

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT  
BOARD OF DIRECTORS

MINUTES OF June 12, 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  
John Longville, Director (2:23 p.m. departure)

BOARD MEMBERS ABSENT:

Clare Henry Day, Director (Excused)

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  
Steve Johnson, SCE  
Don Lee, Tetra Tech  
Jeff Beehler, SAWPA

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/deletions to the agenda.

3. SPECIAL PRESENTATION BY STEVE JOHNSON FROM SOUTHERN CALIFORNIA EDISON

This item was taken out of order to accommodate Mr. Johnson's schedule.

Steve Johnson with Southern California Edison (SCE) presented a PowerPoint presentation. Mr. Johnson is the Technical Manager at SCE's Mountain View Generating Station (Station) located here in Redlands. He gave a brief history of the Station. The Station uses both reclaimed water and contaminated groundwater in its cooling water operations, and is the largest energy production facility owned by SCE. Mr. Johnson continued reviewing a detailed schematic of the water treatment system at the Station. He stated that SCE has adjudicated Water Rights from 1969; which allows SCE to use the water from the SBBA aquifer to cool the turbines at the power plant. Mr. Johnson concluded by stating the Station provides power to over 700,000 customers. Mr. Johnson thanked the District for their efforts and the opportunity to address the Board.

4. CONSENT CALENDAR

- A. Approval of the Board Minutes from May 15, 2013
- B. Approval of Check Register, May 2013

**It was moved by Vice President McDonald to approve the Consent Calendar, and seconded by Director Aranda. The motion carried 6-0 with Director Day noted absent from vote.**

## 5. ACTION ITEMS

### A. UNAUDITED FINANCIALS, MAY 2013

General Manager Daniel Cozad commented briefly on the financials and reported that General Ledger Account 6190 for Life Insurance was off by one line item indicated at the bottom of package page 25. This was corrected and revised financials were provided as a hand out to the Board at the meeting. Additionally noted was the possibility of a future budget amendment. Mr. Cozad stated that those up for election were unopposed this year resulting in a cost savings to the District. President Corneille advised the Board to submit any unclaimed expenses for the fiscal year prior to June 30<sup>th</sup>.

**It was moved by Director Longville and seconded by Vice President McDonald to approve the Unaudited Financials for May 2013 with corrections. The motion carried 6-0 with Director Day noted absent from the vote.**

### B. WASH PLAN STATUS REPORT

Mr. Cozad reviewed the PowerPoint presentation used for the Wash Plan Task Force meeting on June 4<sup>th</sup> and gave an overview of the meeting. He reviewed the project components and amendments such as: transportation expansion dedication, land exchange between District and Bureau of Land Management mining, water conservation and lands being dedicated by San Bernardino County Flood Control District and Robertson's. Mr. Cozad stated that Ken Corey with United States Fish & Wildlife Service (USFWS) presented his history on the project at the meeting and demonstrated his commitment to seeing the project through to issuance of permits. Mr. Cozad presented to the Board a few slides from USFWS' PowerPoint presentation. The Conservation Strategy map gives an overview of activities that USFWS has observed in the field. The proposed map shows all major activities as well as proposed additional mining. There was also a treatment area and land use map presented.

Mr. Cozad reviewed the management and monitoring element required of the Wash Plan. Discussion ensued regarding this element and its future cost and economics. Director Aranda asked who would be responsible for the habitat restoration. Mr. Cozad stated this is to be determined. Director Raley stated that the meeting went well, but a significant financial review will need to be done prior to an implementation decision. He would like to see anticipated costs broken out in detail. David Cosgrove, General Counsel, stated that the reason the financial

elements had not been finalized is because there was no conservation strategy confirmed. He indicated the conservation strategy is completed and the next step is to identify covered activities and then the financial analysis will need to be performed. Management and monitoring costs are based on the tasks each agency will perform. These preliminary estimations of costs were done by Tom McGill with RBF Consulting working closely with Geary Hund from USFWS. Mr. Cozad presented a Wash Plan Budget and Schedule for 2013-2014 and 2014-2015. He reviewed in detail cost share percentages. Mr. Cozad stated that everyone in the region seems to be committed to the project. Several groups, including the Cities, will have to go to their boards or councils for funding approvals.

Director Raley stated that the financial analysis will also need to take into account the land that the District is committing to the project. Mr. Cozad agreed that the financial review is critical and that tradeoffs and risks need to be taken into account when the Board is making a "go, no-go" decision.

President Corneille inquired as to what "covered activities" may be included under the Wash Plan. Mr. Cosgrove stated that in addition to mining and water conservation, potential roadway widening, establishment of trail heads, habitat conservation, and permits for City of Redlands are examples of proposed covered activities. Mr. Cozad stated there is a debt owed to the District from the Wash Plan for costs after the last appropriation by the Task Force and before the initiation of activities for new work of approximately \$120,000. Charles Roberts of Highland Community News inquired if there was a possibility for the District to obtain grant funding for the Wash Plan. Mr. Cozad stated that there is a possibility and if the District applies for and is granted funds there will be a refund to stakeholders. He indicated the District is unable to wait for funding prior to implementation. Mr. Cosgrove stated that once we move forward with the legislative process, we will ask if there is additional funding available. Director Raley is in support of keeping the Wash Plan on schedule and moving forward. President Corneille asked if we expect commitment from partner agencies at the next meeting. Mr. Cozad stated that the next meeting will be to discuss the proposed covered activities identified by partner agencies and the revised budget so they can move forward and request approval from their council or board of directors. Staff will request authority and approval to move forward with the Task Force if they decide to move forward with the implementation of the Wash Plan. The update was received and filed.

## 6. INFORMATION ITEMS

### A. GENERAL MANAGER'S REPORT

The written General Manager's Report, prepared by Mr. Cozad, is found on package page 30. Mr. Cozad handed out a map of current and potential aggregate management. A request for interest in a request for proposals for aggregate management was sent out to contractors who had expressed interest. SBVMWD has requested storage for their City Creek project. The District is also accepting rock for EVWD and has an existing contract with Upland Rock. Mr. Cozad said that CEMEX is going to demobilize their existing plant and build a smaller plant in the next few months. Additionally, Staff is coordinating with other water conservation districts as an approach to perform a royalty rate study.

Mr. Cozad said that Staff just finished coordinating with SBVMWD on the water rights license filing will continue to work with them to reduce to only one meter to measure flow at our parshall flume rather than the two currently installed. This will help both districts provide the most accurate reporting for water rights.

He also noted that SBVMWD will be requesting authorization for \$20,000 from all parties to move forward with the river-wide Habitat Conservation Plan for projects which may help or impact the Santa Ana Sucker. The District has expressed interest in being a part of the project and the amount per agency is approximately \$20,000. He indicated unless there are objections, he will bring forward this request for the Board's approval for permits to maintain the Mill Creek channel diversion.

### B. MONTHLY RECHARGE REPORT

The written report is included in the package on page 32. The District has begun taking water from Seven Oaks Dam since being sampled and confirmed non-detect regarding the earlier tanker spill. The District has spread 5,450 AF in Santa Ana River and 2,000 AF in Mill Creek so far this water year.

### C. FUTURE AGENDA ITEMS & STAFF TASK REQUEST FROM DIRECTORS

President Corneille appointed an Ad Hoc Audit Committee naming Director Raley, Director Glaubig and himself as members of the committee; a meeting is to be scheduled for July.

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

Director Raley attended the Wash Plan Task Force meeting.

Director Aranda attended the Redlands Chamber of Commerce, BTAC, and he will be making a presentation at the Loma Linda Chamber at the end of the month.

Director Glaubig made no report.

Vice President McDonald attended the Highland Area Chamber of Commerce Breakfast where they presented an economic update. She attended the BTAC, Santa Ana Sucker Task Force by phone, SBVMWD Board Meeting, and ACWA State Legislative Committee meeting.

President Corneille reported he had no outside activities due to his being out of the country for most of the time between May and June monthly meetings.

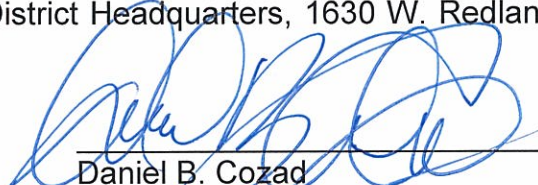
8. UPCOMING MEETINGS

President Corneille noted the next SBVMWD Advisory Commission Meeting will be July 11<sup>th</sup>.

9. ADJOURN MEETING

**It was moved by Director Aranda and seconded by Vice President McDonald to adjourn to the next scheduled meeting. The motion carried 5-0 with Directors Longville and Day noted absent from the vote.**

At 3:39 p.m. the meeting adjourned to the next regular Board Meeting scheduled for July 10, 2013 at 1:30 p.m. at District Headquarters, 1630 W. Redlands Blvd., Redlands, CA.

  
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Daniel B. Cozad  
General Manager