

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
BOARD MEETING

MINUTES OF MARCH 13, 2013
1:30 P.M.

President Corneille called the Board Meeting of the Board of Directors to order at 1:30 p.m. All present stood for the pledge of allegiance, led by President Corneille.

ROLL CALL:

BOARD MEMBERS PRESENT:

Richard Corneille, President
Melody McDonald, Vice President
Bob Glaubig, Director
David E. Raley, Director
Manuel Aranda, Director
Clare Henry Day, Director
John Longville, Director (1:35 p.m. arrival)

BOARD MEMBERS ABSENT:

None

GENERAL COUNSEL PRESENT:

David Cosgrove, Rutan & Tucker, LLP

STAFF PRESENT:

Daniel Cozad, General Manager
Athena Medina, Administrative Services Specialist

GUESTS PRESENT:

Charles Roberts, Highland Community News
Don Lee, Tetra Tech

1. PUBLIC PARTICIPATION

President Corneille announced this as the time for any persons present, who so desire, to make an oral presentation to the Board of Directors. Hearing none, the meeting continued with published agenda items.

2. ADDITIONS/DELETIONS TO AGENDA

There were no additions or deletions.

3. CONSENT CALENDAR

Special Presentation, Melody McDonald

Vice President McDonald presented a refund check to the District in the amount of \$20,669.05 from ACWA JPIA. She stated that there have been \$34 million dollars returned to the members so far. Included with the check was a detailed breakdown of the reimbursement.

Approval of the Board Minutes from February 13, 2013

It was moved by Director Day and seconded by Director Aranda to approve the minutes from February 13, 2013. The motion carried 7-0.

Approval of Unaudited Financials and Check Register, February 2013

Mr. Cozad referred to package page 15 which is an 11 x 17 breakout of the financials with expended to date, expected remaining costs, and projected cost thru the end of year. There are also columns stating whether we are over/under and notes. This spreadsheet was presented to the Administrative Committee on February 27th. Mr. Cozad said this spreadsheet will be brought to the Board on a quarterly basis. He noted that the District is currently in the black. The first quarter of 2013 financial results will be presented at the April 10th meeting. Mr. Cozad stated that as time progresses some of the financial reports will not be presented unless requested. He indicated that general ledger accounts 4021 and 4023 for the Groundwater Charge revenue will be over budget for this year due to production being higher because it's been a dry year. Mr. Cozad stated that a summary will be presented monthly with financial information and quarterly with year to date figures. Brief discussion ensued.

It was moved by Director Longville and seconded by Director McDonald to approve the Unaudited Financials

and Check Register for February 2013. The motion carried unanimously.

Groundwater Assessment Report, GWA #39

Director Longville inquired as to why the Board does not move the consent calendar as a whole. President Corneille responded that the Board Policy allows for these items to be voted on individually. Director Raley inquired as to standard consent calendar procedures. Mr. Cosgrove stated that for most agencies the consent calendar is generally approved all at once and considered non-controversial, but anyone can request an item be removed from the Consent Calendar for discussion.. He also stated that the financials are often discussed by the Board and comments made by the General Manager. Director Longville recommended that the financials be presented as an action item and that the Board begin to adopt the standard procedure of voting on the consent calendar as a whole. Mr. Cosgrove stated that the new procedure can be included in the Board Policy Manual under Action Item D.

Mr. Cozad indicated that the District has received a verbal request from City of Redlands requesting a late fee waiver for this assessment period, and should be receiving a letter. He is estimating based on last year's assessment that the late fees would be approximately \$1,000. The District routinely waives any late fees that are minimal. Director Glaubig inquired as to whether or not we have a time frame for when the Redlands assessment payment will be received. Mr. Cozad noted that it should be received within a couple weeks. Mr. Cosgrove stated that Mr. Cozad is requesting to waive the late fees for City of Redlands only if the amount falls under his discretionary spending authority.

It was moved by Director McDonald and seconded by Director Longville to approve items 4 (Groundwater Assessment Report) and 5 (ACWA/JPIA Concurring Nominations) of consent calendar. The motion carried unanimously.

4. ACTION ITEMS, NEW BUSINESS

A. FINAL 2013 ENGINEERING INVESTIGATION REPORT

Mr. Cozad presented a PowerPoint presentation summarizing the Engineering Investigation (EI). He stated that the only significant change to the EI from the Draft presented at the February Board meeting is the addition of Section 13: Quality Assurance and Quality Control (QA\QC) that was requested by the Resources Committee. 2012 was a high production year where there was a

significant change is storage. Precipitation was off by 45%. Director Raley asked at what depth level the producers have difficulty pumping their wells. Mr. Cozad stated that most of the production wells are very deep and that typically for smaller producers a new well is drilled deeper when a well becomes unusable. Discussion ensued. Director Raley expressed his concern for the basin and the adverse effects of continued deficit groundwater pumping.. Mr. Cozad stated that the Basin Technical Advisory Committee (BTAC) monitors this issue. The EI presentation continued. He indicated that storage has decreased and is at 73,000 acre ft.; and for the ensuing water year is estimated at 60,000 acre ft. The EI was distributed to various entities to review and comment; the District has not received any comments.

Mr. Cozad presented the Draft 2013-2014 Groundwater Enterprise Budget as well; which he indicated will be adjusted and brought back for final approval. He said that the groundwater rate is currently adequate and he does not recommend an increase for this coming year. The current anticipated revenue for 2013-2014 is \$350,000 from San Bernardino Valley Municipal Water District (SBVMWD) under the Collaborative Lease Agreement and that includes the 40% allocation to the groundwater enterprise. President Corneille advised the Board of the election costs that the District will incur for fiscal year 2013-2014 with a rough estimate at approximately \$140,000 for four directors that are up for reelection. Mr. Cozad said that a cost estimate has been requested from the Registrar of Voters, but Staff has not received this information yet.

Mr. Cozad indicated that in order to be in compliance with Prop 218, the Board will need to hold a Special Meeting to allow additional time for groundwater producers to be properly noticed. Staff suggested April 29th and the Board concurred. There will be a Public Meeting on April 10th, Public Hearing on April 24th, and a Special Board Meeting on April 29th to take action on the items presented on the 10th and 24th.

Director Raley asked what the QA\QC section included. Mr. Cozad reviewed the process. President Corneille stated that the purpose of the QA\QC is to provide an independent check of the data included in the EI.

It was moved by Director Raley to set the date for Public Meeting on April 10th, Public Hearing on April 24th and Special Board Meeting on April 29th for adoption of the groundwater rate; as well as adopt the EI. Director Aranda seconded motion. The motion carried unanimously.

B. OUTREACH COMMITTEE REPORT AND PLAN

Director Aranda, chair of the Outreach Committee, presented this item for discussion. He discussed the future website enhancements that are in

process. Additionally, he presented handouts the District has used in the past that are currently outdated. Mr. Aranda reviewed the Outreach Plan in detail beginning on package page 70.

Mr. Cozad thanked the Committee members for the mission statement and objectives they put together. He stated that Staff and the Committee suggests an outreach budget of \$5,000 for FY 2013-2014. This year the District has participated in outreach activities by: sponsoring educational programs through Inland Empire Resources Conservation District and sponsoring the Santa Ana Watershed Conference 2013. Also, he discussed the Committee's interest in continuing to support educational programs on water conservation primarily for schools and that the District has received a request from a student at Redlands High School. The student requested a donation of \$500; the money would go towards a conservation project he is working on.

Director Raley is supportive of the plan, but said that the District needs to be cautious of the manner in which the Outreach Budget will be expended. President Corneille requested that the Committee develop a specific plan and line item budget for how the District would expend the \$5,000 and what they want to accomplish.

It was moved by Director McDonald to approve the Outreach Plan and allocate \$5,000 for outreach in the 2013-2014 Budget. Director Raley seconded motion. The motion carried unanimously.

C. CSDA BOARD OF DIRECTORS NOMINATION

Director McDonald is in support of Director Aranda being nominated and asked if there are any other Directors interested in this position. There were none. Director Aranda asked if he may have until the April 10th Board Meeting to decide if he will run for the CSDA Board.

It was moved by Director McDonald to refer this item to the April 10th Board of Directors Meeting. Director Aranda seconded motion. The motion carried unanimously.

D. BOARD POLICY MANUAL REVISIONS FOR 2013

Mr. Cozad opened this item for discussion referring to package page 80. The Administrative Committee reviewed in January and February and brought back suggested revisions to the Board. There were revisions made to expense reimbursements, officers and additional sections. Mr. Cozad noted that the majority of the revisions were to Appendix C; previously the Committee broke it into two categories and brought back to the Board in February. Since the

February 13th Board of Directors Meeting, Appendix C (on package page 124-125) the Administrative Committee met and reverted back to the primary being the only attendee to claim meeting reimbursement as District Requested with additional minor changes.

Director Raley, as an Administrative Committee member, indicated that he does not see the reason that both the primary and alternate should attend the meetings listed in Appendix C as District Requested. He feels that the primary should be the one in charge of keeping the Board informed of the outcome of the meetings they attend. Additionally, he stated that a Director Selected discretionary meeting may be used as opposed to a District Requested if the alternate decides to attend as outlined in the policy.

Director Day, also an Administrative Committee member, stated that he concurs with Director Raley. He went on to say that the primary is the responsible party and the alternate's attendance should be optional.

Director McDonald, Chair of the Administrative Committee, presented her written statement regarding this issue as follows:

"I believe our current policy with regards to Director's attendance limitations on meetings, hurts the District and more importantly the public we are elected to serve and represent. As a result of our policy, attendance at "Special Districts" monthly dinner meeting is virtually nonexistent. I believe it imperative that we be in attendance. In my opinion it's a critical meeting to keep up with news events with San Bernardino County and the San Bernardino County LAFCO. Putting restrictions on any Director who has been elected by their public they serve are contradictory to the whole essence of being elected, current law and water code. It is evident if a Director is frequently at a function they stand a better chance of being elected to a board member seat of that association if they are known and in attendance. The San Bernardino Valley Water Conservation District benefits by having someone in leadership position on these boards. We indicated to LAFCO we were no longer going to be insular but engaged. Our current policy restricts this commitment to them. I believe we are hindering outreach to the communities in which we serve."

Director McDonald said that she would like to see additional Directors attend the Association of San Bernardino County Special District's (ASBCSD) monthly meetings\dinners. She went on to say that the District requires a voting member to be in attendance at the meetings and a primary should be selected. President Corneille asked if Director McDonald is suggesting that ASBCSD be moved from the Director Selected list to the District Requested list and assigning a primary. She indicated that is the case. President Corneille asked if there is a vote at the monthly meetings and annual conference. Mr. Cozad

stated that the District usually designates a representative to vote on our behalf. Director Raley asked the importance attending the ASBCSD monthly meetings. President Corneille read aloud Section 4080: Attendance at Education Seminars and Meetings of Other Organizations that states:

"Policy Statement. It is the policy of the District to encourage Directors to participate in professional organizations; local, state, and national training and educational seminars; and meetings of other local organizations where such attendance has direct applicability to the primary functions of the District. The District benefits from such activities both by keeping abreast of the latest developments and issues in the field of water conservation and groundwater management, and by the expanded professional communications which occur at such events. These benefits must be balanced, however, by fiduciary obligations, budgetary limitations and an effort to avoid unnecessary duplication of representation of the District. To strike this balance, the Board's policy is to authorize Directors to attend certain conferences, and require Directors to secure the approval of the Board before attending meetings or conferences. Reimbursement, therefore, shall be made for expenses incurred by a Director only in connection with attending seminars, conferences, or meetings, as previously approved by the Board."

President Corneille stated that the District encourages the Board's participation in attending meetings, but there are limitations to ensure that they are related to our primary function. Director Raley reiterated that a Board Member can use a discretionary meeting (limited to three per month) to attend the ASBCSD meetings. Director Aranda stated the importance of attending meetings to keep abreast of current topics and issues. Discussion ensued. Director McDonald suggested that the Board move ASBCSD monthly meetings and special presentations to the District Requested listing. President Corneille is in support of her suggestion with the contingency that for special presentations it be limited to one per month for each Director, but would like to appoint a primary and an alternate for ASBCSD meetings. Director Glaubig stated that he believes this is adding an additional discretionary meeting and would like for special presentations to be approved on a case by case basis. However, because he feels this will have a minimal financial impact on the District, he is in support of the suggestion by Director McDonald with the limitation of one per month for special presentations. Mr. Cozad indicated that Staff will need to budget for additional meetings and that if each Director were to make a presentation at one per month it would equate to approximately \$16,000. President Corneille noted that not every Board member will make a presentation. He defined presentation as being the primary speaker at an event and speaking for more than five minutes. Director McDonald stated a presentation can also be identified as being clearly agendaized as such.

Director Raley spoke against the motion. He does not believe the Board has clearly defined what a special presentation is or how it benefits the District to attend the ASBCSD meetings. Director Glaubig stated that it seems to be that the Board is moving the discretionary meetings up to essentially four meetings per month. Director Day commented he is not in favor of the motion.

It was moved by Director McDonald that Items A (ASBCSD Meetings) and G (Special Presentations) on the Director Selected list in Appendix C be moved to the District Requested list with the limitation for special presentations at one per month for each Director; and Director Aranda being listed as the primary and Director McDonald as the alternate for ASBCSD monthly meetings. Director Aranda seconded motion. The motion carried 5-2 with Directors Raley and Day in opposition.

Mr. Cozad opened up discussion on the Form 806 which is included in the updates to the Board Policy Manual. He thanked Director McDonald for the research she performed in clearly identifying the meetings that will need to be disclosed on the form. Mr. Cozad stated that all committees external and internal; this will include Appendix B and C of the Policy Manual with the exception of conferences. Director McDonald reviewed the lists and stated that the Task Force and SBVMWD Meetings do not have to be listed on the forms along with associations. She reviewed in detail the requirements for the form. Mr. Cosgrove stated that an Ad Hoc Committee will be listed if it exceeds the threshold amount of \$250 within a 12 month period. He stated that Form 806 is an agency form and is a rolling requirement. Mr. Cozad suggested that the form be updated annually when the District updates Appendix B and C. Director McDonald thanked Athena Medina, Administrative Services Specialist, for initially bringing this item to the Boards attention. She also handed out the information on frequently asked questions from the FPPC. Staff was directed to implement today's suggested revisions and for the Board Policy Manual to be brought back to the April 10th meeting for final approval.

E. WASH PLAN STATUS REPORT

Mr. Cozad introduced this item while Mrs. Medina distributed the handouts to the Board. He stated that there was a meeting held last week with the Wash Plan Project Manager, Randy Scott, CEMEX, Robertson's, USFWS, RBF and BLM to discuss the progress. Included in the handouts is a set of actions with a timeline as to when these are estimated to be completed. Additionally, the 11 x 17 map from USFWS that shows areas that were hatched; located in the hatched areas are additional habitat and conservation. Discussion ensued. Mr. Cozad indicated that a Wash Plan Task Force meeting be scheduled for mid-May. The final version of the map should be presented at that meeting

along with the management action plan. Mr. Cozad indicated that there are still a number of items that need to come together in order for the project to be implemented. He also indicated that the assessment of cost is very important and is a long term commitment. This item was received and filed.

F. SAN BERNARDINO COUNTY LIDAR COOPERATIVE AGREEMENT AND ENGINEERING SUPPORT

There was no discussion.

It was moved by Director McDonald and seconded by Director Aranda to authorize the General Manager to execute the agreement with SBCFCD for LiDAR topography in the amount of \$28,100 and utilize existing contract for engineering support up to \$6,600. The motion carried unanimously.

5. INFORMATION ITEMS:

A. General Manager's Report

Mr. Cozad referred to the package page 136 for the written report. He thanked the Board members that have submitted their Form 700 and stated the deadline is April 1st. The final legal description for the Sphere of Influence (SOI) should be completed by the end of March. There will be five years of audits as well as MSR materials that will need to be pulled and submitted. East Valley Water District approved a letter of support at their last board meeting. Mr. Cozad reviewed the SAWPA spreadsheet used to track the entire different projects for the OWOW State Funding. He thanked Angie Quiroga, Administrative Services Specialist, for her efforts in completing the grant application for Plunge Creek. He stated that most agencies outsourced this task and is very appreciative of the hard work put into the project by Mrs. Quiroga. Director Raley inquired about the \$8,000 listed under consultant on the handout. Mr. Cozad indicated that was for the economic analyst required for the grant submittal using the economics consultant suggested by SAWPA.

B. Monthly Recharge Report

Mr. Cozad said that the small amount of rain in the past month provided 15-16 cfs in both Mill Creek and Santa Ana. He noted that Field Staff, Manuel Colunga and Bill Boggan, are working very closely with DWR's contractors to coordinate the schedules between the canal being out and the Seven Oaks Dam release that the COE will perform soon. They have discussed with Orange County Flood Control the possibility of an early release. There is approximately 25,000 acre ft. behind the dam.

C. Arnott Land Development Coordination

Mr. Cozad handed out an area map from a developer, Camille Bahri, who would like to develop the bench area in Greenspot with the cooperation of Mr. Arnott and the District. Additional informational will be provided as it becomes available.

D. Plunge Creek Verbal Report

This item was previously discussed under the General Manager's report. Mr. Cozad said that the term of the project will more than likely be three to four years because it will have to be implemented in phases.

E. Future Agenda Items & Staff task Requests from Directors

Director Raley requested a field tour of the Plunge Creek area and Watermaster Diagram.

6. MONTHLY BOARD MEMBER COMMITTEE ACTIVITY REPORTS, AND /OR COMMENTS BY BOARD MEMBERS

ACWA Spring Conference in Sacramento Travel and Expense Approval Requests

President Corneille indicated that there are a total of three requests:

- President Corneille, \$1, 541.56
- Vice President McDonald, \$2,138.06
- Director Aranda, \$2,271.70

All Directors requesting approval to attend the ACWA Spring Conference are assigned to an ACWA committee.

It was moved by Director McDonald and seconded by Director Aranda to approve the three travel and expense requests forms President Corneille, Directors McDonald and Aranda as submitted. The motion carried unanimously.

Director Day attended the Resources and Administrative Committee meetings previously discussed earlier in the meeting.

Director Longville attended the Outreach Committee that was discussed previously. He stated that he was unable to attend as previously requested the ACWA State Legislative Symposium. There were no expenses. Additionally, he attended a presentation by the County Administrator, Greg Devereaux; where they discussed efforts to try and tie together public and private sector activities for the improvement of San Bernardino County as a whole.

Director Glaubig attended the Resources Committee meeting.

Director McDonald chaired the Administrative Committee and attended the HACC Monthly Networking Luncheon where there was a special presentation by Amanda Gaspard with the Department of Public Health. Additionally, she attended the East Valley Water District Board meeting. Director McDonald attended the ACWA State Legislative Committee meeting where the committee took an opposed position on AB-194. She also said that AB 218 (Dickinson) Fairness in Government Hiring Practices; the committee's position is "not favored" position. Director McDonald attended the USAWRA and BTAC.

Director Raley attended the SBVMWD Board meeting, BTAC, and Outreach Committee. He attended the RCC Rise N Shine meeting where they discussed the repair of the Cities roads. Director Raley attend the SBVMWD Workshop where they discussed an agreement with the City of Redlands to purchase storage capacity at \$2.7 million. He also attended the BBWM meeting and completed online ethics training.

Director Aranda attended the RCC Rise N Shine, USAWRA and BTAC.

President Corneille attended the first meeting with EVWD where the District's presentation was made to their Board on the SOI. He attended the Resources Committee; where Field Operations Specialist, Manuel Colunga reviewed potential items need for next year and recognized him as a very important part of the District. Additionally, there was an OWOW presentation by Jeff Beehler at the Resources Committee. He also attended the ACWA Groundwater Committee in Sacramento. He handed out a flier from the meeting by the Western States Petroleum Association on Water & Hydraulic Fracturing in California.

7. UPCOMING MEETINGS

Mr. Cozad noted the upcoming April 11th OWOW conference and the April 18th SBVMWD facilities tour.

8. CLOSED SESSION

There was no Closed Session.

9. ADJOURN MEETING

It was moved by Director Raley and seconded by Director Day to adjourn to the next scheduled meeting. The motion carried unanimously.

At 4:43 p.m. the meeting adjourned to the Groundwater Public Meeting on April 10, 2013 at 1:30 p.m., at District Headquarters, 1630 W. Redlands Blvd., Redlands, CA.



Daniel B. Cozad
General Manager