meeting at 4:29 p.m. The next regularly scheduled meeting is Monday, October 20, 2025 at 6 p.m.

Maricela V. Cabral, CMC, CPMC
Deputy Secretary of the Board