



Minutes

Draft pending approval

Regular Board Meeting
Meeting Date: May 14, 2025

CALL TO ORDER

The Vice Chairman of the Board called the meeting to order at 5:00 p.m.

PLEDGE OF ALLEGIANCE

Director Goodrich led the flag salute.

ROLL CALL OF BOARD MEMBERS

PRESENT

Directors: Carrillo, Coats, Goodrich, Smith

ABSENT

Chairman Morales

STAFF

Michael Moore, General Manager/CEO; Brian Tompkins, Chief Financial Officer; Jeff Noelte, Director of Engineering and Operations; Kerrie Bryan, Director of Administrative Services; Patrick Milroy, Operations Manager; Manuel Moreno, Water Reclamation Manager; William Ringland, Public Affairs/Conservation Manager; Justine Hendricksen, District Clerk; Shayla Antrim, Administrative Specialist

LEGAL COUNSEL

Jean Cihigoyenetché

GUESTS

Members of the public

PRESENTATIONS AND CEREMONIAL ITEMS

- Sterling Natural Resource Center Awards
 - California Water Environment Association: Engineering & Research Achievement Award
 - WaterReuse: Community Water Champion

The General Manager/CEO presented the California Water Environment Association's Engineering Achievement Award and the WaterReuse Community Water Champion Award. He recognized the significance of these awards and acknowledged the contributions of the Sterling Natural Resource Center.

PUBLIC COMMENTS

Vice Chairman Coats declared the public participation section of the meeting open at 5:04 p.m.

There being no written or verbal comments, the public participation section was closed.

1. APPROVAL OF AGENDA

a. Approval of Agenda

A motion was made by Director Smith, seconded by Director Goodrich, that the Board approve the May 14, 2025 agenda as submitted.

The motion carried by the following:

Ayes: Carrillo, Coats, Goodrich, Smith

Noes: None

Absent: Morales

2. APPROVAL OF CONSENT CALENDAR

a. Approve the April 9, 2025 Regular Board Meeting Minutes

b. Approve the April 23, 2025 Regular Board Meeting Minutes

c. Approve Directors' Fees and Expenses for April 2025

d. Adopt Resolution 2025.01 - Establishing an Investment Policy for Public Funds

A motion was made by Director Goodrich, seconded by Director Carrillo, that the Board approve the Consent Calendar items as submitted.

The motion carried by the following:

Ayes: Carrillo, Coats, Goodrich, Smith

Noes: None

Absent: Morales

3. INFORMATIONAL ITEMS

a. Review FY 2025-26 Revenue Projections

The Chief Financial Officer presented revenue projections for the upcoming fiscal year, including a detailed breakdown of projected water sales and overall revenue. He highlighted key factors influencing the estimates, such as updated billing methodologies, anticipated rate adjustments, and the impacts of new development and customer growth. He also addressed non-rate revenues, including food waste hauler ticket fees and Local Resource Investment Program contributions.

The Chief Financial Officer provided a summary of revenue allocations across the water, wastewater, and reclamation funds, along with operating expenses and contributions to capital replacement reserves. The Chief Financial Officer explained how revenues are used to cover operating expenses, fulfill debt service obligations, and support the District's capital replacement reserves. He emphasized the importance of energy sales from the Sterling Natural Resource Center in maintaining a balanced budget in the future.

For information only.

4. DISCUSSION AND POSSIBLE ACTION ITEMS

a. Status Update on Compliance with New Legal Obligations Regarding Vacancies and Recruitment and Retention Efforts (Assembly Bill 2561/Government Code Section 3502.3), Public Hearing

The Director of Administrative Services presented a detailed report regarding the District's job vacancies, recruitment, and retention efforts. She explained the new legislative requirement for public agencies to hold a public hearing to discuss staffing challenges. She stated that the District's bargaining unit, the East Valley Water District Employee Partnership, was informed of their rights to provide a presentation during the hearing.

Vice Chairman Coats declared the public hearing open at 5:48 p.m.

There were no written or verbal public comments.

Vice Chairman Coats declared the public hearing closed at 5:49 p.m.

The Board held a public hearing and received a status update on compliance with new legal obligations required by Assembly Bill 2561 (Government Code Section 3502.3) for the calendar year ending December 31, 2024. The Board received and filed the report.

b. Consider Approval of On-Call Master Services Agreements

The Director of Engineering and Operations provided an update on the District's efforts to secure qualified consultants for general engineering, inspection, and geotechnical services. He reported that 27 proposals were received and evaluated by a committee of engineering staff, with scoring based on relevant experience, proposed approach, and hourly rates.

He recommended that the Board authorize the General Manager to execute master services agreements with selected consultants in each category for a three-year term, with the option to extend for two additional one-year periods. He noted that these agreements would streamline the process, allowing staff to engage consultants more quickly and efficiently than issuing separate contracts for each project.

A motion was made by Director Goodrich, seconded by Director Smith, that the Board of Directors authorize the General Manager/CEO to execute Master Services Agreements for providing as-needed Engineering, Inspection, and Geotechnical support services as submitted.

The motion carried by the following:

Ayes: Carrillo, Coats, Goodrich, Smith

Noes: None

Absent: Morales

c. Consider Approval of Amendment No. 1 to the Managed Mobile Agreement

The Operations Manager presented an amendment to the Managed Mobile agreement for fleet maintenance services. He explained that the District has been using Managed Mobile to perform after-hours vehicle inspections, conduct basic maintenance checks, and provide repair recommendations. As a result, service usage has exceeded the original contract amount of \$100,000. The proposed amendment would increase the maximum annual contract amount to \$160,000 and include provisions for potential annual extensions.

He noted that the in-house fleet maintenance coordinator continues to perform simple repairs, while more complex work is directed to Managed Mobile. Funding for these services is already included in the current budget.

A motion was made by Director Goodrich, seconded by Director Smith, that the Board of Directors authorize the General Manager/CEO to execute Amendment No. 1 to the Managed Mobile agreement as submitted.

The motion carried by the following:

Ayes: Carrillo, Coats, Goodrich, Smith

Noes: None

Absent: Morales

d. Consider Adoption of Resolution 2025.02 - Nomination of James Morales Jr. as a candidate of the Association of California Water Agencies Region 9 Board

The General Manager/CEO provided an overview of the Association of California Water Agencies and the nominating requirements to serve on the Region 9 Board.

Vice Chairman Coats read a statement from Chairman Morales regarding his nomination to the Association of California Water Agencies (ACWA) Region 9 Board.

A motion was made by Director Carrillo, seconded by Director Smith, that the Board adopt Resolution 2025.02 as submitted.

The motion carried by the following:

Ayes: Carrillo, Coats, Goodrich, Smith

Noes: None

Absent: Morales

e. Consider Voting Designee for the Association of California Water Agencies

A motion was made by Director Goodrich, seconded by Director Smith, that the Board of Directors designate Michael Moore as the voting representative to represent East Valley Water District at the 2025 Association of California Water Agencies Fall Conference.

The motion carried by the following:

Ayes: Carrillo, Coats, Goodrich, Smith

Noes: None

Absent: Morales

5. REPORTS

a. Board of Directors' Reports

Director Carrillo reported on the following: May 1 he met with the General Manager/CEO to discuss District business; May 7 he attended the San Bernardino City Council meeting with no reportable action; and May 12 he met with the General Manager/CEO to review the agenda.

Director Smith reported on the following: May 13 he attended the Finance & Human Resources Committee meeting.

Director Goodrich reported on the following: April 24 he met with the General Manager/CEO to discuss District business; April 29 he participated in a tour of SNRC facilities with the General Manager/CEO, staff, and Highland City Council members; May 1 he participated in a tour of SNRC facilities with staff and Highland City Council

members; and May 13 he attended the Highland City Council meeting, where the Council approved an amendment to the master contract with the San Bernardino County Sheriff's Department and East Valley Water District for Law Enforcement Services.

Vice Chairman Coats reported on the following: May 1 he attended the California Special Districts Association Professional Development Committee meeting, where they reviewed award selection procedures; May 1 he attended the Yucaipa Valley Water District meeting, where new water line installations were approved; May 8 he participated in an agenda review with Chairman Morales and the General Manager/CEO; and May 13 he attended the Finance and Human Resources Committee meeting, where they were briefed on commercial and industrial customers and water use efficiency regulations.

For information only.

b. General Manager/CEO Report

The General Manager/CEO announced the following:

- May is Water Awareness Month. Water agencies across California observe this national campaign and aim to raise awareness about the importance of water conservation, water quality, and sustainable water use.
- On May 23, staff will participate in Lankershim Elementary School's Career Day, where students will learn about the water cycle and careers in water.
- May 26, in observance of the Memorial Day holiday, the District's offices and customer service lines will be closed.
- May 17 at 5:30 p.m., the Highland Chamber of Commerce will hold its annual "Evening Under the Stars" event at the SNRC.
- May 20 at 6:00 p.m., the Community Advisory Commission will be meeting.

For information only.

c. Legal Counsel Report

Legal Counsel had nothing to report.

d. Board of Directors' Comments

Vice Chairman Coats recognized those in attendance.

For information only.

ADJOURN

Vice Chairman Coats adjourned the meeting at 6:14 p.m.

James Morales, Jr., Board President

Michael Moore, Board Secretary