



BOARD OF DIRECTORS MEETING AGENDA

Tuesday, November 10, 2015 – 1:30 p.m.

Location--1630 West Redlands Boulevard, Suite A, Redlands, California

Note: Copies of staff reports and other documents relating to the items on this agenda are on file at the District office and are available for public review during normal District business hours. New information relating to agenda topics listed, received, or generated by the District after the posting of this agenda, but before the meeting, will be made available upon request at the District office and in the Agenda Package on the Districts website. It is the intention of the San Bernardino Valley Water Conservation District to comply with the Americans with Disabilities Act (ADA) in all respects. If you need special assistance with respect to the agenda or other written materials forwarded to the members of the Board for consideration at the public meeting, or if as an attendee or a participant at this meeting you will need special assistance, the District will attempt to accommodate you in every reasonable manner. Please contact Athena Monge at (909) 793-2503 at least 48 hours prior to the meeting to inform her of your particular needs and to determine if accommodation is feasible. Please advise us at that time if you will need accommodations to attend or participate in meetings on a regular basis.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

1. PUBLIC PARTICIPATION

Members of the public may address the Board of Directors on any item that is within the jurisdiction of the Board; however, no action may be taken on any item not appearing on the agenda unless the action is otherwise authorized by Subdivision (b) Section 54954.2 of the Government Code.

2. ADDITIONS/DELETIONS TO AGENDA

Section 54954.2 provides that a legislative body may take action on items of business not appearing on the posted agenda under the following conditions: (1) an emergency situation exists, as defined in Section 54956.5; (2) a need to take immediate action and the need for action came to the attention of the District subsequent to the agenda being posted; and (3) the item was posted for a prior meeting occurring not more than five calendar days prior to the date action is taken on the item, and at the prior meeting the item was continued to the meeting at which action is being taken.

3. CONSENT CALENDAR

- A. Approval of Board Minutes, October 14, 2015 5
- B. Approval of Expenditure Report, October 2015 13

4. COMMITTEE REPORTS /ACTION ITEMS

Committee Reports

Actions Items

- A. UNAUDITED FINANCIAL REPORTS, October 2015 – 5 minutes (M#1371)..... 20

Presenter: Daniel Cozad

Recommendation: Review and approve the unaudited financials for October 2015.

- B. COST ANALYSIS REVIEW FOR OUTSIDE COMMITTEE MEETINGS -15 minutes (M#1372).... 27
Presenter: Daniel Cozad
Recommendation: Review the Staff analysis and provide any direction related to meeting costs.

- C. LAFCO SPHERE OF INFLUENCE APPROVAL DISCUSSION - 5 minutes (M#1373) 29
Presenter: Daniel Cozad
Recommendation: Discuss and provide feedback on LAFCO Actions related to Application 3173 Sphere of Influence and provide staff direction.

- D. REDLANDS AGGREGATE LEASE ASSUMPTION BY CEMEX – 5 minutes (M#1374).....31
Presenter: Daniel Cozad
Recommendation: Discuss issues or concerns related to the lease assumption by CEMEX and provide direction to staff.

- E. AGREEMENT WITH BUREAU OF LAND MANAGEMENT TO INITIATE A LAND EXCHANGE - 5 minutes (M#1375)..... 46
Presenter: Daniel Cozad
Recommendation: Staff recommends that the Board consider entering into a non-binding agreement with the Bureau of Land Management (BLM) to initiate the process of exchanging District lands for BLM lands to implement the Wash Plan Habitat Conservation Plan.

- F. AGREEMENT WITH CALFIRE FOR BRUSH CLEARING CREW - 5 minutes (M#1376)..... 62
Presenter: Daniel Cozad
Recommendation: Consider approval and authorize the General Manager to execute the agreement with CALFIRE for inmate crews to clear brush and related assistance supporting District operations and Wash Plan Implementation.

- G. TEMPORARY PART TIME ASSISTANT ENGINEER POSITION - 10 minutes (M#1377)..... 68
Presenter: Daniel Cozad
Recommendation: Review and consider approval of a new Temporary Part Time Assistant Engineer position and if approved authorize staff to fill the position.

- H. WASH PLAN IMPLEMENTATION STRUCTURE AND ORGANIZATION - 15 minutes (M#1378)..... 72
Presenter: Daniel Cozad
Recommendation: Discuss, provide feedback, and direct on Staff and Ad Hoc Committee recommendations for Wash Plan Implementation Organization.

- I. UNITED WATER CONSERVATION DISTRICT AMICUS BRIEF - 10 minutes (M#1379) 78
Presenter: David Cosgrove
Recommendation: Review and consider authorizing legal counsel to provide an Amicus in the case of United Water Conservation District vs City of San Buenaventura

- J. SPONSORSHIP OF SAN BERNARDINO COUNTY SPECIAL DISTRICTS ASSOCIATION DINNER IN 2016 - 5 minutes (M#1380)..... 80
Presenter: Daniel Cozad
Recommendation: Discuss and consider expenditure for sponsorship of the meeting and presentation

5. **INFORMATION ITEMS:**

- A. Board Committee Reports Without Action –
- B. Wash Plan Report – 5 Minutes 81
- C. General Manager’s Report and Monthly Recharge Report – 5 Minutes 85
- D. Future Agenda Items & Staff Tasks

6. **MONTHLY BOARD MEMBER MEETING REPORTS, AND/OR BOARD MEMBER COMMENTS**

- A. Board Member Meeting Reports – 15 minutes 90

7. **UPCOMING MEETINGS:**

- A. November 11, 2015 Office Closed in Observance of Veteran’s Day
- B. November 16, 2015 Association of San Bernardino County Special District’s Dinner Meeting, 6:00 p.m. at El Pescadore Restaurant, Victorville
- C. November 17, 2015 Watermaster Collaborative Meeting for GSC, 10:00 a.m. at Valley District
- D. November 17, 2015 San Bernardino Valley Municipal Water District Board Meeting, 2:30 p.m. at Valley District
- E. November 19, 2015 Finance & Administration Committee Quarterly Meeting, 1:30 p.m. at District Office
- F. November 26-27, 2015 Office Closed in Observance of Thanksgiving Holiday
- G. December 1-4, 2015 ACWA Fall Conference, Indian Wells
Action:December 2, 2015 Elect ACWA’s 2016/2017 President and Vice-President and Change in Bylaws
- H. December 7, 2015 Basin Technical Advisory Committee Meeting, 1:30 p.m. at Valley District
- I. December 9, 2015 Holiday Luncheon
- J. December 10, 2015 Advisory Commission on Water Policy, 6:00 p.m. at Valley District
- K. December 15, 2015 San Bernardino Valley Municipal Water District Board Meeting, 2:30 p.m. at Valley District
- L. December 16, 2015 Association of San Bernardino County Special District’s Dinner Meeting, 6:00 p.m. at (TBD)
- M. December 24-25, 2015 Office Closed in Observance of Christmas Holiday
- N. Dec 31, 2015-Jan 1, 2016 Office Closed in Observance of New Year’s Eve/Day

*O. Action: 2016 Board
Calendar*

Draft: Provide feedback/recommended changes

8. **ADJOURN MEETING.** The next regular scheduled Board of Directors Meeting will be on December 9, 2015 at 9:30 a.m., at District Headquarters, 1630 W. Redlands Blvd., Redlands, CA.

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS MEETING

MINUTES OF October 14, 2015
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
David E. Raley, Director
Manuel Aranda, Director
John Longville, Director (Arrival 1:34 p.m.)

BOARD MEMBERS ABSENT:

None

GENERAL COUNSEL PRESENT:

David Cosgrove, Rutan & Tucker, LLP

STAFF PRESENT:

Daniel Cozad, General Manager
Athena Monge, Administrative Services Specialist

GUESTS PRESENT:

Don Lee, Tetra Tech
Charles Roberts, Highland Community News
Deborah Crowley, Eadie & Payne, LLP.

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 none.

3. CONSENT CALENDAR

It was moved by Director Aranda and seconded by Vice President McDonald to approve Consent Calendar Item A: Board Minutes, September 9, 2015 and Item B: Expenditure Report, September 2015. The motion carried 4-0 with all Directors present voting in the affirmative and Direct Longville noted absent from the vote.

**President Corneille: Yes
Vice President McDonald: Yes
Director Longville: Absent
Director Raley: Yes
Director Aranda: Yes**

4. COMMITTEE REPORTS/ACTION ITEMS

A. 2014-2015 AUDIT REPORT PRESENTATION

Director Raley, chair of the Ad Hoc Audit Committee introduced Deborah Crowley of Eadie & Payne who will be presenting the Audited Financial Statements for the 2014-2015 fiscal year. Ms. Crowley stated that her firm did not find any issues with internal controls. She indicated that all deficiencies noted in the last audit were corrected. There were two issues that her firm noted within the Management Letter:

“1) Recording of Accounts Payable – During our audit, we noted that a contractor had not billed for services rendered prior to June 30, 2015, and no accrual had been made for estimated costs incurred. We recommend that expenses incurred, but not yet invoiced, by the vendor be reviewed and that an estimate of costs incurred or fees earned be accrued at year-end. This ensures that all expenditures for which the District is liable are captured and the financial statements presented include all financial transactions for the year.

2) Board Member Compensation – The District currently reports compensation to Board members on Form 1099. The IRS guidance states, “Generally, any individual who serves as a public official is an employee of the government for whom he or she serves. Therefore, the government entity is responsible for withholding and paying Federal income tax, social security and Medicare taxes, and issuing Form W-2, Wage and Tax Statement, to a public official.” We recommend that the District consider withholding social security and Medicare taxes and issuing Form W-2 to Board members. “

Ms. Crowley said this year the only change is to the District’s adoption of Governmental Accounting Standards (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions. This change required a prior period adjustment related to GASB 68 causing a decrease of \$685,334 leaving the end of year net position at \$5,060,644. The incorporation of this new standard added two categories to the financial statements 1) Deferred inflows of resources (not liabilities) and 2) Deferred outflows of resources-contributions (not an asset).

It was moved by Director Raley and seconded by Director Aranda to accept the 2014-2015 Audit Report as presented by Eadie & Payne and Direct the General Manager to file the Audit with the County Clerk and for General Counsel to review the W-2 issue noted within Management Letter and bring back any recommendations to the Board by January 2016. The motion carried 5-0 with all Directors present voting in the affirmative.

**President Corneille: Yes
Vice President McDonald: Yes
Director Longville: Yes
Director Raley: Yes
Director Aranda: Yes**

B. UNAUDITED FINANCIAL REPORTS, SEPTEMBER 2015

Mr. Cozad introduced this item for discussion. He reviewed the Wash Plan accrual issue briefly; noting that a contractor has not billed the District for services rendered yet. Another item the auditor noted is the payment made for the CalPERS Unfunded Liability and opening of OPEB Trust. The cash balance on package page 21 reflects the change in cash position after these payments/transfers. The cash position as of 9/30/2015 is \$3,810,596.50; a decrease of \$517,805.53.

It was moved by Director Aranda and seconded by Vice President McDonald to approve the Unaudited Financials for September 2015. The motion carried 5-0 with all Directors present voting in the affirmative.

**President Corneille: Yes
Vice President McDonald: Yes
Director Longville: Yes
Director Raley: Yes
Director Aranda: Yes**

C. BOARD MEMBER MEETING REPORTS POLICY PRESENTATION AND DISCUSSION

President Corneille introduced this item for discussion. Mr. Cozad presented a PowerPoint on current policy and procedures related to written reports. He gave an overview of history and indicated written reports are only required for those in Appendix C where it indicates "WRR". However, if full Board is in attendance at any function there is no report required even if indicated in Appendix C. Vice President McDonald stated that the requirement for written reports is cumbersome. She spoke in support of eliminating the written reports. Vice President McDonald stated that if a majority of the Board is in attendance there should not be a requirement for a written report. President Corneille stated that the purpose of the written report is to bring information back to the Board without spending a lot of time in Board meetings on verbal reports. He indicated his support of keeping the written reports not only because they are informative but also because it alleviates the need for lengthy verbal reports. President Corneille stated that valuable information is attached to written reports. . Director Raley stated that each Director should be aware of what meetings other Directors are attending. He would like for Staff or counsel to come up with a way that this can be done easily. President Corneille

indicated that the monthly meetings Director's attend are listed on their Director's reimbursement reports they submit. Mr. Cosgrove stated that there are four purposes to the written report: 1) fulfill statutory requirement, 2) track Director activity, 3) shorten meetings and 4) serve as internal auditing mechanisms related to expense reports. He indicated that when contemplating revisions to this policy the Board should consider which of these four are important to the Board before making any changes. Director Raley stated that rather than attach a lot of information to the written reports that there should be a discussion of the most relevant information instead. Director Aranda indicated his support for the written reports. Staff recommended this item be brought back in January 2016 where the Board should identify a policy in which they can make exceptions on a case by case basis. President Corneille asked that additional clarification be added to the Board Policy Manual that defines what a "local meeting" is. It was the consensus of the Board to bring this item back for discussion in January 2016.

D. LAFCO SPHERE OF INFLUENCE UPDATE AND ALTERNATIVES

Mr. Cozad presented a PowerPoint presentation on this item. LAFCO hearing is scheduled for October 21, 2015 at 9:00 a.m. The recommendation of LAFCO Staff is that the Commission takes the following actions:

1. *"For environmental review, certify that LAFCO 3173 is statutorily exempt from environmental review and direct the Executive Officer to file the Notice of Exemption within five (5) days.*
2. *Approve the sphere of influence expansion for the San Bernardino Valley Water Conservation District to encompass the jurisdictional boundary of the San Bernardino Valley Municipal Water District within San Bernardino County along with additional surrounding areas to clarify the water basin boundary and the use of parcel lines to define the area.*
3. *Affirm the description of the functions and services for San Bernardino Valley Water Conservation District as identified in the LAFCO Policy and Procedure Manual, Section VI, Chapter 3: Listing of Special Districts within San Bernardino LAFCO Purview – Authorized Functions and Services.*
4. *Adopt LAFCO Resolution No. 3204 reflecting the Commission's findings and determinations"*

Mr. Cozad reviewed all four options for setting a sphere of influence. President Corneille assigned Vice President McDonald as the alternate for the Ad Hoc Sphere of Influence Committee in his absence; Director Longville is also a member on this Committee. Director Longville suggested that the District indicate their position that the zero sphere causes difficulties and would like its sphere restored and that it is the District's most important goal. He said that the District has worked with partners within the basin to develop a joint proposal to regain its sphere agreed upon by all water partners of what boundaries they should have. Staff is disappointed that LAFCO has not taken the requested sphere into consideration however if the District's only choice is between its recommended sphere and LAFCO Staff's recommended sphere it would rather have a sphere than no sphere. Vice President McDonald showed concern over the size of the sphere of influence that LAFCO is recommending. Mr. Cozad

explained that most of the time District will not have to do anything differently. Occasionally the District may be asked to help serve in another agency' that is within the District's sphere. Mr. Cozad agreed with Director Longville that the District should support the people who are supporting our request and want that statement clearly stated for LAFCO records. Mr. Cozad added should the LAFCO Commission take Staff's recommendation, the District would look to implement any boundary changes or annexations, through the Groundwater Sustainability Council (GSC) which concurs with the statements and policy indicated all along. Everyone in the area will be a part of the GSC. President Corneille requested these points to be put into a formal letter and asked Director Longville to present it at the LAFCO meeting. It was agreed that the District prefers any sphere vs. no sphere at all..

E. QWEL PROGRAM PRESENTATION

Mr. Cozad gave an overview of the QWEL (Qualified Water Efficient Landscaper) program presentation provided to participants in their first class of becoming QWEL certified. The QWEL program begins with teaching landscapers how to reduce water usage. It educates them on CA water laws, explains where their water comes from, provides resources of where to find locally available water conservation programs, advises them of mandatory water restrictions and teaches them how to read water meters.

President Corneille asked about the program's status. Mr. Cozad explained Sonoma County Water Agency started the program. As others became aware and wanted to use the program, they started a separate 501 (c) 3 non-profit to manage the program which is recognized by EPA's Water Sense Program. iEfficient information has been included in the program to help us get that information out too. Mr. Cozad provided additional details of the program. He noted anyone who passes the program will be listed as QWEL certified in a statewide database viewable on the QWEL and iEfficient websites. It provides a central location to find water conservation rebates that landscapers can offer to their customers. The program includes learning about soil types, irrigation options, and drought tolerant plants. At the end of each class, attendees are required to take a test. Planning is underway to teach this course in January 2016. Director Longville believes to maintain interest and to make the program succeed; we need to be sure participants perceive to have derived benefit both in knowledge and financially. With this certification, we need to emphasize the landscapers are able to provide a service to their customers that is attested to by a knowledgeable entity. He also suggested providing the program on a smaller scale to "mom and pop type" operators in the future to save even more water. He commended the program. Mr. Cozad stated the advertising value of the program is definitely a major factor in why landscapers take the program.

5. INFORMATION ITEMS

A. BOARD COMMITTEE REPORTS-WITHOUT ACTION

President Corneille addressed there was an Ad Hoc Wash Plan Committee meeting to begin discussions on some major decisions that need to be made regarding the non-wasting endowment fund. Discussion included in the Wash Plan report.

B. WASH PLAN REPORT

Jeff Beehler provided some background and the current status of the Wash Plan. He reminded the Board of the three components of the Wash Plan: HCP document, EIR/EIS, and the Implementing Agreement (IA). The second phase of our HCP is contingent on a land transfer between District and BLM. After we received and addressed USFWS comments, the HCP and IA are now on the desk of the FWS solicitor. Some changes had to be made in the database to properly report temporary and permanent habitat impacts. In the Environmental Species Act (ESA), there are three components: 1. avoid, 2. minimize, and 3. mitigate unavoidable impacts. Our HCP document contained avoidance and minimization measures but after USFWS, CFWS, and BLM review, they requested more detail prior to review by the solicitor.

The EIR/EIS completion has to lag the review of the other documents because the solicitor will comment on the HCP, changes may have to be made, and the analysis included in the EIR/EIS. Land transfer draft legislation has been written and sent out for comment. Final calls for comments will be made this week by Congressman Cook's office and then they intend to move forward with the legislation which will allow BLM to do the transfer. In November the Agreement to Initiate, an agreement between District and BLM to do the land transfer will be provided. BLM is diligently moving forward. The next step is title searches and phase one environmental assessment.

The District must identify for the Service and the participants how it will manage Wash Plan funds and land and demonstrate that the land/habitat is protected in perpetuity. Mr. Cozad reminded the Board Staff has been looking at governance and organizational issue with the Ad Hoc Wash Plan committee's review. We are working to determining who will be the best easement holder, who will best manage the investments to make that 4 % cap rate with inflation, and who will best manage the activities of the WP. Mr. Cozad provided a list of who could potentially satisfy these roles and discussed pros/cons and possibilities that need more work. Staff has provided options in each of the category needs which offers a suite of solutions that the Board could absolutely implement now. These options don't fully allow the local control and flexibility in implementation that a publicly elected Board would usually hold, so Staff will continue to work toward the best solution. These pros/cons will be provided in November/December timeframe. The Board can then direct Staff on the best public policy. President Corneille commended Staff for their work.

C. GENERAL MANAGER'S REPORT AND MONTHLY RECHARGE REPORT

Mr. Cozad indicated that the written General Manager's Report is included in the Board Package beginning on page 39. He included pictures of the dirty water received from Santa Ana River and from Mill Creek, due to the fire, and noted clean-up activities ongoing in the field. Due to the NOAA's high confidence in an El Nino this year, Mr. Cozad provided their three month precipitation probability outlook. We are expecting about twice as much rain (approximately 24 inches) as we would have in a normal year. Field staff is now performing final cleaning of basins to prepare for this rain. In order to end the drought, we would need this level

of rain for about 3 years according to NOAA. Because of the possibility of consecutive El Nino years and opportunities to increase water capture Flood Control is doing heavy pre-flood maintenance as well. Bill Boggan won the Wellness Challenge. Daniel commended Staff for the work completed while he was out on vacation. Some recharge occurred but not in much volume. We are monitoring the 5 cfs or up to 2000 acre feet of water Big Bear is releasing, owned by SBVMWD, for delivery to North Fork and Bear Valley.

FUTURE AGENDA ITEMS & STAFF TASKS

President Corneille requested an Operations Committee meeting possibly in November to discuss Plunge Creek. Mr. Cozad stated the Plunge Creek item was delayed due to the regulatory agency meeting and he suggested meeting after Thanksgiving. Director Aranda requested the sponsorship of a CA Special Districts Dinner in March 2016 be put on the next agenda.

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

Director Longville was invited to attend without cost the Planning and Conservation League training at UCLA on October 10th. Statewide issues including water conservation were discussed.

Vice President McDonald attended ACWA Region 9 Meeting on Sept 18th, San Bernardino Chamber After Hours event on Sept 24th, and ACWA Water Management Committee meeting on Sept 30th. She also attended San Bernardino Valley Municipal Water District's meetings on Sept 15th, Sept 22nd, Oct 6th and Oct 13th. SBVMWD is working on the regional recycled water conservation study update as well as the active recharge project. She provided a PowerPoint presentation to be distributed. She attended the BTAC meeting on Oct 12th. She provided the Conjunctive Use guidelines from September's BTAC meeting. She also included additional written reports shown in the Board Package.

Director Raley attended the SBVMWD Workshops on July 13th and July 30th. He also attended the Redlands Chamber meeting.

Director Aranda attended the CSDA Annual Conference in Monterey Bay, CA Sept 21st-24th. Additional written reports are included in Board Package.

President Corneille met with Supervisor Ramos' Chief of Staff on Oct 9th. Supervisor Ramos is very interested in the Mentone Community Garden and his office has funds they could contribute toward the project. He attended the Board's Ad Hoc Committee Wash Plan meeting on Sept 30th, the ACWA Region 9 meeting on Sept 18th, and the Wash Plan meeting on Oct 13th. Additional written reports are included in Board Package.

6. UPCOMING MEETINGS

President Corneille noted that the next Advisory Commission on Water Policy will be held on December 11th at Valley District.

7. ADJOURN MEETING

It was moved by Director Aranda and seconded by Director Raley to adjourn. The motion carried 5-0 with all Directors present voting in the affirmative.

**President Corneille: Yes
Vice President McDonald: Yes
Director Longville: Yes
Director Raley: Yes
Director Aranda: Yes**

At 4:27 p.m. the meeting adjourned to the next regular Board Meeting scheduled for November 10, 2015 at 1:30 p.m. at District Headquarters, 1630 W. Redlands Blvd., Redlands, CA.

Daniel B. Cozad
General Manager

San Bernardino Valley Water Conservation District Expenditure Report October 2015

Num	Date	Name	Account	Class	Original Amount
P/R10.14.15	10/14/2015	Paychex	1012 - Citizens Busine...		-84.15
			6042 - Payroll Processing	4-General Fund Ent.	84.15
TOTAL					84.15
P/R10.28.15	10/28/2015	Paychex	1012 - Citizens Busine...		-74.05
			6042 - Payroll Processing	4-General Fund Ent.	74.05
TOTAL					74.05
ACH0043	10/01/2015	Aranda, Manuel	1012 - Citizens Busine...		-2,572.82
			6401 - Directors' Fees	4-General Fund Ent.	2,060.00
			6410 - Mileage	4-General Fund Ent.	439.30
			6420 - Other Travel	4-General Fund Ent.	6.75
			6425 - Meals	4-General Fund Ent.	66.77
TOTAL					2,572.82
ACH0044	10/01/2015	Raley, David	1012 - Citizens Busine...		-1,049.55
			6401 - Directors' Fees	4-General Fund Ent.	1,030.00
			6410 - Mileage	4-General Fund Ent.	19.55
TOTAL					1,049.55
ACH0045	10/07/2015	Melody McDonald	1012 - Citizens Busine...		-2,528.69
			6401 - Directors' Fees	4-General Fund Ent.	1,854.00
			6410 - Mileage	4-General Fund Ent.	178.85
			6415 - Air Fare	4-General Fund Ent.	459.50
			6420 - Other Travel	4-General Fund Ent.	4.00
			6425 - Meals	4-General Fund Ent.	32.34
TOTAL					2,528.69
ACH0046	10/30/2015	Raley, David	1012 - Citizens Busine...		-1,245.78
			6401 - Directors' Fees	4-General Fund Ent.	1,236.00
			6410 - Mileage	4-General Fund Ent.	9.78
TOTAL					1,245.78
ACH0047	10/29/2015	Melody McDonald	1012 - Citizens Busine...		-2,692.29
			6401 - Directors' Fees	4-General Fund Ent.	2,060.00
			6410 - Mileage	4-General Fund Ent.	149.53
			6415 - Air Fare	4-General Fund Ent.	459.50
			6420 - Other Travel	4-General Fund Ent.	10.25
			6425 - Meals	4-General Fund Ent.	13.01
TOTAL					2,692.29
19806	10/07/2015	County Treasurer	1012 - Citizens Busine...		0.00
TOTAL					0.00
19807	10/07/2015	AAA Alarm Systems, Inc.	1012 - Citizens Busine...		-3,811.00
	09/25/2015		7140 - Mentone Propert...	1-Groundwater Ent.	3,811.00
TOTAL					3,811.00

San Bernardino Valley Water Conservation District
Expenditure Report
October 2015

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Account</u>	<u>Class</u>	<u>Original Amount</u>
19808	10/07/2015	Aaron Pederson	1012 · Citizens Busine...		-35.00
	09/26/2015		6018 · Janitorial Services	4-General Fund Ent.	35.00
TOTAL					35.00
19809	10/07/2015	American Power Security	1012 · Citizens Busine...		-475.00
	10/02/2015		6026 · Redlands Plaza ...	2-Redlands Plaza/...	475.00
TOTAL					475.00
19810	10/07/2015	Beach Boyz Auto Service	1012 · Citizens Busine...		-85.00
	09/28/2015		5310 · Vehicle Mainten...	1-Groundwater Ent.	85.00
TOTAL					85.00
19811	10/07/2015	California Strategies	1012 · Citizens Busine...		-3,000.00
	09/20/2015		5120 · Misc. Profession...	4-General Fund Ent.	1,330.00
			5120 · Misc. Profession...	1-Groundwater Ent.	88.00
			5120 · Misc. Profession...	3-Land Resources	1,582.00
TOTAL					3,000.00
19812	10/07/2015	Castro Landscaping Se...	1012 · Citizens Busine...		-250.00
	09/30/2015		6026 · Redlands Plaza ...	2-Redlands Plaza/...	250.00
TOTAL					250.00
19813	10/07/2015	City of Redlands -Muni...	1012 · Citizens Busine...		-67.53
	09/21/2015		6015 · Mentone House ...	2-Redlands Plaza/...	67.53
TOTAL					67.53
19814	10/07/2015	Corneille, Richard	1012 · Citizens Busine...		-1,288.90
	10/06/2015		6410 · Mileage	4-General Fund Ent.	52.90
			6401 · Directors' Fees	4-General Fund Ent.	1,236.00
TOTAL					1,288.90
19815	10/07/2015	Easy CPR Class (Bilal ...	1012 · Citizens Busine...		-250.00
	10/07/2015		6535 · Conf/Seminar R...	4-General Fund Ent.	250.00
TOTAL					250.00
19816	10/07/2015	Edison - 8812	1012 · Citizens Busine...		-300.70
	10/01/2015		5420 · Electricity	4-General Fund Ent.	84.20
			5420 · Electricity	1-Groundwater Ent.	60.14
			5420 · Electricity	2-Redlands Plaza/...	156.36
TOTAL					300.70
19817	10/07/2015	Edison - Redlands Plaza	1012 · Citizens Busine...		-91.11
	10/01/2015		6026 · Redlands Plaza ...	2-Redlands Plaza/...	91.11
TOTAL					91.11

San Bernardino Valley Water Conservation District
Expenditure Report
October 2015

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Account</u>	<u>Class</u>	<u>Original Amount</u>
19818	10/07/2015	Image Source	1012 · Citizens Busine...		-375.63
	09/16/2015		6036 · Printing	4-General Fund Ent.	187.82
			6036 · Printing	1-Groundwater Ent.	150.25
			6036 · Printing	3-Land Resources	37.56
TOTAL					375.63
19819	10/07/2015	JAN-PRO Cleaning Sys...	1012 · Citizens Busine...		-618.00
	10/01/2015		6018 · Janitorial Services	4-General Fund Ent.	618.00
TOTAL					618.00
19820	10/07/2015	Lowe's Companies, Inc.	1012 · Citizens Busine...		-4.10
	09/25/2015		5215 · Property Mainten...	1-Groundwater Ent.	4.10
TOTAL					4.10
19821	10/07/2015	Netsteller	1012 · Citizens Busine...		-450.00
	10/01/2015		5160 · IT Support	4-General Fund Ent.	165.00
			5160 · IT Support	1-Groundwater Ent.	240.00
			5160 · IT Support	3-Land Resources	45.00
TOTAL					450.00
19822	10/07/2015	ReadyRefresh by Nestle	1012 · Citizens Busine...		-76.59
	09/24/2015		5460 · Water / Trash / S...	4-General Fund Ent.	38.30
			5460 · Water / Trash / S...	1-Groundwater Ent.	30.63
			5460 · Water / Trash / S...	3-Land Resources	7.66
TOTAL					76.59
19823	10/07/2015	Redlands Tire Pros & S...	1012 · Citizens Busine...		-25.00
	10/01/2015		5310 · Vehicle Mainten...	1-Groundwater Ent.	25.00
TOTAL					25.00
19824	10/07/2015	Rutan & Tucker	1012 · Citizens Busine...		-8,545.58
	09/23/2015		5180 · Legal	4-General Fund Ent.	572.11
			5180 · Legal	1-Groundwater Ent.	611.56
			5180 · Legal	2-Redlands Plaza/...	197.28
			5180 · Legal	3-Land Resources	591.83
			5175 · Legal - Wash Plan	5-Wash Plan	6,572.80
TOTAL					8,545.58
19825	10/07/2015	Schubert Landscaping	1012 · Citizens Busine...		-250.00
	09/20/2015		6015 · Mentone House ...	2-Redlands Plaza/...	250.00
TOTAL					250.00
19826	10/07/2015	Star Auto Parts	1012 · Citizens Busine...		-16.22
	09/24/2015		5310 · Vehicle Mainten...	1-Groundwater Ent.	16.22
TOTAL					16.22

San Bernardino Valley Water Conservation District Expenditure Report October 2015

Num	Date	Name	Account	Class	Original Amount
19827	10/07/2015	Valero Marketing & Sup...	1012 · Citizens Busine...		-1,215.98
	09/30/2015		5320 · Fuel	1-Groundwater Ent.	1,209.06
			5215 · Property Mainten...	1-Groundwater Ent.	5.54
			5215 · Property Mainten...	3-Land Resources	1.38
TOTAL					1,215.98
19828	10/07/2015	Verizon California -7275	1012 · Citizens Busine...		-127.76
	09/19/2015		5440 · Telephone	4-General Fund Ent.	62.14
			5440 · Telephone	1-Groundwater Ent.	26.63
			5470 · Internet Services	4-General Fund Ent.	19.49
			5470 · Internet Services	1-Groundwater Ent.	11.70
			5470 · Internet Services	2-Redlands Plaza/...	1.95
			5470 · Internet Services	3-Land Resources	5.85
TOTAL					127.76
19829	10/20/2015	AAA Alarm Systems, Inc.	1012 · Citizens Busine...		-156.00
	10/08/2015		5410 · Alarm Service	4-General Fund Ent.	78.00
			5410 · Alarm Service	1-Groundwater Ent.	78.00
TOTAL					156.00
19830	10/20/2015	ACWA/JPIA-Health	1012 · Citizens Busine...		-9,525.62
	10/06/2015		6110 · Vision Insurance	4-General Fund Ent.	22.80
			6110 · Vision Insurance	1-Groundwater Ent.	72.22
			6110 · Vision Insurance	2-Redlands Plaza/...	7.24
			6110 · Vision Insurance	3-Land Resources	21.15
			6110 · Vision Insurance	5-Wash Plan	18.55
			6130 · Dental Insurance	4-General Fund Ent.	102.55
			6130 · Dental Insurance	1-Groundwater Ent.	324.79
			6130 · Dental Insurance	2-Redlands Plaza/...	32.56
			6130 · Dental Insurance	3-Land Resources	95.13
			6130 · Dental Insurance	5-Wash Plan	83.45
			6150 · Medical Insurance	4-General Fund Ent.	1,404.48
			6150 · Medical Insurance	1-Groundwater Ent.	4,448.67
			6150 · Medical Insurance	2-Redlands Plaza/...	446.00
			6150 · Medical Insurance	3-Land Resources	1,303.03
			6150 · Medical Insurance	5-Wash Plan	1,143.00
TOTAL					9,525.62
19831	10/20/2015	Antimite Pest Control, I...	1012 · Citizens Busine...		-66.00
	10/05/2015		6026 · Redlands Plaza ...	2-Redlands Plaza/...	66.00
TOTAL					66.00
19832	10/20/2015	Assoc. San Bernardino...	1012 · Citizens Busine...		-104.00
	10/06/2015		6425 · Meals	4-General Fund Ent.	35.00
			6425 · Meals	4-General Fund Ent.	69.00
TOTAL					104.00
19833	10/20/2015	Beach Boyz Auto Service	1012 · Citizens Busine...		-728.36
	10/07/2015		5310 · Vehicle Mainten...	1-Groundwater Ent.	728.36
TOTAL					728.36

San Bernardino Valley Water Conservation District
Expenditure Report
October 2015

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Account</u>	<u>Class</u>	<u>Original Amount</u>
19834	10/20/2015	Capitol Enquiry	1012 · Citizens Busine...		-80.90
	10/06/2015		6090 · Subscriptions/Pu...	4-General Fund Ent.	80.90
TOTAL					80.90
19835	10/20/2015	Day Lite Maintenance, I...	1012 · Citizens Busine...		-70.14
	10/06/2015		6026 · Redlands Plaza ...	2-Redlands Plaza/...	70.14
TOTAL					70.14
19836	10/20/2015	Eadie & Payne, LLP	1012 · Citizens Busine...		-2,400.00
	10/12/2015		5170 · Audit	4-General Fund Ent.	480.00
			5170 · Audit	1-Groundwater Ent.	1,104.00
			5170 · Audit	2-Redlands Plaza/...	360.00
			5170 · Audit	3-Land Resources	456.00
TOTAL					2,400.00
19837	10/20/2015	Edison - 7241	1012 · Citizens Busine...		-61.13
	10/10/2015		5420 · Electricity	4-General Fund Ent.	17.12
			5420 · Electricity	1-Groundwater Ent.	12.23
			5420 · Electricity	2-Redlands Plaza/...	31.78
TOTAL					61.13
19838	10/20/2015	Edison -5552	1012 · Citizens Busine...		-563.87
	10/09/2015		5420 · Electricity	4-General Fund Ent.	157.88
			5420 · Electricity	1-Groundwater Ent.	112.77
			5420 · Electricity	2-Redlands Plaza/...	293.22
TOTAL					563.87
19839	10/20/2015	Escoto Construction	1012 · Citizens Busine...		-125.00
	10/14/2015		6015 · Mentone House ...	2-Redlands Plaza/...	125.00
TOTAL					125.00
19840	10/20/2015	Home Depot Credit Ser...	1012 · Citizens Busine...		0.00
TOTAL					0.00
19841	10/20/2015	ICF Jones & Stokes, Inc	1012 · Citizens Busine...		-698.50
	10/13/2015		5124 · Plunge Creek Pr...	3-Land Resources	698.50
TOTAL					698.50
19842	10/20/2015	Netsteller	1012 · Citizens Busine...		-789.22
	10/19/2015		7210 · Computer Hardw...	4-General Fund Ent.	710.30
			7210 · Computer Hardw...	1-Groundwater Ent.	78.92
TOTAL					789.22

San Bernardino Valley Water Conservation District
Expenditure Report
October 2015

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Account</u>	<u>Class</u>	<u>Original Amount</u>
19843	10/20/2015	Quill Corporation	1012 · Citizens Busine...		-103.62
	10/16/2015		6030 · Office Supplies	4-General Fund Ent.	73.30
			6030 · Office Supplies	1-Groundwater Ent.	4.59
			6030 · Office Supplies	2-Redlands Plaza/...	9.15
			6030 · Office Supplies	3-Land Resources	4.59
			6004 · Meeting Expenses	4-General Fund Ent.	8.99
			6004 · Meeting Expenses	1-Groundwater Ent.	3.00
TOTAL					103.62
19844	10/20/2015	Stanley Convergent Se...	1012 · Citizens Busine...		-302.70
	10/01/2015		5410 · Alarm Service	4-General Fund Ent.	151.35
			5410 · Alarm Service	1-Groundwater Ent.	151.35
TOTAL					302.70
19845	10/20/2015	Star Auto Parts	1012 · Citizens Busine...		-29.78
	10/08/2015		5310 · Vehicle Mainten...	1-Groundwater Ent.	29.78
TOTAL					29.78
19846	10/20/2015	U.S. Bank Equipment F...	1012 · Citizens Busine...		-362.20
	10/15/2015		6033 · Office Equipmen...	4-General Fund Ent.	271.65
			6033 · Office Equipmen...	1-Groundwater Ent.	18.11
			6033 · Office Equipmen...	2-Redlands Plaza/...	54.33
			6033 · Office Equipmen...	3-Land Resources	18.11
TOTAL					362.20
19847	10/20/2015	Verizon California-4860	1012 · Citizens Busine...		-427.44
	09/28/2015		5440 · Telephone	4-General Fund Ent.	283.12
			5440 · Telephone	1-Groundwater Ent.	121.33
			5470 · Internet Services	4-General Fund Ent.	11.49
			5470 · Internet Services	1-Groundwater Ent.	6.90
			5470 · Internet Services	2-Redlands Plaza/...	1.15
			5470 · Internet Services	3-Land Resources	3.45
TOTAL					427.44
19848	10/20/2015	Home Depot Credit Ser...	1012 · Citizens Busine...		-916.85
	09/28/2015		5210 · Equipment Maint...	1-Groundwater Ent.	44.19
			5215 · Property Mainten...	1-Groundwater Ent.	124.12
			5215 · Property Mainten...	3-Land Resources	31.03
			6015 · Mentone House ...	2-Redlands Plaza/...	717.51
TOTAL					916.85
100118N	10/09/2015	PERS	1012 · Citizens Busine...		-3,965.52
			6170 · PERS Retirement	4-General Fund Ent.	528.74
			6170 · PERS Retirement	1-Groundwater Ent.	1,674.78
			6170 · PERS Retirement	2-Redlands Plaza/...	167.91
			6170 · PERS Retirement	3-Land Resources	490.55
			6170 · PERS Retirement	5-Wash Plan	430.30
			2102 · Pers Retirement ...	4-General Fund Ent.	673.24
TOTAL					3,965.52

San Bernardino Valley Water Conservation District Expenditure Report October 2015

Num	Date	Name	Account	Class	Original Amount
100119N	10/20/2015	PERS	1012 · Citizens Busine...		-3,965.52
			6170 · PERS Retirement	4-General Fund Ent.	528.74
			6170 · PERS Retirement	1-Groundwater Ent.	1,674.78
			6170 · PERS Retirement	2-Redlands Plaza/...	167.91
			6170 · PERS Retirement	3-Land Resources	490.55
			6170 · PERS Retirement	5-Wash Plan	430.30
			2102 · Pers Retirement ...	4-General Fund Ent.	673.24
TOTAL					3,965.52
100120N	10/20/2015	PERS	1012 · Citizens Busine...		-700.00
			2102 · Pers Retirement ...	4-General Fund Ent.	700.00
TOTAL					700.00
100121N	10/20/2015	PERS	1012 · Citizens Busine...		-3,965.52
			6170 · PERS Retirement	4-General Fund Ent.	528.74
			6170 · PERS Retirement	1-Groundwater Ent.	1,674.78
			6170 · PERS Retirement	2-Redlands Plaza/...	167.91
			6170 · PERS Retirement	3-Land Resources	490.55
			6170 · PERS Retirement	5-Wash Plan	430.30
			2102 · Pers Retirement ...	4-General Fund Ent.	673.24
TOTAL					3,965.52
100122N	10/23/2015	PERS	1012 · Citizens Busine...		-350.00
			2102 · Pers Retirement ...	4-General Fund Ent.	350.00
TOTAL					350.00



SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT

Established 1932

1630 West Redlands Boulevard, Suite A
Redlands, CA 92373-8032
(909) 793-2503
Fax: (909) 793-0188

Email: info@sbvwcd.org
www.sbvwcd.org

Memorandum No. 1371

To: Board of Directors

From: General Manager, Daniel Cozad

Date: November 10, 2015

Subject: Unaudited Financial Reports for October 2015

RECOMMENDATION

Review and approve the unaudited financials for October 2015.

BACKGROUND

The financials are attached for Board review and approval.

FISCAL IMPACT

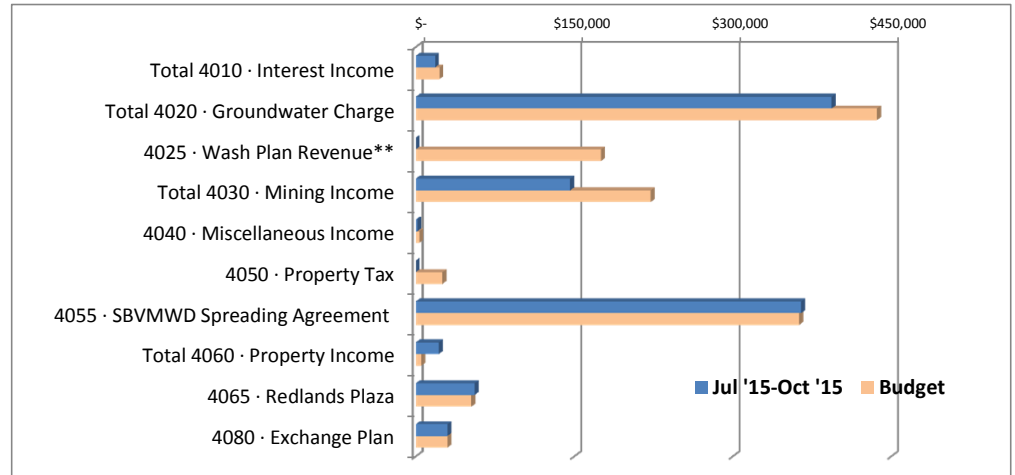
None.

SBVWCD - All Enterprises Budget and Actual

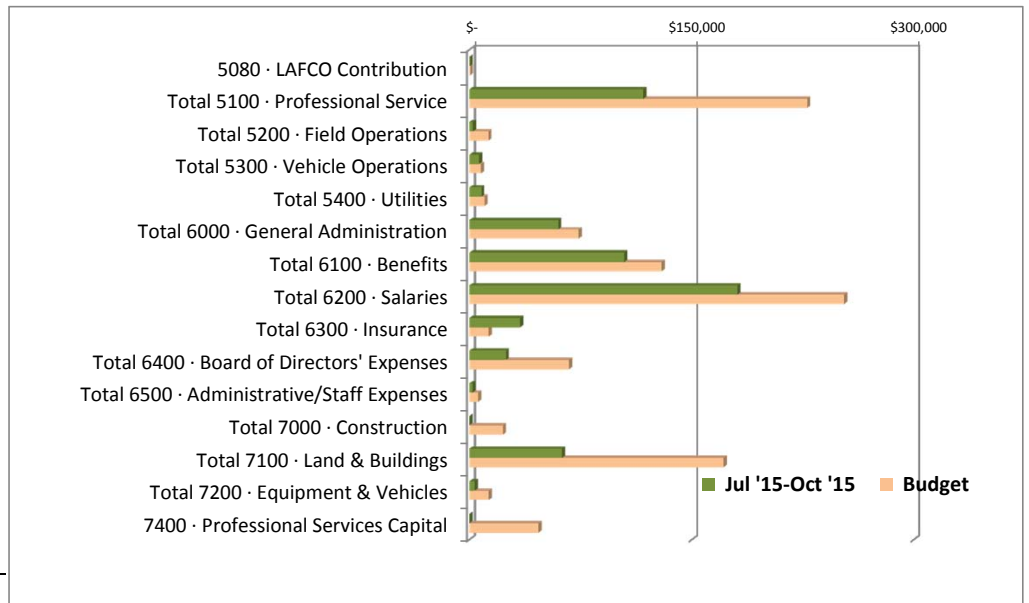
October 2015

REVENUE	Jul '15-Oct '15	Budget
Total 4010 · Interest Income	\$ 18,269	\$ 22,317
Total 4020 · Groundwater Charge	\$ 393,739	\$ 436,648
4025 · Wash Plan Revenue**	\$ -	\$ 175,355
Total 4030 · Mining Income	\$ 146,256	\$ 222,444
4040 · Miscellaneous Income	\$ 1,487	\$ 3,333
4050 · Property Tax	\$ -	\$ 25,333
4055 · SBVMWD Spreading Agreement	\$ 364,902	\$ 363,096
Total 4060 · Property Income	\$ 21,825	\$ 5,236
4065 · Redlands Plaza	\$ 55,745	\$ 52,711
4080 · Exchange Plan	\$ 30,000	\$ 30,000
Total Revenue	\$ 1,032,224	\$ 1,336,474

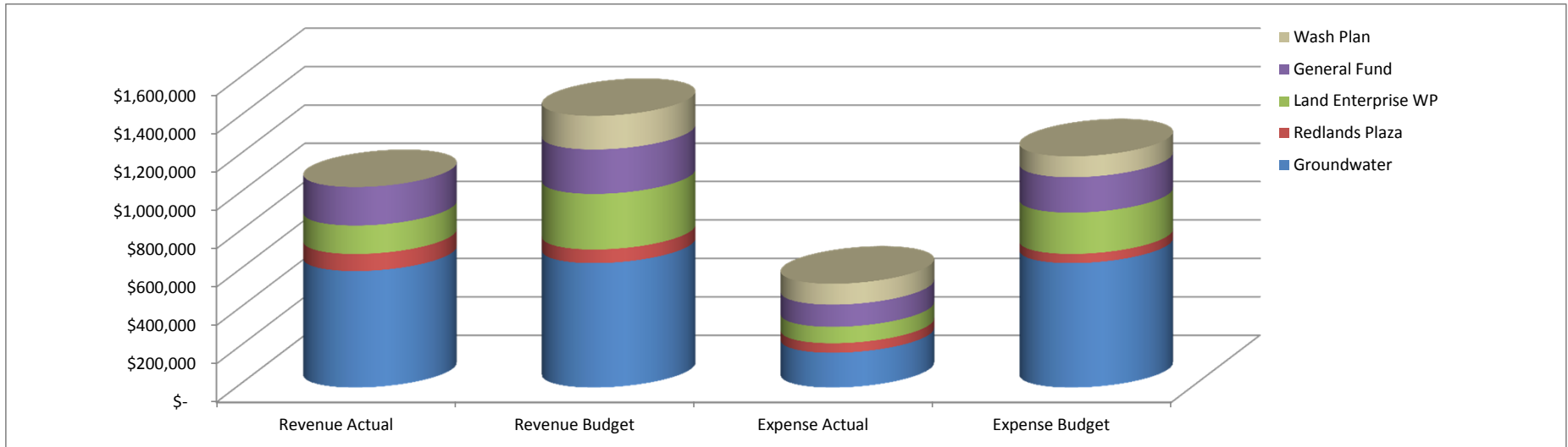
**4025 revenue received in FY 2014/2015



EXPENSES Operating and Capital	Jul '15-Oct '15	Budget
5080 · LAFCO Contribution	\$ 359	\$ 449
Total 5100 · Professional Service	\$ 117,385	\$ 227,946
Total 5200 · Field Operations	\$ 2,506	\$ 12,819
Total 5300 · Vehicle Operations	\$ 6,504	\$ 7,900
Total 5400 · Utilities	\$ 8,062	\$ 10,287
Total 6000 · General Administration	\$ 59,914	\$ 73,693
Total 6100 · Benefits	\$ 104,446	\$ 129,643
Total 6200 · Salaries	\$ 180,773	\$ 253,000
Total 6300 · Insurance	\$ 34,247	\$ 13,044
Total 6400 · Board of Directors' Expenses	\$ 24,560	\$ 67,152
Total 6500 · Administrative/Staff Expenses	\$ 2,090	\$ 5,835
Total 7000 · Construction	\$ -	\$ 22,650
Total 7100 · Land & Buildings	\$ 62,397	\$ 171,433
Total 7200 · Equipment & Vehicles	\$ 3,562	\$ 13,159
7400 · Professional Services Capital	\$ -	\$ 46,667
Total Expense	\$ 606,805	\$ 1,055,676



Enterprises to Date (October 2015)



Enterprise	Actual	Budget	% of Budget
Groundwater Revenue	\$ 606,842	\$ 648,196	94%
Groundwater Expense	\$ 181,201	\$ 282,050	64%
Revenue -Expense	\$ 425,642	\$ 366,146	
Redlands Plaza Revenue	\$ 88,912	\$ 70,948	125%
Redlands Plaza Expense	\$ 49,562	\$ 47,804	104%
Revenue -Expense	\$ 39,350	\$ 23,144	
Land Enterprise Revenue	\$ 148,274	\$ 289,944	51%
Land Enterprise Expense	\$ 85,448	\$ 215,290	40%
Revenue -Expense	\$ 62,827	\$ 74,655	
General Fund Revenue	\$ 200,733	\$ 231,698	87%
General Fund Expense	\$ 115,814	\$ 184,856	63%
Revenue -Expense	\$ 84,919	\$ 46,842	
Wash Plan Revenue	\$ -	\$ 175,355	0%
Wash Plan Expense	\$ 108,822	\$ 108,968	100%
Revenue-Expense	(108,822)	66,387	
Total All Revenue - Expense	\$ 503,915	\$ 577,173	-15%

Cash Status	As of 7/1/2015	As of 10/31/2015
LAIF	\$ 446,325.52	\$ 447,000.64
Cal Trust	\$ 8,159,371.85	\$ 8,181,373.73
Citizens Bank	\$ 722,704.66	\$ 421,257.58
Total Cash	\$ 9,328,402.03	\$ 9,049,631.95
Less Prepaid Royalty	\$ (5,000,000.00)	\$ (5,000,000.00)
Cash Position	\$ 4,328,402.03	\$ 4,049,631.95
	Increase of	\$ (278,770.08)
	Percent Increase	-6.4%

San Bernardino Valley Water Conservation District
Profit & Loss To Date vs. Annual Budget

	<u>Jul - Oct 15</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
4010 · Interest Income				
4012 · LAIF	675.12	1,300.00	-624.88	51.93%
4013 · Caltrust Investment Income	17,594.07	65,000.00	-47,405.93	27.07%
Total 4010 · Interest Income	<u>18,269.19</u>	<u>66,300.00</u>	<u>-48,030.81</u>	<u>27.56%</u>
4020 · Groundwater Charge				
4021 · Assessments - Ag	24,083.16	43,628.00	-19,544.84	55.2%
4023 · Assessments - Non-Ag	369,656.02	829,668.00	-460,011.98	44.56%
Total 4020 · Groundwater Charge	<u>393,739.18</u>	<u>873,296.00</u>	<u>-479,556.82</u>	<u>45.09%</u>
4025 · Wash Plan Revenue	0.00	175,355.20	-175,355.20	0.0%
4030 · Mining Income				
4031 · Plant Site - CEMEX	16,000.00	48,000.00	-32,000.00	33.33%
4032 · Cemex - Royalty / Lease	112,500.00	508,333.33	-395,833.33	22.13%
4034 · Redlands Aggregate 5% Royalty	9,000.00	36,000.00	-27,000.00	25.0%
4036 · Aggregate Maintenance	8,756.27	75,000.00	-66,243.73	11.68%
Total 4030 · Mining Income	<u>146,256.27</u>	<u>667,333.33</u>	<u>-521,077.06</u>	<u>21.92%</u>
4040 · Miscellaneous Income				
4041 · Reimbursed Expenses	587.32			
4040 · Miscellaneous Income - Other	900.00	10,000.00	-9,100.00	9.0%
Total 4040 · Miscellaneous Income	<u>1,487.32</u>	<u>10,000.00</u>	<u>-8,512.68</u>	<u>14.87%</u>
4050 · Property Tax	0.00	76,000.00	-76,000.00	0.0%
4055 · SBVMWD Spreading Agreement Reim	364,902.15	363,095.86	1,806.29	100.5%
4060 · Property Income				
4062 · Mentone Property	21,825.00	19,200.00	2,625.00	113.67%
Total 4060 · Property Income	<u>21,825.00</u>	<u>19,200.00</u>	<u>2,625.00</u>	<u>113.67%</u>
4065 · Redlands Plaza	55,744.77	158,132.82	-102,388.05	35.25%
4066 · Redlands Plaza CAM	11,529.61	39,001.28	-27,471.67	29.56%
4080 · Exchange Plan	30,000.00	30,000.00	0.00	100.0%
4086 · Plunge Creek IRWMP	1,008.38	200,000.00	-198,991.62	0.5%
Total Income	<u>1,044,761.87</u>	<u>2,677,714.49</u>	<u>-1,632,952.62</u>	<u>39.02%</u>
Gross Profit	1,044,761.87	2,677,714.49	-1,632,952.62	39.02%
Expense				
5050 · Regional Programs				
5080 · LAFCO Contribution	359.39	1,345.83	-986.44	26.7%
Total 5050 · Regional Programs	<u>359.39</u>	<u>1,345.83</u>	<u>-986.44</u>	<u>26.7%</u>
5100 · Professional Service				
5120 · Misc. Professional Services	17,900.54	150,000.00	-132,099.46	11.93%
5122 · Wash Plan Professional Services	26,881.00	62,000.00	-35,119.00	43.36%
5124 · Plunge Creek Prof Services	11,403.23	184,510.00	-173,106.77	6.18%
5125 · Engineering Services	0.00	16,000.00	-16,000.00	0.0%
5130 · Aerial Photography & Surveying	0.00	1,000.00	-1,000.00	0.0%
5145 · Environmental Services (WP)	0.00	55,000.00	-55,000.00	0.0%
5160 · IT Support	900.00	6,000.00	-5,100.00	15.0%
5170 · Audit	20,635.00	21,000.00	-365.00	98.26%
5175 · Legal - Wash Plan	33,119.41	44,500.00	-11,380.59	74.43%
5180 · Legal	6,546.29	110,227.77	-103,681.48	5.94%
Total 5100 · Professional Service	<u>117,385.47</u>	<u>650,237.77</u>	<u>-532,852.30</u>	<u>18.05%</u>
5123 · Temp. Field Labor	0.00	5,000.00	-5,000.00	0.0%
5133 · Regional River HCP Contribution	0.00	30,000.00	-30,000.00	0.0%
5143 · Wash Plan District Contribution	0.00	33,033.00	-33,033.00	0.0%
5200 · Field Operations				
5210 · Equipment Maintenance	949.65	5,958.00	-5,008.35	15.94%
5215 · Property Maintenance	1,556.20	32,500.00	-30,943.80	4.79%
Total 5200 · Field Operations	<u>2,505.85</u>	<u>38,458.00</u>	<u>-35,952.15</u>	<u>6.52%</u>

San Bernardino Valley Water Conservation District
 Profit & Loss To Date vs. Annual Budget

	<u>Jul - Oct 15</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
5300 · Vehicle Operations				
5310 · Vehicle Maintenance	2,422.21	10,000.00	-7,577.79	24.22%
5320 · Fuel	4,081.63	13,700.00	-9,618.37	29.79%
Total 5300 · Vehicle Operations	<u>6,503.84</u>	<u>23,700.00</u>	<u>-17,196.16</u>	<u>27.44%</u>
5400 · Utilities				
5410 · Alarm Service	884.40	3,400.00	-2,515.60	26.01%
5420 · Electricity	3,326.91	9,500.00	-6,173.09	35.02%
5430 · Mobile Phone	955.00	1,000.00	-45.00	95.5%
5440 · Telephone	1,966.70	6,400.00	-4,433.30	30.73%
5450 · Natural Gas	0.00	900.00	-900.00	0.0%
5460 · Water / Trash / Sewer	681.41	2,160.00	-1,478.59	31.55%
5470 · Internet Services	247.92	7,500.00	-7,252.08	3.31%
Total 5400 · Utilities	<u>8,062.34</u>	<u>30,860.00</u>	<u>-22,797.66</u>	<u>26.13%</u>
6000 · General Administration				
6001 · General Administration - Other	0.00	7,000.00	-7,000.00	0.0%
6002 · Website Administration	700.00	3,100.00	-2,400.00	22.58%
6003 · Property Tax	0.00	235.10	-235.10	0.0%
6004 · Meeting Expenses	446.00	2,700.00	-2,254.00	16.52%
6006 · Permits	0.00	8,197.44	-8,197.44	0.0%
6007 · Inter District Costs	0.00	12,500.00	-12,500.00	0.0%
6009 · Licenses	0.00	1,639.00	-1,639.00	0.0%
6010 · Surety Bond	1,210.00	2,060.00	-850.00	58.74%
6012 · Office Maintenance	29.19	3,180.00	-3,150.81	0.92%
6013 · Office Lease Payment	20,000.00	60,000.00	-40,000.00	33.33%
6015 · Mentone House Maintenance	4,319.08	3,050.00	1,269.08	141.61%
6016 · Redlands Plaza Maintenance	3,229.59	15,000.00	-11,770.41	21.53%
6018 · Janitorial Services	2,762.00	8,843.58	-6,081.58	31.23%
6019 · Janitorial Supplies	76.18	500.00	-423.82	15.24%
6020 · Vacancy Marketing-Redlands Plaz	0.00	5,010.00	-5,010.00	0.0%
6024 · Computer Equip Maint.	0.00	200.00	-200.00	0.0%
6026 · Redlands Plaza CAM expenses	15,599.55	24,000.00	-8,400.45	65.0%
6027 · Computer Supplies	15.50	689.00	-673.50	2.25%
6030 · Office Supplies	890.05	4,250.67	-3,360.62	20.94%
6033 · Office Equipment Rental	1,448.80	8,734.40	-7,285.60	16.59%
6036 · Printing	883.38	980.00	-96.62	90.14%
6039 · Postage and Overnight Delivery	351.51	1,790.00	-1,438.49	19.64%
6042 · Payroll Processing	672.27	1,530.25	-857.98	43.93%
6045 · Bank Service Charges	428.96	3,150.00	-2,721.04	13.62%
6051 · Uniforms	372.84	2,000.00	-1,627.16	18.64%
6060 · Outreach	0.00	24,000.00	-24,000.00	0.0%
6087 · Educational Reimbursement	0.00	3,635.00	-3,635.00	0.0%
6090 · Subscriptions/Publications	110.85	750.00	-639.15	14.78%
6091 · Public Notices	0.00	2,800.00	-2,800.00	0.0%
6093 · Memberships	6,368.00	15,500.00	-9,132.00	41.08%
6000 · General Administration - Other	0.00			
Total 6000 · General Administration	<u>59,913.75</u>	<u>227,024.44</u>	<u>-167,110.69</u>	<u>26.39%</u>
6100 · Benefits				
6110 · Vision Insurance	567.84	1,999.46	-1,431.62	28.4%
6120 · Workers' Comp. Insurance	2,915.00	21,103.82	-18,188.82	13.81%
6130 · Dental Insurance	2,553.92	8,976.48	-6,422.56	28.45%
6150 · Medical Insurance				
6150.01 · Medical Employee Contribution	0.00	-15,634.58	15,634.58	0.0%
6150 · Medical Insurance - Other	30,219.20	115,493.77	-85,274.57	26.17%
Total 6150 · Medical Insurance	<u>30,219.20</u>	<u>99,859.19</u>	<u>-69,639.99</u>	<u>30.26%</u>
6160 · Payroll Taxes-Employer	11,744.78	55,358.09	-43,613.31	21.22%
6170 · PERS Retirement				

San Bernardino Valley Water Conservation District
 Profit & Loss To Date vs. Annual Budget

	<u>Jul - Oct 15</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
6170.01 - PERS Employee Contributions	0.00	-17,662.68	17,662.68	0.0%
6170 - PERS Retirement - Other	56,444.95	170,523.81	-114,078.86	33.1%
Total 6170 - PERS Retirement	<u>56,444.95</u>	<u>152,861.13</u>	<u>-96,416.18</u>	<u>36.93%</u>
Total 6100 - Benefits	104,445.69	340,158.17	-235,712.48	30.71%
6200 - Salaries				
6230 - Regular Salaries	180,773.37	758,999.24	-578,225.87	23.82%
Total 6200 - Salaries	<u>180,773.37</u>	<u>758,999.24</u>	<u>-578,225.87</u>	<u>23.82%</u>
6300 - Insurance				
6310 - Property/ Auto Insurance	3,096.75	6,924.00	-3,827.25	44.73%
6320 - General Liability Insurance	31,150.27	32,209.32	-1,059.05	96.71%
Total 6300 - Insurance	<u>34,247.02</u>	<u>39,133.32</u>	<u>-4,886.30</u>	<u>87.51%</u>
6400 - Board of Directors' Expenses				
6401 - Directors' Fees	17,304.00	76,426.00	-59,122.00	22.64%
6410 - Mileage	1,326.53	2,750.00	-1,423.47	48.24%
6415 - Air Fare	2,186.41	6,412.50	-4,226.09	34.1%
6420 - Other Travel	102.00	1,000.00	-898.00	10.2%
6425 - Meals	749.54	1,935.00	-1,185.46	38.74%
6430 - Lodging	431.79	4,900.00	-4,468.21	8.81%
6435 - Conf/Seminar Registrations	2,460.00	8,032.50	-5,572.50	30.63%
6440 - Election Fees / Re-Districting	0.00	100,000.00	-100,000.00	0.0%
Total 6400 - Board of Directors' Expenses	<u>24,560.27</u>	<u>201,456.00</u>	<u>-176,895.73</u>	<u>12.19%</u>
6500 - Administrative/Staff Expenses				
6510 - Mileage	390.89	2,940.00	-2,549.11	13.3%
6515 - Air Fare	0.00	2,200.00	-2,200.00	0.0%
6520 - Travel, Other (rental car, taxi)	0.00	1,367.11	-1,367.11	0.0%
6525 - Meals	459.76	1,500.00	-1,040.24	30.65%
6530 - Lodging	0.00	4,128.51	-4,128.51	0.0%
6535 - Conf/Seminar Registrations	1,239.00	5,370.63	-4,131.63	23.07%
Total 6500 - Administrative/Staff Expenses	<u>2,089.65</u>	<u>17,506.25</u>	<u>-15,416.60</u>	<u>11.94%</u>
8010 - Capital Reserve GWE/Rate Stabil	0.00	20,000.00	-20,000.00	0.0%
9999 - Contribution to Capital Maint.	0.00	0.00	0.00	0.0%
Total Expense	<u>540,846.64</u>	<u>2,416,912.02</u>	<u>-1,876,065.38</u>	<u>22.38%</u>
Net Ordinary Income	503,915.23	260,802.47	243,112.76	193.22%
Other Income/Expense				
Other Expense				
7000 - Construction				
7010 - Materials	0.00	7,950.00	-7,950.00	0.0%
7050 - Basins- Capital Annual Repair	0.00	60,000.00	-60,000.00	0.0%
7055 - Plunge Creek Expansion	0.00	0.00	0.00	0.0%
Total 7000 - Construction	<u>0.00</u>	<u>67,950.00</u>	<u>-67,950.00</u>	<u>0.0%</u>
7100 - Land & Buildings				
7110 - Property Capital Repairs	7,975.00	175,000.00	-167,025.00	4.56%
7130 - Mentone Property (House)-CapRep	10,320.69	21,798.38	-11,477.69	47.35%
7140 - Mentone Property (Shop)-CapRep	3,811.00	17,500.00	-13,689.00	21.78%
7150 - Mill Creek Diversion	40,290.00	300,000.00	-259,710.00	13.43%
Total 7100 - Land & Buildings	<u>62,396.69</u>	<u>514,298.38</u>	<u>-451,901.69</u>	<u>12.13%</u>
7200 - Equipment & Vehicles				
7210 - Computer Hardware-Capital Purch	789.22	4,500.00	-3,710.78	17.54%
7220 - Computer Software	0.00	6,500.00	-6,500.00	0.0%
7230 - Field Equipment / Vehicles	1,572.34	27,240.00	-25,667.66	5.77%

San Bernardino Valley Water Conservation District
 Profit & Loss To Date vs. Annual Budget

	<u>Jul - Oct 15</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
7240 - Office Equipment	1,200.00	1,235.99	-35.99	97.09%
Total 7200 - Equipment & Vehicles	3,561.56	39,475.99	-35,914.43	9.02%
7400 - Professional Services Capital				
7438 - Engineering Services-Other	0.00	140,000.00	-140,000.00	0.0%
Total 7400 - Professional Services Capital	0.00	140,000.00	-140,000.00	0.0%
9010 - General Fund - Transfer Out	764,154.00			
Total Other Expense	830,112.25	761,724.37	68,387.88	108.98%
Net Other Income	-830,112.25	-761,724.37	-68,387.88	108.98%
Net Income	-326,197.02	-500,921.90	174,724.88	65.12%



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Memorandum No. 1372

To: Board of Directors

From: Daniel Cozad, General Manager

Date: November 10, 2015

Subject: Cost Analysis Review for Outside Committee Meetings

RECOMMENDATION

Review the Staff analysis and provide any direction related to meeting costs.

BACKGROUND

At the September 9, 2015 Board meeting, President Corneille, Vice-President McDonald, and Director Aranda requested re-nomination to their current committees for the 2016-2017 Term. After approval of these appointments Director Raley requested Staff to complete and bring back to the Board for review a cost analysis of all outside committee appointments.

Staff assembled the costs in a matrix by Meeting and Director for Fiscal 2014-2015. The matrix is attached to this memo and indicates most meetings have average costs that are very close to the Director per diem rate with the exception being meetings that require out of town travel such as the ACWA Legislative Committee or paid by others such as ACWA /JPIA.

FISCAL IMPACT

Developing the report required Staff time, however the analysis did not assess impacts to any changes in meeting appointments.

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Division 5:
Melody McDonald

GENERAL
MANAGER

Daniel B. Cozad

SBVWCD

Fiscal Year 2014-2015 Outside Director Meeting Costs

Meeting Name	Aranda	Corneille	Longville	McDonald	Raley	# of Meetings	Average Cost/Meeting	TOTALS
ACWA/JPIA	\$ -	\$ -	\$ -	\$ -	\$ -	0	\$ -	\$ -
ACWA Fall Conference	\$ 942.10	\$ 829.50	\$ 516.08	\$ -	\$ -	9	\$ 254.19	\$ 2,287.68
ACWA Spring Conference	\$ 1,175.88	\$ 945.15	\$ -	\$ -	\$ -	8	\$ 265.13	\$ 2,121.03
CSDA Annual Conference	\$ 838.40	\$ -	\$ -	\$ -	\$ -	4	\$ 209.60	\$ 838.40
CSDA Legislative Days	\$ 665.54	\$ -	\$ -	\$ -	\$ -	3	\$ 221.85	\$ 665.54
ASBCSD	\$ 1,785.21	\$ 420.25	\$ 652.70	\$ 1,596.48	\$ -	20	\$ 222.73	\$ 4,454.64
Special Presentations	\$ 806.00	\$ 825.00	\$ -	\$ 603.32	\$ -	12	\$ 186.19	\$ 2,234.32
ACWA Region 9 Meetings	\$ -	\$ -	\$ -	\$ 403.00	\$ -	2	\$ 201.50	\$ 403.00
BTAC	\$ 1,800.00	\$ -	\$ -	\$ 1,926.32	\$ 413.04	20	\$ 206.97	\$ 4,139.36
SBVMWD Advisory Commission	\$ -	\$ 1,469.44	\$ -	\$ -	\$ 638.08	10	\$ 210.75	\$ 2,107.52
SBVMWD Board Meetings	\$ 1,030.00	\$ 645.60	\$ 213.80	\$ 5,579.55	\$ 1,266.90	41	\$ 213.07	\$ 8,735.85
Santa Ana Sucker Task Force (SAWPA)	\$ -	\$ -	\$ -	\$ -	\$ -	0	\$ -	\$ -
USAWRA	\$ 2,006.00	\$ -	\$ -	\$ 1,388.00	\$ -	17	\$ 199.65	\$ 3,394.00
Wash Plan Task Force	\$ 197.00	\$ 206.00	\$ -	\$ -	\$ 1,630.00	10	\$ 203.30	\$ 2,033.00
Big Bear Watermaster Committee	\$ -	\$ -	\$ -	\$ -	\$ 806.00	4	\$ 201.50	\$ 806.00
Sacramento Legislative Forums	\$ -	\$ -	\$ -	\$ -	\$ -	0	\$ -	\$ -
Washington DC Legislative Forum	\$ -	\$ -	\$ -	\$ -	\$ -	0	\$ -	\$ -
ACWA Groundwater Committee	\$ -	\$ 362.41	\$ -	\$ -	\$ -	1	\$ 362.41	\$ 362.41
ACWA State Legislative Committee	\$ 232.98	\$ -	\$ -	\$ 7,403.22	\$ -	13	\$ 587.40	\$ 7,636.20
ACWA Communications Committee	\$ 206.00	\$ -	\$ -	\$ -	\$ -	1	\$ 206.00	\$ 206.00
ACWA Water Management Committee	\$ -	\$ -	\$ -	\$ 668.63	\$ -	3	\$ 222.88	\$ 668.63
CSDA Fiscal Committee	\$ -	\$ -	\$ -	\$ -	\$ 242.84	1	\$ 242.84	\$ 242.84
CSDA Prof. Development Committee	\$ 513.62	\$ -	\$ -	\$ -	\$ -	2	\$ 256.81	\$ 513.62
Redlands Chamber of Commerce	\$ 403.00	\$ 206.00	\$ -	\$ -	\$ 1,209.00	9	\$ 202.00	\$ 1,818.00
Highland Area Chamber of Commerce	\$ -	\$ 214.05	\$ -	\$ 1,921.38	\$ -	10	\$ 213.54	\$ 2,135.43
Loma Linda Chamber of Commerce	\$ 1,594.00	\$ -	\$ -	\$ -	\$ -	8	\$ 199.25	\$ 1,594.00
Mentone Chamber of Commerce	\$ -	\$ 827.50	\$ -	\$ -	\$ -	5	\$ 206.88	\$ 827.50
SB Chamber of Commerce	\$ 1,205.00	\$ -	\$ -	\$ 1,700.70	\$ -	14	\$ 207.55	\$ 2,905.70
TOTALS	\$ 15,400.73	\$ 6,950.90	\$ 1,382.58	\$ 23,190.60	\$ 6,205.86			

****Bold/Italicized: Assigned Representatives**

FY TOTAL \$ 53,130.67



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Memorandum No. 1373

To: Board of Directors

From: General Manager, Daniel Cozad

Date: November 10, 2015

Subject: LAFCO Sphere of Influence Approval Discussion

RECOMMENDATION

Discuss and provide feedback on LAFCO actions related to Application 3173 Sphere of Influence Amendment and provide staff direction.

BACKGROUND

The Board directed Staff on its priorities to review and address governance related matters including the Municipal Service Review (MSR) and other LAFCO issues. Board direction resulted in staff filing an application for re-establishment of sphere (expansion) to the District boundary plus the Wash Area southwest of the current boundary. LAFCO performed a Municipal Service Review and determined that several alternatives should be reviewed for sphere of influence (SOI). The SOI is a projection of the ultimate boundary of the District. The Board has supported the SOI that we requested and submitted letters of support for that SOI. In response to LAFCO's recommendation to expand the SOI the District has repeated that it is reluctant to expand beyond the area supported by the water agencies in its area.

LAFCO provided four options in its staff report, which were reviewed at the October 13th Board Meeting. At the October 21, 2015 Commission Hearing Alternative 4, the Hybrid option was selected by the Commission. Staff requested the SOI boundary as a GIS file from LAFCO and it is shown on the attached map.

DISCUSSION

The Commission's decision approved a significantly larger SOI. The SOI is approximately 408 square miles compared to 78 square miles or over 400% larger than the existing boundary. Staff and the Board have committed to the LAFCO Commission and the Agencies attending the hearing to continue to work to implement the MOU that would develop the Groundwater Sustainability Council. Staff requests the Board discuss the sphere and provide direction to Staff on any additional efforts which may be needed.

Staff suggests that any efforts outside the current boundary be considered through the Groundwater Sustainability Council process. Currently, the Groundwater Sustainability Council members have a meeting planned for November 17th to finalize the MOU for governing Board approval in January. Without further LAFCO action the District boundary remains the same and no changes to tax or groundwater charge funding.

BOARD
OF
DIRECTORS

Division 1:
Richard Corneille
Division 2: David E.
Raley

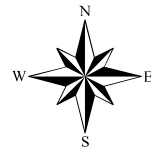
Division 3:
Manual Aranda, Jr.
Division 4:
John Longville

Division 5:
Melody McDonald

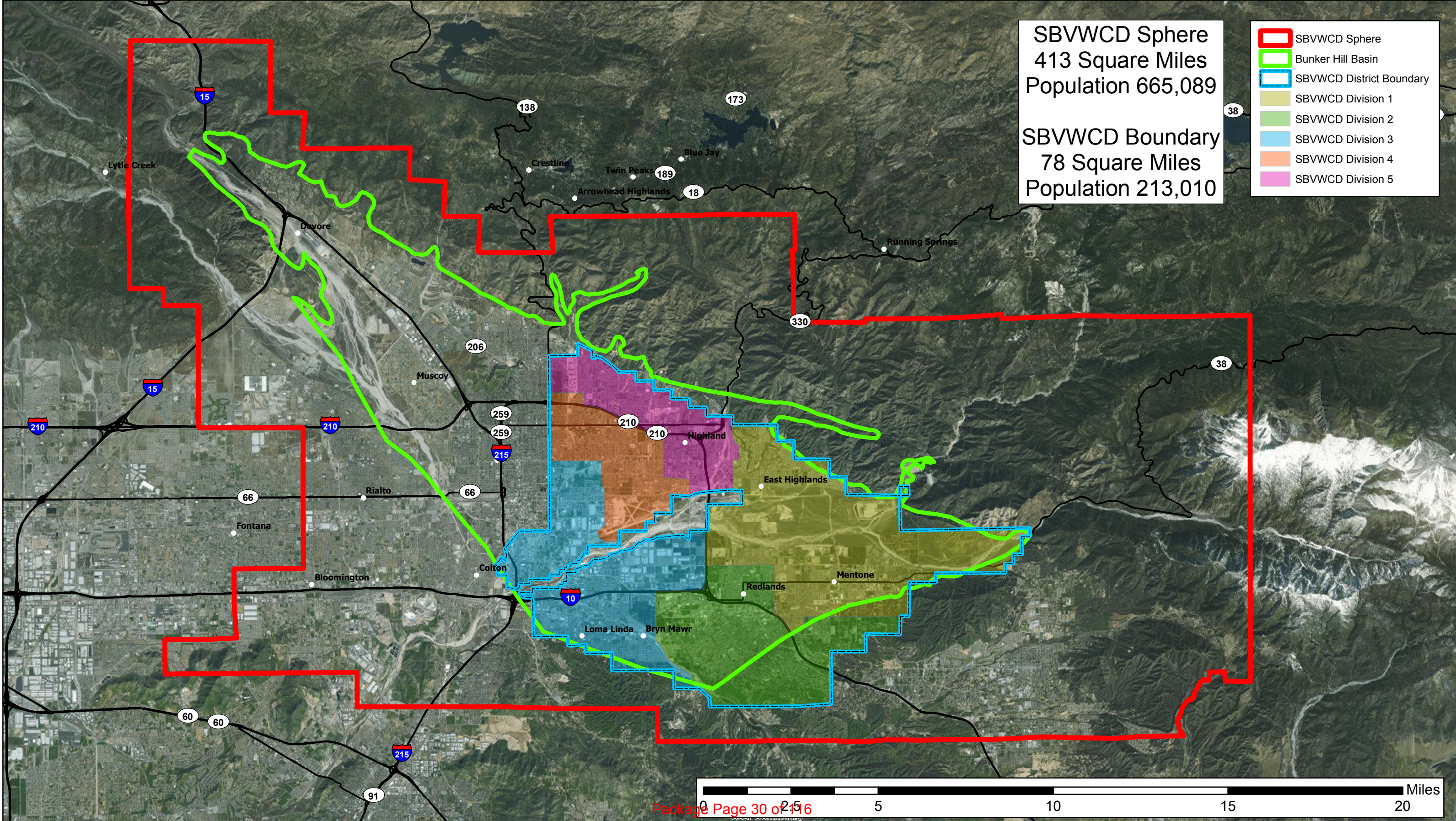
GENERAL
MANAGER

Daniel B. Cozad

Sphere of Influence











Coordinate System: StatePlane California V FIPS 0405 Feet
Projection: Lambert Conformal Conic
Datum: North American 1983
Scale: 1:24,000
Source: SBVWCD GIS
GIS Contact: Katelyn Scholte
M:\2015 Projects\Sphere of Influence\Maps\Sphere of Influence
November 3, 2015



SBVWCD Sphere
413 Square Miles
Population 665,089

SBVWCD Boundary
78 Square Miles
Population 213,010

-  SBVWCD Sphere
-  Bunker Hill Basin
-  SBVWCD District Boundary
-  SBVWCD Division 1
-  SBVWCD Division 2
-  SBVWCD Division 3
-  SBVWCD Division 4
-  SBVWCD Division 5



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Memorandum No. 1374

To: Board of Directors
From: General Manager, Daniel Cozad
Date: November 10, 2015
Subject: Redlands Aggregate Lease Assumption by Cemex

RECOMMENDATION

Discuss issues or concerns related to the lease assumption by CEMEX and provide direction to staff

BACKGROUND

The District has a historic lease with Redlands Aggregate (see the attached lease assumed from General Portland) for the North and South mining areas. Redlands Aggregate has historically sublet these leases to CEMEX. CEMEX has paid the lease value to the District for Redlands Aggregate.

DISCUSSION

CEMEX has informed the District that they have reached agreement with Redlands Aggregate to assume the Redlands Aggregate (General Portland) lease; see the attached letter from CEMEX to the District. The lease provides for assumption and transfer. The District must provide approval for the lease to be transferred, and that approval shall not be unreasonably withheld. The District believes that as the Wash Plan nears completion CEMEX is preparing to simplify the lease arrangements for expanded mining.

The elimination of a sublease will simplify the arrangements for mining but also increase the need for validation and verification of the amount of material mined because there is not another commercial entity overseeing the mining. Staff recommends the Board consider approval of the assumption of the lease and to authorize staff to develop a plan to monitor and validate the quantity mined.

FISCAL IMPACT

The Terms of the lease do not change with the assumption of the lease. No direct impacts are expected provided the mined quantities are monitored.

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Division 5:
Melody McDonald

GENERAL
MANAGER

Daniel B. Cozad



October 19, 2015

Daniel Cozad
San Bernardino Valley Water Conservation District
1630 W. Redlands Blvd., Suite A
Redlands, CA 92373

RE: Redlands Aggregate Lease

Dear Daniel,

As we discussed at the last meeting, CEMEX is in a position to assume the lease currently held by Redlands Aggregates (Lease dated December 20, 1984 between San Bernardino Valley Water Conservation District and General Portland, Inc., which was assigned to Redlands Aggregates on December 26, 1984). CEMEX currently, and has historically, holds the Sub-lease to this contract. We believe that this acquisition will greatly simplify the current situation for all three parties involved. The primary parties at Redlands Aggregates are agreeable to the transfer. We are targeting to complete the transaction by the end of November 2015. To that end, please let us know if there is anything additional we need to do or provide to the District on this matter. We sincerely appreciate the District's consideration of this request. If you have any questions, please contact me at 909-335-2736 ext. 201 or Bryan Forgey at 909-210-2340.

Sincerely,

A handwritten signature in blue ink that reads "Christine Jones".

Christine Jones
Resources Manager

12/20/
UPRIS 2019

LEASE

This lease, entered into this 20 day of DECEMBER, 1984, by and between San Bernardino Valley Water Conservation District, a public and political subdivision of the State of California (herein "Lessor") and General Portland, Inc., a Delaware Corporation (herein "Lessee").

Witnesseth:

Premises Leased: That for and in consideration of the mutual covenants and obligations herein contained, and to be kept and performed by the respective parties hereto, the Lessor does hereby lease and let unto the Lessee, subject to the terms and conditions hereinafter set forth; all that certain real property (herein "Leased Premises") located in the County of San Bernardino, State of California, described as follows:

The North One-half of the Southeast One-quarter of Section 11, Township 1 South, Range 3 West, San Bernardino Base and Meridian.

Initial Term: The initial term of the Lease shall be ten years to commence on December 20, 1984.

Option to Extend Term:

1. Lessee is hereby granted an option to extend the term of this lease for five (5) additional five-year (5-year) periods after the expiration of the initial term upon the rental structure set forth hereinbelow.

2. Further and in addition to the foregoing, Lessee is granted an option to extend this lease for five (5) additional five-year (5-year) periods after the expiration of the initial term and the extensions totaling 25 years set forth in Paragraph 1 hereinabove upon terms and conditions to be negotiated at that time.

Written notice of Lessee's intention to extend the lease as aforesaid shall be given to Lessor at least ninety (90) days prior to the expiration of the then current tenancy.

Removal of Material: During the term of this lease, the Lessee may, at its option, excavate and remove from the Leased Premises any rock, gravel, sand and other materials, located thereon and therein, which said rock, gravel, sand and other materials, upon being excavated and removed from the Leased Premises shall thereupon be and become the property of Lessee. Lessor hereby quitclaims, transfers and conveys to the Lessee any and all right, title and interest of the Lessor thereto. The place and location of the excavation of such rock, gravel, sand and other materials, shall first be approved by Lessor from time to time.

The Lessor hereby expressly reserves the right to use the Leased Premises for the spreading and sinking of water thereon at Lessor's sole discretion, provided however, that Lessor hereby represents to Lessee that it will use due diligence to

conduct said spreading and sinking operations with a minimum of interference to Lessee's operations as circumstances permit. It is expressly understood that the area adjacent to the Leased Premises and the Leased Premises is within the wash and bed of the Santa Ana River and its tributaries and has been and will be used by Lessor for the purpose of spreading and sinking water into the underground water basin. In the event of any loss or damage sustained by Lessee from Lessor's operations in so spreading and sinking water or from the flow of water from flood or otherwise, Lessee does hereby waive any and all damages or claims against Lessor resulting from or arising out of such operations or flow of water.

Initial Fee: Upon execution of this lease, Lessee shall pay to Lessor a non-refundable cash payment of twelve thousand dollars (\$12,000).

Rent: Effective upon execution of this lease, Lessee shall pay rent which shall be the greater of a minimum yearly rental sum payable monthly or a royalty payment calculated upon sales of material removed from the premises. The royalty shall be the greater of a fee per ton sold or five percent (5%) of the FOB plant price per sale.

For each month, Lessee shall furnish to Lessor on or before the 18th day of the following month a written summary setting forth an accounting of each sale of material from the premises and calculation of the royalty therefore, to wit:

The tonnage sold multiplied by the appropriate fee per ton or five percent (5%) of the FOB plant price per sale, whichever is greater.

At such time in each year as the royalty amount, being the greater of five percent (5%) of the FOB price or fee per ton, exceeds the minimum rent for that year, Lessee shall pay rental appropriate to such royalty computation.

In the first year of the initial ten-year term, the minimum rental shall be twelve-thousand dollars (\$12,000) payable monthly at one-thousand dollars (\$1,000) per month, and the royalty computation shall be made at five percent (5%) of the FOB plant price or twelve cents (12¢) per ton of material removed, whichever is greater.

In the second and succeeding years of the initial ten-year (10-year) term, the minimum yearly rental shall be twenty-four thousand dollars (\$24,000) payable monthly at two-thousand dollars (\$2,000) per month, and the royalty computation shall be made at five percent (5%) of the FOB plant price or fifteen cents (15¢) per ton of material removed, whichever is greater.

In the first option period, if exercised to a maximum of twenty-five (25) years, the minimum yearly rental shall be thirty-six thousand dollars (\$36,000) payable monthly at three-thousand dollars (\$3,000) per month and the royalty computation shall be made at five percent (5%) of the FOB plant price or seventeen cents (17¢) per ton of material removed, whichever is greater.

Condemnation and Commercial Reasonableness: If any part of the premises shall be taken or condemned for a public or quasi-public use, and a part thereof remains which is reasonably susceptible of occupation hereunder, this Lease shall terminate as to the part so taken as of the date possession is obtained by the condemnor. In the event the part taken interferes materially with the excavation of sand and gravel from the premises, the minimum rental shall be reduced in the proportion that the value of the portion of the quarry taken bears to the value of the remaining quarry. If all of the premises shall be taken or condemned, or such part thereof that there does not remain a portion reasonably susceptible of use or occupation hereunder, this Lease shall thereupon terminate at Lessee's discretion.

If Lessee determines, from and after the commencement date of this Lease to the date Lessee commences extracting product from the Leased Premises for sale in a commercial manner, that the premises are not suitable for Lessee's operation, or if during such time Lessee is unable to obtain the necessary governmental consents, or the conditions on such governmental consents are unacceptable to Lessee, then Lessee shall be excused from all further performance hereunder.

Use of Premises: It is contemplated that Lessee will establish a sand and gravel processing plant upon the Leased Premises and process sand, gravel and rock material mined on the Leased Premises or elsewhere for commercial sale. Royalty computation hereinabove set forth applies to material so processed and sold, regardless of origin. The word "removed" from the premises refers to such commercial production and sale.

At such time, if any, that Lessee does not operate a processing plant on the Leased Premises and only removes material therefrom by excavation for processing elsewhere, the same rental and royalty schedule shall apply as herein provided.

Compliance with Laws: Lessee shall maintain the premises, herein demised, in a clean and sanitary condition at all times. It shall faithfully observe all laws, ordinances, police and sanitary rules and regulations made by public authorities and the legislative bodies of the State of California, County of San Bernardino, and the United States, or by any other governmental body having jurisdiction over the same. Lessee shall comply with all ordinances or laws, rules or regulations, now or hereafter made, affecting said business or said premises.

Books of Account: The Lessee shall at all times keep and maintain full, complete and adequate books and records of

account, together with all weigh tags or records upon all material excavated and removed from the said property and premises. Said books, records and weigh tags shall be available and open for inspection by the Lessor, or its representative, at any and all regular business hours. Lessee shall furnish Lessor monthly a statement setting forth a record of material excavated and removed from said Lessee's plant site.

Liens: That the Lessee shall not incur or permit the incurring of any lien upon the land and premises hereby leased for material or labor in connection with any work or labor to be performed, or materials to be supplied, upon and to the said property and premises; and the said Lessee hereby indemnifies and agrees to hold the Lessor and the property and premises of the Lessor hereby leased free and clear from any material or labor or other lien during the term of this lease.

Assignment: Lessee shall not assign or sublet this Lease or any interest therein or in or to the Leased Premises or any part thereof without first obtaining the written consent of Lessor to each assignment or subletting. Such consent shall not be unreasonably withheld.

Taxes: That the Lessee shall promptly pay when due any and all taxes levied upon or against any and all materials excavated and removed from the said premises by the Lessee, together with any and all taxes and assessments levied upon any property,

Removal of Improvements: Upon the termination of this lease and the faithful performance of each and all the covenants thereof, the Lessee shall have the right to remove from the said property and premises any and all machinery, fixtures, equipment, structures, buildings and improvements placed thereon, and shall have a period of six (6) months, after such termination, within which to complete the removal of such improvements. Upon any such termination if the Lessee does not elect to exercise such right, the Lessor may either require Lessee at Lessee's expense to remove all such improvements and restore the premises to a neat and orderly condition or elect to retake possession of the Leased Premises together with all such improvements which shall thereupon become the property of Lessor.

Access to Scales: Lessor shall at all times have full and free access to any weighing scales located upon the said property and premises which will, or may be, used to weigh any of the said material, and shall have the right to inspect and test the same, or cause the same to be tested and inspected.

Nuisance: That in the event that the said property and premises shall in any manner be used for, or in connection with, any purpose or use which constitutes a public nuisance in the sole and exclusive determination of the Board of Directors of the Lessor, written notice thereof shall be given by the Lessor

to the Lessee and the same shall be abated within sixty (60) days thereafter. In the event the same is not abated within said period, then and thereupon the continuation of said nuisance shall constitute a breach of this lease and the same may be terminated as herein provided.

Time of Essence: Time is the essence of this lease and if any rental shall become due and unpaid, or if any default shall be made in any of the covenants and obligations herein contained, or if a proceedings in bankruptcy, receivership or insolvency be instituted by or against the Lessee or his property, then the Lessor may, at his option, either with or without process of law, retake possession of said premises with or without notice to the Lessee, and this lease shall forthwith terminate and end.

Posting Notices: Lessor reserves the right to enter upon said premises at any and all reasonable times and shall have the right and privilege of posting any notice required by law to be posted upon said premises.

Notices: Any notice herein to be given to the Lessor shall be sufficient and complete upon depositing such notice in the United States mail, with postage prepaid and addressed to Lessor at 912-B New York Street, Redlands, California 92374; any notice herein to be given to the Lessee shall be sufficient and complete upon depositing

such notice in the United States mail, with postage prepaid and addressed to Lessee at 11611 San Vicente Boulevard, Los Angeles, California 90049. Either party hereto may change such address by giving written notice thereof to the other party. Personal service of any such notice will be sufficient and in lieu of notice by mail as hereinabove provided.

Attorney Fees: In the event that either party hereto shall institute action in Court in connection with this lease, the party prevailing or recovering judgment in any such action shall also be awarded a reasonable amount as and for attorney's fees therein, as shall be fixed and determined by the Court in any such action.

Non Waiver: The failure or omission of Lessor to terminate this lease for any violation of its terms, covenants or conditions, or the acceptance of the rent after it is due, shall not be deemed to be a consent to Lessor to such or any subsequent violation, or a waiver of any of the rights of said Lessor hereunder, and shall in no manner thereafter estop or prevent Lessor from terminating this lease for any subsequent violation of any term, covenant or condition hereof.

Holding Over: Should the Lessee hold over and continue in possession of said premises after the end of the term hereof with the expressed or implied consent of the Lessor, such holding

over shall be construed as a tenancy from month to month at the same rental and upon the same conditions as herein provided.

Indemnifying District: That the Lessee hereby indemnifies and agrees to hold the Lessor free and harmless from any and all liability whatsoever arising out of, or in connection with, the use and occupancy of the said Leased Premises and property by the Lessee, and to defend any and all claims or actions brought against the Lessor in connection with, or arising out of, the operations of the Lessee upon and in connection with the said premises so leased, and to indemnify and hold the Lessor free and harmless from any and all expenses, claims or obligations in connection therewith.

Easement Over Northerly 60 Feet of North Half of Southeast Quarter of Section 10: Lessor further grants to Lessee for the term of this lease, a non-exclusive easement over the North 60 feet of the North One-half of the Southeast One-quarter of Section 10, T. 1 S., R. 3 W., SBB&M, for roadway purposes for ingress and egress to Orange Street, to and from the Leased Premises.

Easement Over Portion of Section 11: Lessor does hereby grant to Lessee an easement, 60 feet in width, over the following property:

The South One-half of the North One-half of
Section 11;

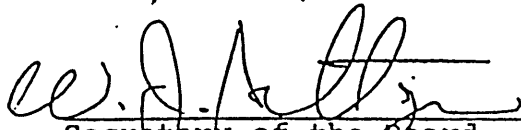
The Northeast One-quarter of the Southwest
One-Quarter of Section 11,

The North 982.08 feet of the Northwest One-
Quarter of the Southwest One-Quarter of Section 11,
all in T. 1 S., R. 3 W., SBB&M.

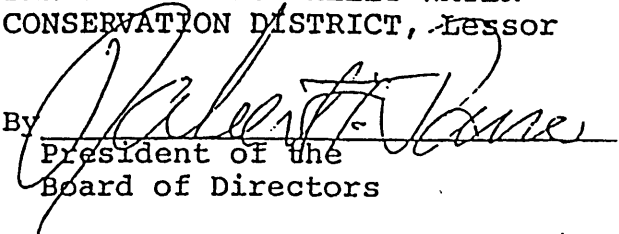
The exact location of the 60-foot easement shall be
determined from time to time by mutual agreement.

In Witness Whereof, the parties hereto have subscribed
their names hereto by and through their duly authorized officers.

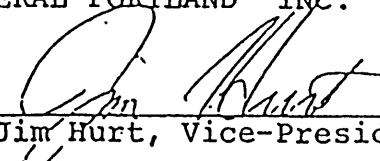
ATTEST:

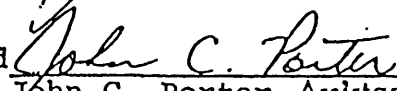

Secretary of the Board
of Directors

SAN BERNARDINO VALLEY WATER
CONSERVATION DISTRICT, Lessor

By 
President of the
Board of Directors

GENERAL PORTLAND INC.

By 
Jim Hurt, Vice-President, Gen.

And 
John C. Porter, Assistant Secretary

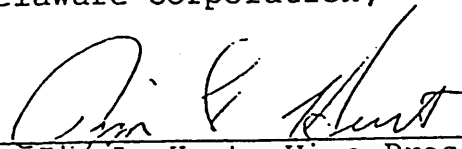
ASSIGNMENT OF LEASE

For value received, GENERAL PORTLAND, INC., a Delaware corporation, hereby transfers, conveys and assigns to REDLANDS AGGREGATES, a California corporation, all of its right, title and interest as Lessee under that certain lease originally entered into on March 17, 1961 by and between the San Bernardino Valley Water Conservation District, as Lessor, and H. Norman Johnson, Jr., as Lessee, as amended, excepting only the Option to Lease additional acreage described in paragraph (2) of that paragraph title "Terms and Option" contained in that certain "Amendment to Lease dated March 17, 1971, which Amendment is dated March 15, 1966.

DATED: 12/13/84

GENERAL PORTLAND, INC.,
a Delaware corporation,

By



Jim L. Hurt, Vice President
and General Manager.



SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT

Established 1932

1630 West Redlands Boulevard, Suite A
Redlands, CA 92373-8032
(909) 793-2503
Fax: (909) 793-0188

Email: info@sbvwcd.org
www.sbvwcd.org

Memorandum No. 1375

To: Board of Directors

From: Land Resources Manager, Jeffrey Beehler/Daniel Cozad, General Manager

Date: November 10, 2015

Subject: Agreement with Bureau of Land Management to Initiate a Land Exchange

RECOMMENDATION

Staff recommends that the Board consider entering into a non-binding agreement with the Bureau of Land Management (BLM) to initiate the process of exchanging District lands for BLM lands to implement the Wash Plan Habitat Conservation Plan.

BACKGROUND

The second phase of the Wash Plan HCP is dependent on the exchange of lands between the District and the BLM for the purpose of conserving certain areas of land not already in conservation and providing for mining in other areas. The exchange increases areas important to the conservation of the species proposed for coverage in the draft Wash Plan HCP, while consolidating aggregate mining in primarily lower quality habitat adjacent to existing mining pits, mining that would be covered under the HCP. Authorization for the administrative process involved in the exchange needs to be done legislatively because some of the land involved had been withdrawn by Congress for water conservation purposes back in 1908.

With the legislation, the BLM will be able to move forward with the administrative process of exchanging land with the District. The initial property descriptions have been completed and undergone cadastral review by the BLM. With this information, the BLM is able to develop a scope of work and cost estimate for the land exchange. Approval of this Agreement to Initiate (ATI) clarifies the responsibilities of both parties in the land transfer, lays out a scope of work and schedule, as well as provides authorization for BLM to proceed with the project.

The project is scheduled to be complete in October 2016 and is contingent upon passage of legislation, a certified EIR/EIS and an appraisal process acceptable to both the District and the BLM.

FISCAL IMPACT

Costs to the District for completing the land exchange are estimated to be \$45,000 plus the cost of Phase I environmental assessment. Cost allocation will be from land and wash plan funds.

BOARD
OF
DIRECTORS

Division 1:
Richard Corneille
Division 2:
David E. Raley

Division 3:
Manual Aranda, Jr.
Division 4:
John Longville

Division 5:
Melody McDonald

GENERAL
MANAGER

Daniel B. Cozad

Serial Number: CACA-044458FD/PT

Name of Exchange Proponent: San Bernardino Valley Water Conservation District

Name of Exchange: Santa Ana Wash Exchange

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Agreement to Initiate a Land Exchange

Purpose and Scope

The Parties to this Agreement are the Proponent, San Bernardino Valley Water Conservation District ("SBVWCD") and the Bureau of Land Management ("BLM").

The Proponent certifies it is a Water Conservation District established pursuant to the Water Conservation Law of 1939, subject to the laws of the United States and the State of California. The Proponent further certifies that it has legal ownership and control of the non-Federal lands offered to the United States, and has the ability to provide acceptable title to the BLM.

This Agreement to Initiate a Land Exchange is a non-binding Agreement to document the commitments of the Parties to evaluate a proposal to exchange Federal and non-Federal land or interests therein.

The Parties acknowledge that participation in these commitments will have no binding effect on any Party to consummate the exchange. Should this Agreement be terminated without the consummation of an exchange, no Party will be required to reimburse or pay damages to any Party associated with participation in the activities identified herein for considering the exchange proposal.

Authority

Authority for this Agreement is under Section 206 of the Act of October 21, 1976, as amended. The authority provides that the consideration of an exchange of Federal and non-Federal land or interests therein, must include, among other things, an evaluation of how the exchange will serve the public interest and be based on equal market value established by appraisals, be subject to an environmental analysis, and provide for coordination with State and local governments, and/or affected property and public interests.

Format

This Agreement consists of this Section, Exhibits A and B, including the legal and title information for the Federal and non-Federal lands, and Exhibit C addressing land exchange processing costs.

Amendment and Termination

All amendments to this Agreement shall be in writing by the mutual consent of the Parties. The Parties jointly agree to share in the responsibilities for amending the Agreement with the frequency and level of detail necessary to support the purposes for which the Agreement has been made.

This Agreement shall be effective until the exchange is completed or until either Party chooses to withdraw from the Agreement provided the commitments and responsibilities as outlined in Exhibit C are being diligently pursued. Should either Party wish to withdraw from the Agreement they agree to provide written notice within 30 days to the other Party.

General Provisions

Hazardous Substances: Each party to this Agreement hereby declares that to the best of its knowledge there has been no actual or suspected release, storage, or disposal of hazardous substances on the Federal or non-Federal land involved in the exchange. The BLM will comply with legal requirements necessary to determine if hazardous substances are present on the Federal land. The non-Federal Party will comply with legal requirements necessary to determine if hazardous substances are present on the non-Federal land involved in the exchange. If hazardous substances are determined to exist on either the Federal or non-Federal land involved in the exchange, the Parties may choose to either: (a) conduct further investigation and, if necessary, remediation; (b) remove the land so affected from the exchange proposal; or (c) terminate the Agreement. Hazardous substances are those substances designated under the Environmental Protection Agency's regulations at 40 CFR part 302.

Right-to-Enter: Each Party to this Agreement hereby grants permission to the other, and their authorized agents, contractors or permittees, to enter upon and physically examine the land described in this Agreement. The conduct of such examination shall be limited to non-surface disturbing activities. Any vehicular travel associated with such conduct will be limited to existing roads. Any examination or entry that exceeds the scope of the above-described conduct will require advance approval from the other Party. The grant of permission to enter does not require the prior notification of the other Party.

Relocation and Use Termination: Pursuant to 49 CFR 24.101, this Agreement serves as formal notice of the voluntary nature of this exchange. Relocation benefits will not be paid and are not applicable to the Proponents of this exchange. The Proponent agrees that this exchange is a voluntary action on its part and that relocation benefits are not applicable to owner-occupants. The Parties acknowledge that a crucial element of this exchange is the termination of existing aggregate leases on the non-Federal lands and the transfer of those or similar leases to the Federal lands at the time of conveyance. The Proponent acknowledges that the Proponent's lessee shall be required to waive any relocation benefits as a condition to close of escrow. To the best of Proponent's knowledge, there are no other parties (tenants) currently occupying the non-Federal lands who would be eligible for relocation benefits, and there are no parties that have been removed from the non-Federal land within the last 90 days relative to this proposal.

Availability of Information: All documents, reports and other related requirements prepared for both the Federal and non-Federal lands necessary for the evaluation and processing of the land exchange will be made a part of the public record and are subject to public availability. This includes information which may be exempt from release under the Privacy Act (5 U.S.C. 552 (a)), and information which may qualify for exemption under the Freedom of Information Act (5 U.S.C. 552 (b)).

Regulatory Deadline Suspension: The Parties to this Agreement suspend the deadlines for completion of appraisals pursuant to provisions of 43 CFR 2201.1(d) and for reaching an agreement on value pursuant to 43 CFR 2201.4(a)(1). In lieu of those deadlines, the Agreement adopts the processing schedule outlined in Exhibit C of this Agreement related to obtaining appraisal reports, completing appraisal review and approval, and reaching agreement on value.

Compensation of Costs: No compensation of costs pursuant to the provision of 43 CFR 2201.1-3 will be allowed in this exchange.

Assembled Exchange Provisions

There are two parties involved in this exchange. The exchange involves one simultaneous transaction. Two parcels of non-Federal land may be exchanged for one parcel of Federal land. As a condition of conveyance, any costs related to the conveyance shall be paid by the Proponent.

Pursuant to 43 CFR 2201.9(a), the Federal and non-Federal lands shall be transferred simultaneously through escrow procedures mutually acceptable to BLM and the Proponent. The BLM and the Proponent will review and approve the escrow instructions.

Both the Federal and non-Federal lands will be appraised as separate individual parcels, consistent with standard appraisal practice.

Within 180 days from the date of receipt of the appraisal(s) for review and approval, agreement on value may be reached. If the Parties to this exchange do not agree to the respective appraised values of the non-Federal lands, the Parties may agree to initiate a process of bargaining or some other process to resolve the dispute over values. Bargaining or any other process shall be based on an objective analysis of the valuation in the appraisal report and shall be a means of reconciling differences in such report. Bargaining or another process to determine values will be resolved in accordance with 43 CFR 201.4. Additional costs (i.e. additional appraisals) shall be borne solely by the Party disputing the value.

Land Exchange Full Disclosure Provision

The Proponent agrees to fully disclose to the authorized officer all contracts, leases, options and other related agreements for any future sale or lease of the Federal lands acquired in this exchange. The BLM and its authorized representatives have the right to inspect the records of the Proponent to verify the disclosure. The Proponent will make these records available within a reasonable period of time upon request, but no later than 14 days after the request. The BLM has the right to exercise this disclosure provision for seven years after the exchange is completed. All confidential business information and all information covered by the Privacy Act will be protected to the extent allowable by Federal law.

In lieu of making documents available upon request, the Proponent may provide BLM prior to close of escrow, with a copy of all contracts, options, and other related agreements regarding any future sale of the Federal lands.

Optional Provision

Equalization of Values: An equal value of lands will be exchanged by matching the values of the non-Federal parcels to the value of the Federal parcel by adding or excluding lands to equal value as closely as possible. If the lands to be exchanged are not of equal value, but the value difference does not exceed 25% of the value of the Federal land, a cash equalization payment will be required to complete the exchange. Any equalization payment amount shall not exceed 25% of the value of the federal lands.

Decision and Closing Provisions

Should both Parties decide to complete the exchange transaction, the decision and closing processes would be handled as follows:

Decision: After reaching and documenting an agreement on value based on approved appraisal reports, and after all other legal requirements have been completed, the BLM shall issue a decision and initiate a 45-day protest period. If the BLM's decision is to approve the exchange, then after any protests and appeals are favorably resolved, the parties will complete the exchange as described below.

Pursuant to 43 CFR 2201.9, title to the Federal and the non-Federal lands will be transferred simultaneously through escrow procedures.

The BLM will issue one patent to the Proponent. The BLM will also prepare one grant deed on behalf of the Proponent for the non-Federal lands to be conveyed to the United States.

At or prior to the time of closing, the Proponent shall deposit in escrow, (a) Grant Deed conveying the non-Federal lands to the United States and its assigns, pursuant to 43 CFR 2201.8(b)(1) subject to those reservations and exceptions permitted in the preliminary title opinion. At or prior to closing, the BLM will deposit in escrow the patent to the Federal land containing those reservation(s)/prior existing rights. The SBVWCD will ensure that the BLM

receives a policy of title insurance on an ALTA U.S. Policy 9/28/91 (Revised 12/3/2012) in an amount equal to the appraised value of the non-Federal lands, showing title vesting in the United States of America and its assigns, pursuant to 43 CFR 2201.8(a) and 2201.8(c). The United States will not provide title insurance to the Federal lands. The Proponent may procure title insurance for the Federal lands at their expense.

If required, any necessary equalization payment as provided for in 43 CFR 2201.6 will be deposited in escrow.

The withdrawal from, and termination of, an exchange proposal, or an Agreement to Initiate an exchange, by the authorized officer at any time prior to the notice of decision, pursuant to 43 CFR 2201.7-1 is not protestable or appealable under 43 CFR part 4.

Execution

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement to be effective as of the last date shown below.

Authorized Officer for Federal land

John R. Kalish, Field Manager
Palm Springs-South Coast
Bureau of Land Management

Date

The Authorized Officer has named the following person as the primary contact for communication and cooperation related to this Agreement:

Brandon G. Anderson, Realty Specialist
Palm Springs-South Coast Field Office
1201 Bird Center Drive
Palm Springs, CA 92262
(760) 833-7117 email: bganderson@blm.gov

Authorized Officer for non-federal land

Daniel Cozad, General Manager
San Bernardino Valley Water Conservation District

Date

San Bernardino Valley Water Conservation District has named the following person as the primary contact for communication and cooperation related to this Agreement:

Jeffrey Beehler
San Bernardino Valley Water Conservation District
1630 West Redlands Blvd., Suite A
Redlands, California 92373
Phone (909) 793- 2503 email: JBeehler@SBVWCD.org

Attachments (3):

1. Exhibit A - Federal Land Summary
2. Exhibit B - Non-Federal Land Summary
3. Exhibit C - Summary of Costs and Schedule

Exhibit A: Federal Lands

Federal lands and interest to be considered for exchange:

Legal Description	Acres	Appraised Value	Appraisal Date	Serial No
Core Parcel San Bernardino Meridian T. 1 S., R. 3 W., sec. 10, SW ¹ / ₄ NE ¹ / ₄ , S ¹ / ₂ N ¹ / ₂ SE ¹ / ₄ NE ¹ / ₄ , S ¹ / ₂ SE ¹ / ₄ NE ¹ / ₄ , S ¹ / ₂ NW ¹ / ₄ , N ¹ / ₂ SW ¹ / ₄ , N ¹ / ₂ N ¹ / ₂ S ¹ / ₂ SW ¹ / ₄ , E ¹ / ₂ SW ¹ / ₄ SE ¹ / ₄ , and SE ¹ / ₄ SE ¹ / ₄ ;	310	\$6.15 Million	July, 2007	CACA- 044458FD
Equalization Parcel San Bernardino Meridian T. 1 S., R. 3 W., sec. 10, N ¹ / ₂ N ¹ / ₂ SE ¹ / ₄ NE ¹ / ₄ , S ¹ / ₂ N ¹ / ₂ S ¹ / ₂ SW ¹ / ₄ , S ¹ / ₂ S ¹ / ₂ SW ¹ / ₄ , and W ¹ / ₂ SW ¹ / ₄ SE ¹ / ₄ .	90			
Amended Core Parcel San Bernardino Meridian T. 1 S., R. 3 W., sec. 12, W ¹ / ₂ W ¹ / ₂ NW ¹ / ₄ SW ¹ / ₄ , W ¹ / ₂ NW ¹ / ₄ SW ¹ / ₄ SW ¹ / ₄ , and NW ¹ / ₄ SW ¹ / ₄ SW ¹ / ₄ SW ¹ / ₄ .	17.5	Unknown	NA	
	417.5			

The BLM would issue one patent for the surface and mineral estates. The Patent would include the following reservation to the United States:

EXCEPTING AND RESERVING TO THE UNITED STATES a right-of-way thereon for ditches or canals constructed by the authority of the United States pursuant to the Act of August 30, 1890 (26 Stat. 391; 43 U.S.C. 945); and be subject to 3rd party rights-of-way as follows:

*SUBJECT TO:

A right-of-way granted to Robertson's Ready Mix for road purposes under BLM Serial No. CACA 19146, as to a portion of the S¹/₂NW¹/₄ of section 10, pursuant to the Act of October 21, 1976.

A right-of-way granted to the Proponent for a road purposes under BLM Serial No. CACA-

25557, as to a portion of section 10, pursuant to the Act of October 21, 1976.

A right-of-way granted to Robertson's Ready Mix for settling pond purposes under BLM Serial No. CACA 36490, as to a portion of the S $\frac{1}{2}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$ of section 10 pursuant to the Act of October 21, 1976.

A right-of-way granted to San Bernardino County for road purposes under BLM Serial No. CACA 50427 as to a portion of S $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ of section 10, pursuant to the Act of October 21, 1976.

A right-of-way granted to San Bernardino Valley Municipal Water District for water facility purposes under BLM Serial Number CALA024759, as to portions of sections 10 and 12 pursuant to the Act of February, 20, 1909.

A right-of-way granted to Southern California Edison for power line purposes under BLM Serial No. CALA0169868, as to a portion of section 10, pursuant to the Act of March 3, 1911.

*The BLM would have no further administrative jurisdiction over these rights-of way.

Exhibit B: Non-Federal Lands

Non-federal Land and interest to be considered for exchange:

Legal Description	Acres	Appraised Value	Appraisal Date	Serial No
<p>Core Parcel T. 1 S., R. 3 W., sec. 12, NE$\frac{1}{4}$, N$\frac{1}{2}$NW$\frac{1}{4}$, E$\frac{1}{2}$SW$\frac{1}{4}$NW$\frac{1}{4}$, E$\frac{1}{2}$W$\frac{1}{2}$SW$\frac{1}{4}$NW$\frac{1}{4}$, and SE$\frac{1}{4}$NW$\frac{1}{4}$.</p> <p>Assessor Parcel Numbers: 291-161-04, 291-151-01, 291-151-02</p>	310	\$5.73 Million	July, 2007	CACA-044458PT
<p>Equalization Parcel T. 1 S., R. 3 W., sec. 9, S$\frac{1}{2}$N$\frac{1}{2}$S$\frac{1}{2}$SE$\frac{1}{4}$, except that portion conveyed to the State of California by the grant deed recorded May 5, 1983 as instrument number 83-097136 in San Bernardino County, and S$\frac{1}{2}$S$\frac{1}{2}$SE$\frac{1}{4}$, except that portion conveyed to the State of California by the grant deed recorded May 5, 1983 as instrument number 83-097136 in San Bernardino County.</p> <p>Assessor Parcel Number: 290-271-03</p>	59			
	369			

One preliminary title report covers the non-Federal lands, as follows:

The report issued by Stewart Title of California dated August 30, 2006 lists 34 exceptions in schedule B.

We have reviewed the exceptions and would request preliminary opinion of title from the Solicitor with the following recommendations:

- 1-3. General Title Company requirement- to be removed at closing
4. Water rights - administratively acceptable.
5. Public roads - administratively acceptable.
6. Lack of access - administratively acceptable.

7-8. Easements to Charles Elliott for Streets and water conveyance facilities- administratively acceptable

9. Reservation in patent - partly administratively acceptable.

10. Power line easement - administratively acceptable.

11. Reservation in patent - partly administratively acceptable.

12. Power line easement - administratively acceptable

13. Flood control easement in favor of San Bernardino County (all parcels) -this is an old floating easement allowing for future construction of flood control improvements at undisclosed locations. BLM would attempt to have this exception removed. However BLM feels this easement is administratively acceptable because it provides that construction shall be performed in accordance with plans to be agreed to by the parties.

14. Covenants, conditions, and restrictions – Not administratively acceptable must be removed prior to closing.

15 Right to divert water for purposes of spreading and sinking into the underground water - administratively acceptable

16. Flood control easement (parcel 8) in favor of San Bernardino County Flood Control District not administratively acceptable, because BLM would have no control over any future construction of flood control improvements. This easement must be relinquished or the parcel in section 9 would not be included in the exchange.

17. Covenants, conditions, and restrictions- not administratively acceptable must be removed

18. Unrecorded lease- not acceptable, must not appear in final title policy.

19. Lease for water well pipeline and access- administratively acceptable

20. Public Utility Easement- administratively acceptable

21-22. Easement conveying a portion of section 9 for use of a freeway. This has been excluded from proposal, will be removed on final title policy.

23. Unrecorded leases - not acceptable.

24-25, 34. Matters of *survey* - administratively acceptable.

26-30, and 32. Lis pendens for condemnation action by MWD for easements associated with

water pipelines. We understand the condemnation action has been completed. The pipeline and support easements would be administratively acceptable.

31-33. Covenants, conditions, and restrictions – Not administratively acceptable must be removed prior to closing

Note: The Proponent is obtaining an updated Title Report, but we do not expect the update to adversely alter the schedule B exceptions.

Exhibit C- Processing Tasks, Responsibilities and Schedule

Task	Responsible Party				Target Completion Date	Completed
	BLM		PROPONENT			
<i>Feasibility Assessment Phase</i>						
Develop Exchange Proposal			X			X
Obtain Amended Title Report			X	\$1,500		X
Adjudicate Records	X	\$1,000				X
Draft Amended Feasibility Report, Amended Agreement to Initiate, and Amended Notice of Exchange Proposal	X	\$500				X
Solicitor concurrence amended feasibility report	X					
National Exchange Team Concurrence	X				October, 2015	
<i>Exchange Processing Phase</i>						
Execute Amended ATI	X		X		November, 2015	
Publish and Distribute Amended Notice of Exchange Proposal			X	\$2,000	November, 2015	
Native American Consultation	X	\$500				
Cultural Resources Inventory Report			X	Part of EIS		X
Complete SHPO Determination	X	\$500				
Biological Inventory/T&E			X	Part of EIS		

Reports							
Cadastral Review		X	\$5,000				
Revoke Powersite withdrawal		X	\$500				
Prepare Amended Mineral Potential Report		X	\$3,000				
Prepare Appraisal Report	Non-Fed			X	\$15,000		
	Federal			X	\$15,000	April, 2016	
Complete USFWS Consultation		X	\$6,000			April, 2016	
Environ. Site Assessment	Non-fed	X	\$500			April, 2016	
	Federal	X	\$500			April 2016	
Review admin Draft EIS/SEIR		X	\$10,000	X		January, 2016	
Release draft EIS/SEIR		X		X	\$2,500	January, 2016 (90 day comment period)	
Respond to comments of EIS/EIR		X	\$2,000	X		April, 2016	
Draft and Transmit ROD to State Office		X	\$3,000			April, 2016	
Solicitor Review ROD and Preliminary Title		X	\$3,000			May, 2016	
National Exchange Team Review		X	\$1,000			June, 2016	
Publish Proposed Plan Amendment Release final EIS/EIR		X		X	\$3,000	June, 2016 (30 day comment)	
State Director Approve Plan		X	\$1,500			July, 2016 (45 day protest)	

Amendment , ROD, Publish NOD					period)	
Legislation allowing Exchange notwithstanding the Act of 1909			X		August, 2016	

Task	Responsible Party				Target Completion Date	Completed
	BLM		PROPONENT			
<i>Exchange Processing Continued</i>						
Prepare and sign Binding Exchange agreement	X	\$2,000	X		August, 2016	
<i>Closing Phase</i>						
Final Inspection (CIP)	X	\$200			September, 2016	
Prepare Deed, Patents, and Escrow Instruction	X	\$2,000			June, 2016	
Sign and deposit documents in escrow	X				September, 2016	
Closing Escrow (cost: escrow fee, recording, title insurance, transfer tax)	X		X	\$6,000	October 2016	



SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT

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Memorandum No. 1376

To: Board of Directors
From: General Manager, Daniel Cozad
Date: November 10, 2015
Subject: Agreement with CALFIRE for Brush Clearing Crew

RECOMMENDATION

Consider approval and authorize the General Manager to execute the agreement with CALFIRE for inmate crews to clear brush and related assistance supporting District operations and Wash Plan implementation

BACKGROUND

District Staff have been coordinating with CALFIRE on various issues to support our water recharge and Wash Plan implementation efforts. As the District has increased clearing and basin cleaning activities we have looked for the most efficient methods to stretch our staff. We have used temporary staff on occasion to limit the need for permanent full time staff. County Flood control uses inmate crews supervised by CALFIRE for brush clearing, which produces fire breaks making firefighting easier and supports their flood mission. District staff approached CALFIRE to work on a similar basis to assist the District in clearing areas below Seven Oaks Dam, along Canals and other areas that are critical to our water operations. Staff also believes this method may help stretch the amount of work that can be done for the available Wash Plan Budget.

DISCUSSION

Staff and District Counsel have reviewed the agreement. Legal Counsel has requested including a short recitation in paragraph D as shown below:

CALFIRE warrants and represents that it will provide, at its cost and expense, adequate security, oversight, and supervision of all parties performing the work to assure both the safety of those working, the safety of District personnel with whom such workers come into contact, and the safety of the public.

CALFIRE was amenable to the language above and it was incorporated into the agreement. Staff requests authority to execute the agreement to quickly get one or more crews clearing areas vital to the operations for winter.

FISCAL IMPACT

The costs of clearing brush and debris from the canals and other areas are included in the approved annual budget. The \$230 per crew day would be a reduction to the cost budgeted when they are available.

BOARD
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Division 1:
Richard Corneille
Division 2: David E.
Raley

Division 3:
Manual Aranda, Jr.
Division 4:
John Longville

Division 5:
Melody McDonald

GENERAL
MANAGER

Daniel B. Cozad

STATE OF CALIFORNIA
DEPARTMENT OF FORESTRY AND FIRE PROTECTION
CONSERVATION CAMP PROGRAM – MEMORANDUM OF UNDERSTANDING
FC-31 (Rev. 11/10)

This Memorandum of Understanding (**MOU**) is made and entered into by and between the California Department of Forestry and Fire Protection (**CAL FIRE / PILOT ROCK**) and (**SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT**)

WHEREAS, CAL FIRE is authorized under Public Resources and Penal Codes to utilize inmates, or wards, assigned to conservation camps to perform the work of CAL FIRE;

WHEREAS, through contracts or cooperative agreement CAL FIRE may permit inmates, or wards to be used in the performance of conservation projects, fuels management and or hazard reduction (which could include slash and pile burning) for a public agency (local, state, or federal) or a qualified nonprofit organization under policies established by the Prison Industries Authority; and

WHEREAS, the Sponsor has a need for assistance in performing such projects,

The parties agree as follows:

- A. The Sponsor shall submit project proposals on a form approved by CAL FIRE (currently an FC-32). By doing so, with reference to any such proposals subsequently approved by the CAL FIRE, Sponsor agrees to:
 1. Pay for all costs directly related to and necessitated by such projects, except for wages, salaries, and other remuneration paid to CAL FIRE employees, inmates, or wards, and the cost of their support.
 2. Demonstrate the availability of adequate plans and specifications, sufficient funds, materials, supplies, and equipment, adequate technical supervision and any special labor requirements to complete such projects.
 3. Obtain the approvals, notification, and permits required by any state, federal, or local agency necessary to commence construction, fuels management, or operation of such projects.
 4. Hold an orientation meeting with CAL FIRE at the commencement of such projects to explain the technical aspects, execution of, and need for such projects.
- B. From proposals submitted by the Sponsor, CAL FIRE shall select those projects meeting the priorities and resources of CAL FIRE. CAL FIRE shall submit evaluations to Sponsor that set forth any special requirements or conditions related to the projects. By so doing, with reference to any such evaluations subsequently approved by Sponsor, CAL FIRE agrees to provide labor, crew, supervision, normal transportation, food, and such tools as CAL FIRE determines to be available. Upon receipt of Sponsor's acceptance of such evaluations, projects shall be assigned to a conservation camp where they will be scheduled in accordance with the priorities and resources of CAL FIRE.
- C. Timing
 1. Sponsor recognizes that fire suppression and other emergency activities have priority over any other work for conservation camp crews.
 2. Sponsor further recognizes that the resources of CAL FIRE are limited and the public service conservation work of CAL FIRE may be altered in priority form time to time.
 3. Projects will be performed within the rules and regulations of CAL FIRE which may require temporary suspension or permanent cessation of projects due to emergency conditions as defined by such rules and regulations.
 4. The Parties agree that any justified delays by either party shall be excused and costs caused by such delays shall be borne by the party incurring such costs.
- D. Work performed under this MOU will be under the immediate supervision of CAL FIRE officials. CAL FIRE warrants and represents that it will provide, at its cost and expense, adequate security, oversight, and supervision of all parties performing the work to assure both the safety of those working, the safety of District personnel with whom such workers come into contact, and the safety of the public. The Sponsor will provide such operation supervision, technical assistance, guidance, and inspection, as it considers necessary to properly complete the work.
- E. Nothing herein shall be construed as obligating the Sponsor to expend or to obligate funds in excess of appropriations authorized by law.
- F. All improvements constructed in whole or in part on lands owned or controlled by Sponsor will remain the property of Sponsor.

- G. Permission to perform work on lands owned or controlled by Sponsor does not in any way convey to CAL FIRE, its staff or any persons working with CAL FIRE in the performance of said work, employee status that would extend to them the benefits afforded to permanent employees of Sponsor.
- H. Upon completion of each project, or any phase thereof, permission is hereby granted to CAL FIRE to place upon the project site a sign or emblem consistent in size and design to its surroundings, indicating the participation of CAL FIRE and the year thereof.
- I. Other than as indicated in Section H, neither party shall use the name of the other party in any form or manner in advertisements nor other information released to the public without the prior written approval of the other party. Sponsor may be, and CAL FIRE is, subject to the California Public Records Act. This Section I is not intended to prohibit either party from legally complying with the PRA.
- J. Each party, to the extent permitted by law, agrees to indemnify and hold harmless the other party, its officers, agents and employees from all claims, demands, or liability arising out of the indemnifying party's performance under this MOU except where such injury or damage arose from the sole negligent or intentional acts or omissions of the other party.
- K. Neither party may assign this MOU or any interest herein without the written consent of the other party.
- L. Subject to the provisions herein, all remedies allowed by law are available to either party for enforcement of this MOU. Any waiver of rights by either party on any matter related to this MOU shall not be deemed to be a waiver on any other matter relating to the MOU.
- M. All provisions of this MOU constitute essential elements of the agreed exchange that is the subject matter of this MOU. Accordingly, if any of these provisions are determined to be invalid, illegal, or unenforceable in any material respect, the remainder of this MOU is not enforceable against either of the Parties except as may be necessary to effect payment for services already rendered.
- N. This MOU may be modified by mutual written agreement of the parties.
- O. This MOU takes effect shall remain in effect until **NOVEMBER 10TH, 2016** or unless terminated prior to that date by 60 days written notice from one party to the other.

BOTH PARTIES AGREE:

CAL FIRE

Date: _____

Sign: _____

Print Name: Jeff Veik

Title: Division Chief

Address: PO Box 3670 Crestline, CA 92325

**SAN BERNARDINO VALLEY WATER
CONSERVATION DISTRICT**

Date: 11/10/15_____

Sign: _____

Print Name: Daniel B. Cozad

Title: General Manager

Address: 1630 W. Redlands Blvd, Redlands Ca
92373

PERIOD WORK CAN BE PERFORMED Monday through Friday 0830 – 1630 hours		ESTIMATED CREW DAYS Varies
REQUESTED START DATE 11/01/2015	REQUESTED FINISH DATE 11/01/2016	
PLANS ATTACHED <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		

PROJECT NAME Seven Oaks Dam	SPONSOR'S PRIORITY As needed
PROJECT LOCATION Seven Oaks Dam and various other San Bernardino Valley Water Conservation District Locations. Each location/facility will have a separate site inspection by CDC.	
	GPS COORDINATES

PROJECT BENEFIT ASSESSMENT (Estimate the benefits of the project including such items as; fire defense, public safety, watershed, recreation, wildlife habitat, property, vegetation, soil, water, air surface configuration, wildlife, people, economic benefits that include; reduced maintenance costs, reduced suppression costs, reduced damage, elimination of hazards, etc. attach additional sheets as necessary).

This agreement would allow the **San Bernardino Valley Water Conservation District** to contact **Cal Fire / Pilot Rock Camp** for project availability and scheduling during the agreement period.

Area for project work would be in various facilities in the San Bernardino Valley Water Conservation District where there is a need for general facilities and grounds maintenance. Depending on the facility, the benefits include but are not limited to:

- Fire defense: Reduce fuel load and create a fire break.
- Vegetation removal: Increased drainage for flood prone areas.
- Reduce Maintenance Cost: Prevent any future cost by keeping facilities clean.

Economic benefits include: Reduced maintenance costs, reduced suppression costs, reduced damage, and elimination of hazards.

All new project sites must have a security check performed by CDC supervisor prior to committing crews to that specific area/site.

-SPECIAL INSTRUCTIONS-
CAL FIRE employees and CDC inmates WILL NOT ignite any piles or material.

PROJECT SLASH & PILE BURNING PROCEDURES

- YES NO Predicted Fire Weather Watches or Warnings
- YES NO Hazard Reduction Pile Burning Checklist (8100)
- YES NO Sponsor has a valid burn permit on site.
- YES NO All slash & piles will be consumed or extinguished prior to crew leaving project site.
- YES NO Sponsor will provide suppression control capabilities and supervision of all slash & pile burning that continues beyond crew work day.
- YES NO Notification to agency with fire suppression responsibility for the project burn site.


STATE OF CALIFORNIA
 DEPARTMENT OF FORESTRY AND FIRE PROTECTION
**CONSERVATION CAMP PROGRAM PROJECT REQUEST
 AND RECORD**
 FC-32 (REV. 10/11) PAGE 3 OF 3

CAL FIRE USE ONLY	PROJECT SPONSOR RESPONSIBILITIES	DESCRIPTION	ESTIMATED DURATION OF NEED
	MATERIALS AND SUPPLIES	All specialty tools and equipment provided by sponsor	As needed
	SPECIAL TOOLS	Pilot Rock crews will provide basic hand tools, Pulaski, McCleods, Shovels, and 2 Chainsaws per crew.	As needed
	VEHICLE OPERATIONS	None	
	TECHNICAL SUPERVISION AND LABOR	None	
	OTHER (DESCRIBE)	Portable toilets provided by sponsor if no restrooms available.	As needed

OPERATIONAL COST RECOVERY FROM SPONSOR

CAL FIRE USE ONLY			
	\$200 per day (plus current FY administrative fee) FY2015 Administrative Fee = 14.24%	\$200.00 + 14.24% admin.	TOTAL - \$228.48 per day

CAL FIRE USE ONLY	Approved For Final Planning and Scheduling	
	CAL FIRE DIVISION CHIEF	DATE
	CDCR CAMP COMMANDER	DATE
	UNIT CHIEF	DATE

Sponsors Signature	
NAME (PRINT) Daniel B. Cozad	
SIGNATURE 	DATE 11/10/15
TITLE	



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Memorandum No. 1377

To: Board of Directors

From: General Manager, Daniel Cozad

Date: November 10, 2015

Subject: Temporary Part Time Assistant Engineer Position

RECOMMENDATION

Staff recommends the Board review and consider approval of a new Temporary Part Time Assistant Engineer position and authorize staff to fill the position.

BACKGROUND

The District significantly reduced staff and staff costs in 2010 to right size the staffing and constrain expenses to the District's available revenue. Staff proposed the two major areas of focus: Water Conservation efforts and Land Management in the Strategic Plan approved in May 2013. The District Budget for 2015-2016 included funding for a contract temporary engineer to assist with water conservation and related projects. Additionally, some intern staff have not been able to continue due to school loads leaving a gap in available resources for supporting water recharge and wash plan efforts that are needed to fulfill the goals in the Strategic Plan.

Discussion

In order to accommodate the Districts increased engineering efforts, measurement, data management as well as Wash Plan and Plunge Creek projects staff budgeted about \$75,000 to use a temporary contract engineer. One of our former intern employees is available to perform some of the tasks that for which the contract engineer was needed. This would result in a cost savings compared to hiring a contract engineer.

Proposed Position

Staff is requesting the Board support the addition of a Temporary position of Assistant Engineer. The position is believed to be part time and be for less than one year. A brief position description is attached. The salary structure would be similar to other entry level engineers and roughly double the amount of an intern.

BOARD
OF
DIRECTORS

Richard W. Corneille
Clare Henry Day

Bob Glaubig
John Longville

David E. Raley
Melody McDonald
Manuel Aranda, Jr.

GENERAL
MANAGER

Daniel B. Cozad

FISCAL IMPACT

Staff budgeted for a Contract Engineer on a temporary basis in the 2015-2016 approved budget. To date staff has performed the work identified for the contract engineer. The Assistant Engineer will likely be able to complete several of these tasks at a reduced cost to the District. Because the Labor GL in the approved budget contains little excess funding, it may be expected to be slightly over budget at the end of FY 2015-16. This will be greatly offset by the savings in professional services reduced costs. Staff proposes the Assistant Engineer at the Range 9 salary range from \$20.70 to \$25.16 per hour. Actual salary will be dependent on qualifications, work history and direct experience.

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT

POSITION DESCRIPTION

ASSISTANT ENGINEER – TEMPORARY – FULL OR PART TIME

DEFINITION

The definition and description of this position is that of an entry level engineer with some but limited work experience related to water resources.

Assistant Engineer – Salary Range 9

Initially most skills needed to begin working at the district and may be limited in experience in one or more areas and in need of training in one or more areas. Position is expected to gain experience and knowledge to accomplish all elements of the position.

Position

Under direction of the General Manager or designee, provide responsible engineering assistance to the General Manager and to the Field and Office staff of the District. Assist with engineering task, GIS, data management, calculations and measurements as well as development of initial drawings and scopes of work for review and approval by staff.

Provide a range of technical and engineering support and assistance for General Manager and District requiring use of specialized engineering, GIS and other software and equipment.

SUPERVISION EXERCISED

Assistance in supervision of intern work efforts may be required.

EXAMPLES OF ESSENTIAL DUTIES

Assist SBVWCD staff with groundwater charge collections, Engineering Investigation and Daily Flow Report. Support District Engineering and Field Operations efforts as needed and directed. Develop coverages and support activities with maps and GIS products. Prepare drafts of reports and memos to support Big Bear Watermaster and other planning or reporting needs. Check and validate water measurement readings and equipment and update District Databases for field data.

Other Job Related Duties

Perform related duties and responsibilities as assigned.

JOB RELATED AND ESSENTIAL QUALIFICATIONS

Knowledge of:

- Civil or Environmental Engineering principals and application to water
- Scientific evaluation and analysis of water related data
- Understanding of equipment and processes of water recharge
- GIS, survey and AutoCAD
- Groundwater management principals

Ability to:

- Prepare field data collection and databases
- Develop and modify GIS information and provide existing information to consultants and the public
- Perform complex calculations to support engineering and operations efforts
- Analyze problems, identify alternative solutions, project consequences or proposed actions and implement recommendations in support of goals
- Communicate clearly and concisely, both orally and in writing
- Work to establish, maintain and foster positive and harmonious working relationships with those including District and other officials, community groups and the general public

Education, Training and Experience:

Bachelor's Degree in Civil, Environmental or Chemical Engineering is ideal.

License or Certificate:

- Possession of valid California Driver's License

Special Requirements:

Essential duties require the following physical skills and work environment; see in the normal visual range with or without correction; hear in the normal audio range with or without correction; lift 5-20 pounds to eye level; ability to work in a standard office environment and occasionally work with field staff outdoors in inclement weather conditions.



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Memorandum No. 1378

To: Board of Directors

From: Land Resources Manager, Jeffrey Beehler/General Manager, Daniel Cozad

Date: November 10, 2015

Subject: Wash Plan Implementation Structure and Organization

RECOMMENDATION

Discuss, provide feedback, and direct Staff and Ad Hoc Wash Plan Committee recommendations for Wash Plan Implementation Organization.

BACKGROUND

The Board approved reinitiation of Wash Plan efforts in 2012 as part of their Community Strategic Plan. The Wash Plan has proceeded and documents have been submitted for review at the Solicitors Office of US Fish and Wildlife Service. The reduced interest rates utilized by the Federal Reserve and the limited investments available to public agencies in California as well as the need to identify a holder, easements provided on District owned land led staff to propose Policy Principles for Wash Plan implementation. In June 2015, the District released a request for proposals for Financial Investment services to assist the District in determining the appropriate investment vehicles. In September 2015 the Wash Plan Task Force and the Board approved Policy Principles to guide the investigation of Implementation Organization for the Wash Plan. At the same meeting the Board also appointed an Ad Hoc Committee to assist staff and the Board with understanding the options.

The Policy Principals are shown below:

- Investment Management at endowment rates
- Non Fee Title lands and Easement holder/Holder for SBVWCD Land Easements
- Satisfy USFWS, CDFW and LAFCO
- Maximize local control and flexibility in implementation and management

DISCUSSION

Staff has worked with the Ad Hoc Committee, legal counsel, investment firms, IERCD, LAFCO and other entities implementing HCP's in California including the California HCP Association. Based on all input, staff and the Ad Hoc Committee evaluated the options presented to the Board and Task Force in September 2015. The work of staff and the committee is summarized in the attached presentation.

Several proposed structures were evaluated. Staff will present the constraints and options in the meeting and will identify the alternatives that are believed to best fulfill the Policy Principles.

BOARD
OF
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Division 1:
Richard Corneille
Division 2: David E.
Raley

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Melody McDonald

GENERAL
MANAGER

Daniel B. Cozad

The organizational structure best believed to achieve all of the policy principals is the development of a 501 (c) 3 Nonprofit corporation as a Conservation Land Trust to support the Wash Plan as a sister organization. This recommendation is primarily based on this alternative's ability to provide local control and flexibility and allow the local community to safeguard their fiscal investment in the Wash Plan. This option provides reduction in credit and legal risk to the District. This option will also require additional work by staff and legal counsel to develop the bylaws, organizational documentation for IRS and CDFW and agreements with the District.

FISCAL IMPACT

If the Board authorized staff to develop the recommended alternative staff estimates that the District Counsel and staff time and fees are unlikely to exceed \$30,000. These costs are budgeted in the Legal budget in the Wash Plan and the Land Resources Budget.

Policy Principles from September

Non- Profit Land Trust 501 (c) 3

If certified can hold easements

Usually has trust or investment to earn Endowment rates

Section 115 Trust Instrument

~~Investment Trust to hold Endowment Funds to allow longer investment and Higher return~~

JPA SBVWCD/IERCD

IERCD is certified to hold easements

~~Section 115 Trust could benefit both entities if done by JPA~~

Collaborative Habitat work like performed under MOU for annual work plan

Policy Principle Elements :

- Investment management at endowment yield
- Non Fee Title lands easement holder
- Holder for SBVWCD Land Easements
- Satisfy USFWS, CDFW and LAFCO approvals
- **Maximize local control and flexibility in implementation and management**

Policy Principles to Satisfy Three Roles

1. Conservation Easement Holder

- IERCD via Agreement ✓
- Non Profit (Existing ✓ or New ✓)
- SBVWCD ✓ or JPA ✓

2. Investment Management appropriate for Endowments 4+% plus inflation likely not subject to Gov. Code §53601

- Community Foundation ✓
- Non Profit (Existing ✓ or New ✓)
- SBVWCD ✓ or JPA/Trust ✓

3. Wash Plan Manager and Land Owner

- District ✓
- Non Profit (Existing ✓ or New ✓)
- IERCD ✓
- JPA ✓

Clear Path ✓
Work or Approvals ✓
Approvals Uncertain ✓
Highly Unlikely ✓

Governance Roles and Options

SBVWCD Board of Directors
Wash Plan Administrator and Manager
Land Owner and Manager
COI and Contractor with one or more of the following

Existing Non- Profit Land Trust 501 (c) 3

Certified to hold
easements

Endowment rate
Investment vehicle

Can contract for
services as needed

Very limited control

San Bernardino Valley Conservation Trust New Non- Profit 501 (c) 3

Can become certified to hold
easements

Would have Endowment rate
Investment vehicle

Can contract for services from
District and others as needed

Board makeup could provide
control and flexibility needed

IERCD

IERCD Could contract and
is certified to hold
easements

**Restricted Investment
Vehicle**

Highly qualified to
contract for services
needed allowed by LAFCO

Contract limited control

Policy Principle Elements :

- Investment Management at endowment rates
- Non Fee Title lands and Easement holder/Holder for SBVWCD Land Easements
- Satisfy USFWS, CDFW and LAFCO
- **Maximize local control and flexibility in implementation and management**

Governance Roles Steps and Cons

Existing Non-Profit Land Trust 501 (c) 3

Negotiate Agreement for Wash Plan Endowment and Implementation

Approve Agreement

Coordinate with them for COI and Land Actions

Con – Very limited control after initial contract and any renewals

San Bernardino Valley Conservation Trust New Non-Profit 501 (c) 3

Develop IRS (1023) Package and Bylaws

Secretary of State Filings

Banking and Endowment Accounts

Board of Directors

Apply for CDFW Approval

Negotiate/Approve Agreement with District

Con – Work required

IERCD

Negotiate Agreement for Wash Plan Easement Holding and Reporting

Payment for Easement Reporting

Agreement for Services under MOU

Con – does not provide for funding at endowment yields

SBVWCD Self Manage and Hold Endowment and Easements

Clarify Habitat authority under State Law

Revise State Law to allow Easement Holding

Revise State Law for Endowment yields

Apply to LAFCO to activate habitat power

Apply to CDFW for Certification

Hire a Financial Manager for endowment

Con – Legislative and LAFCO approvals needed

MEMORANDUM

TO: Board of Directors
San Bernardino Valley Water Conservation District

FROM: David B. Cosgrove, General Counsel

DATE: October 26, 2015

FILE NO.: 015042-0001

RE: Request for *Amicus* Briefing in *City of San Buenaventura v. United Water Conservation District*

I. INTRODUCTION

Earlier this year, the issue of the relationship between the Water Conservation District law's authorized groundwater charges and Proposition 218 was treated in the Appellate decision of *City of San Buenaventura v. United Water Conservation District* (2d Civil No. B251810). In that case, the Second Appellate District, Division Six concluded that groundwater charges imposed by the United Water Conservation District in central Ventura County were not "property related charges" which were subject to procedural requirements under Proposition 218 and Proposition 26. The Court also held that the legislatively-directed ratio of the amount of groundwater charges between agricultural and non-agricultural uses in Water Code Section 75594 was constitutional. (That statute requires non-agricultural uses to pay groundwater rates between three and five times the rates of agricultural use.)

The *Buenaventura* case arose from a city's challenge to the United Water Conservation District's groundwater charges. The city contended that the groundwater charges bore no reasonable relationship to the amount of benefits received by the city's wells overlying the basin in question. It also contended that the legislatively-dictated rate favoritism for agricultural uses bore no rational relationship to the cost of providing the "service" of the district's water conservation programs, and was thereby rendered unconstitutional by Proposition 218 and Proposition 26.

The Court of Appeal overturned the trial court determination that a water conservation district's fees were "property related charges" under Proposition 218, and ruled such charges were therefore not subject to its notice and majority protest provisions. The Court also held that Water Code Section 75594 differentiated rates not on the basis of persons or parcels, but rather permissibly on the basis of use. Citing law that required reconciliation of pre-existing statutes to constitutional enactments, the Court deferred to the policy decision made by the Legislature to impose a higher regulatory fee on non-agricultural use, as opposed to agricultural.

II. REQUEST FOR *AMICUS* BRIEFING

The city petitioned the California Supreme Court for review of the decision, which was granted on June 24, 2015, but limited to the following issues:

1. Do the District's groundwater pumping charges violate Proposition 218 or Proposition 26?

2. Does the rate ratio mandated by Water Code Section 75594 violate Proposition 218 or Proposition 26?

The City filed its opening brief on July 24, 2015; United Water Conservation District's brief was filed September 28, 2015; and the City's reply brief was filed on October 19, 2015. The case is fully briefed, save for potential *amicus* briefs.

Counsel for the United Water Conservation District, Mr. Anthony Trembley, has asked whether the San Bernardino Valley Water Conservation District would consider filing an *amicus* brief in support of the United Water Conservation District's position in the litigation. The deadline to apply for permission to file an *amicus* brief is November 18, 2015.

Without question, the litigation raises issues directly impacting our District. Our District has long taken the position that the groundwater charges authorized under the Water Conservation District law are not "property related fees or charges" under Proposition 218. Nevertheless, and particularly following the decision in *Pajaro Valley Water Management Agency v. Amrhein* (2007) 150 Cal.App.4th 1364, we have undertaken efforts to comply with the procedural dictates of Proposition of 218, save for submitting questions of rate increases to a confirming election. We have, however, withdrawn proposed rate increases when majority protests among pumpers have occurred.

Further, our District has been challenged on factual findings regarding the "costs of service" in the amounts of the agricultural versus non-agricultural ratios dictated under the Legislature. We have done so, relying both on the legislative dictate, and factual circumstances regarding our District which indicate the level of non-agricultural to agricultural production overall is within the ratios dictated by the statute. Should the Court of Appeal's decision in *Buenaventura* on the constitutionality of Water Code Section 75594 hold, we would not be faced with this task in the future.

That being said, there may be some question whether our District presents any specifically important or unique factual circumstance that would give compelling legal or public policy arguments to the case that are not already presented by the litigants already involved. United Water Conservation District certainly would appreciate the support, however, which we believe is the primary motivation for the request for joining as *amicus*.

Staff estimates that if the Board of Directors chooses to pursue filing an *amicus* brief, the cost to the District would be approximately \$20,000.00. Staff will be available to answer further questions regarding this matter as it is considered by the Board.



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Memorandum No. 1380

To: Board of Directors

From: General Manager, Daniel Cozad

Date: November 10, 2015

Subject: San Bernardino County Special Districts Association Dinner Sponsorship

RECOMMENDATION

Discuss and consider expenditure for sponsorship of the meeting and presentation.

BACKGROUND

In 2014 the District sponsored the San Bernardino County Special District Association Dinner. District Staff also provided the presentation for the dinner. Sponsorship required significant time and some expenditure of costs for centerpieces and related dinner materials.

DISCUSSION

At the last Board Meeting, Director Aranda suggested that the District Sponsor Dinner in March or April of 2016. The Board received the request but did not act on the request because it was not on the agenda. Staff has estimated the cost of sponsorship and attendance at the event.

FISCAL IMPACT

The fiscal impact will vary somewhat depending on the location and underwriting of dinner costs. The known costs are mostly for staff time to plan the event, provide coordination with the venue, take reservations, prepare and revise the presentation and to attend the presentation. Board, venue and materials costs are estimated at about \$1,800, assuming all Board Members attend. Staff costs including burden and overhead would total approximately \$5,000. Staff estimates the likely cost for sponsorship is between \$5,000 and \$7,000 which would be charged to the outreach/education budget. San Bernardino County Special Districts Association does not reimburse any expenses for dinners.

BOARD
OF
DIRECTORS

Division 1:
Richard Corneille
Division 2: David E.
Raley

Division 3:
Manual Aranda, Jr.
Division 4:
John Longville

Division 5:
Melody McDonald

GENERAL
MANAGER

Daniel B. Cozad



Wash Plan Update

Oct. 9, 2015 through Nov. 5, 2015



The Wash Plan Habitat Conservation Plan has three distinct components: 1) the Wash Plan HCP document; 2) the environmental documents needed for analysis and approval of the HCP, and; 3) the Implementing Agreement (IA). A flow chart diagramming these relationships and the pathway to HCP completion is included as an attachment to this report. In September, the FWS submitted to their solicitor for review the IA and the HCP document. The Palm Springs office has received questions from the solicitor and is working to resolve those with staff and District staff and counsel. The FWS has also provided additional technical questions and comments to the District. Staff worked with consultants and the FWS to address these comments and, in some cases, provide additional information to be forwarded to the solicitor. Staff also held additional meetings with the Cities of Highland and Redlands to update their transportation projects, including the Santa Ana River Trail (SART). In its current format, the HCP document will cover the construction and maintenance of the SART along the Wash Plan area.

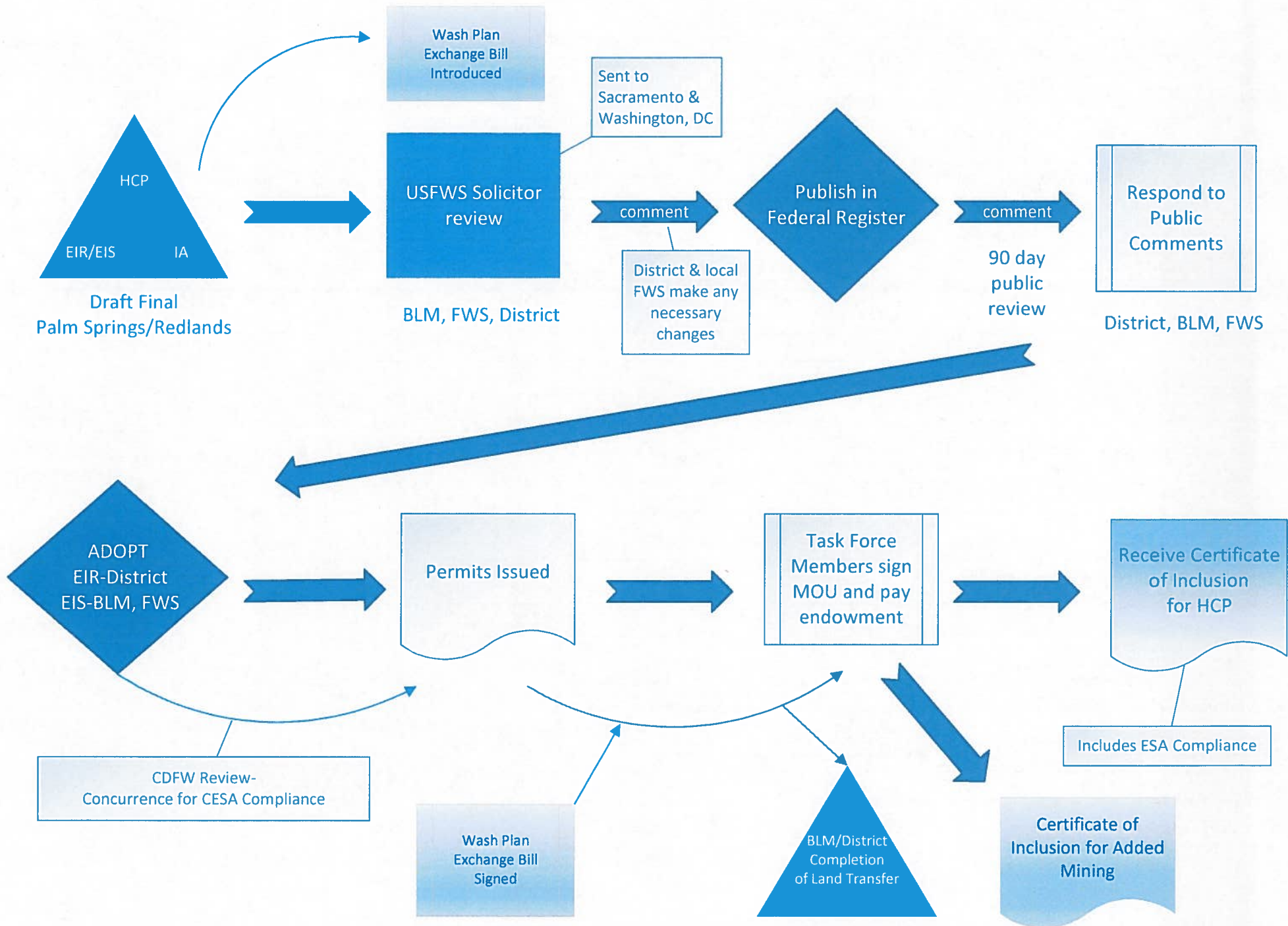
Staff received and addressed comments on the revised, more specific, avoidance and minimization measures. A meeting was held with FWS senior staff to review and ensure that the Task Force member's concerns were addressed. District Counsel and staff continue work on identifying possible HCP governance models and endowment management strategies as part of the Implementing Agreement. The Ad Hoc Wash Plan Committee again met to review progress and provide guidance. Staff met with IERCD and scheduled a meeting with Riverside Land Conservancy to continue to explore governance options.

Additional work on the "screen check" version of the **EIR/EIS** environmental review documents is on hold until the final HCP document is completed. This document analyzes environmental impacts resulting from the HCP, the land transfer between the District and BLM, and the changes in land use in the BLM South Coast Regional Management Plan (SCRMP) needed to implement the Wash Plan. Based on comments received so far, the turn around on this document should be completed within several weeks. The District and BLM have completed their initial review and FWS has provided comment on most of the draft document.

The final piece of the Wash Plan HCP is the **Implementing Agreement** (IA). This document, along with the HCP and environmental documentation, make up the HCP proposal. Any final comments from the Task Force have been addressed and additional comments from the FWS solicitor are forthcoming. An important part of the IA will be a Memorandum of Understanding between the District and the other Task Force participants with covered activities. Task Force Participants also provided comments on the MOU. District Counsel worked with staff to develop language addressing these comments for discussion at the next Task Force meeting.

An important component of Wash Plan implementation will be the transfer of land between the District and BLM. The Federal legislation allowing this transfer, co-sponsored by Congressmen

Cook and Aguilar, is scheduled for introduction November 17. BLM has begun its administrative process to transfer lands between parties. Staff is working to develop information for press and public information related to the transfer. The first step of the process is the completion of an Agreement to initiate between the District and the BLM. The next administrative step in the transfer will be an updated title search of all lands considered in the transfer.



FINAL STEPS OF WASH PLAN PROCESS

WASH PLAN
PROFIT & LOSS BUDGET VS ACTUAL
 FY 2015-2016 AND TOTAL BUDGET through October 2015

	FY 2013-2014 Wash Plan				FY 2014-2015 Wash Plan				FY 2015-2016 Wash Plan				TOTAL WP Budget as of October 31, 2015			
	Jul '13 - Jun '14	Budget	\$ Over Budget	% of Budget	Jul '14 - Jun '15	Budget	\$ Over Budget	% of Budget	Jul '15 - Oct '15	Budget	\$ Over Budget	% of Budget	Jul '13 - Oct '15	Budget	\$ Over Budget	% of Budget
inary Income/Expense																
Income																
4025 · Wash Plan Revenue	518,586.24	415,800.00	102,786.24	124.72%	433,410.05	404,700.00	28,710.05	107.09%	0.00	175,355.20	-175,355.20	0.0%	951,996.29	995,855.20	-43,858.91	95.6%
Total Income	<u>518,586.24</u>	<u>415,800.00</u>	<u>102,786.24</u>	<u>124.72%</u>	<u>433,410.05</u>	<u>404,700.00</u>	<u>28,710.05</u>	<u>107.09%</u>	<u>0.00</u>	<u>175,355.20</u>	<u>-175,355.20</u>	<u>0.0%</u>	<u>951,996.29</u>	<u>995,855.20</u>	<u>-43,858.91</u>	<u>95.6%</u>
Expense																
5083 · Repayment of Wash Plan Advance	188,365.40	0.00	188,365.40	100.0%	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	188,365.40	0.00	188,365.40	100.0%
5122 · Wash Plan Professional Services	67,030.80	100,000.00	-32,969.20	67.03%	216,763.32	162,000.00	54,763.32	133.81%	26,881.00	62,000.00	-35,119.00	43.36%	310,675.12	324,000.00	-13,324.88	95.89%
5145 · Environmental Services (WP)	2,880.00	250,000.00	-247,120.00	1.15%	16,786.25	305,000.00	-288,213.75	5.5%	0.00	55,000.00	-55,000.00	0.0%	19,666.25	610,000.00	-590,333.75	3.22%
5175 · Legal - Wash Plan	8,940.70	42,000.00	-33,059.30	21.29%	15,982.06	44,500.00	-28,517.94	35.92%	33,119.41	44,500.00	-11,380.59	74.43%	58,042.17	131,000.00	-72,957.83	44.31%
* District Support-overhead, benefits, salary	71,191.46	134,526.17	-63,334.71	52.92%	131,364.61	144,952.94	-13,588.33	90.63%	48,822.00	144,952.94	-96,130.94	33.68%	251,378.07	424,432.05	-173,053.98	59.23%
Total Expense	<u>338,408.36</u>	<u>526,526.17</u>	<u>-188,117.81</u>	<u>64.27%</u>	<u>380,896.24</u>	<u>656,452.94</u>	<u>-275,556.70</u>	<u>58.02%</u>	<u>108,822.41</u>	<u>306,452.94</u>	<u>-197,630.53</u>	<u>35.51%</u>	<u>828,127.01</u>	<u>1,489,432.05</u>	<u>-661,305.04</u>	<u>55.6%</u>
Income	<u>180,177.88</u>	<u>-110,726.17</u>	<u>290,904.05</u>	<u>-162.72%</u>	<u>52,513.81</u>	<u>-251,752.94</u>	<u>304,266.75</u>	<u>-20.86%</u>	<u>-108,822.41</u>	<u>-131,097.74</u>	<u>22,275.33</u>	<u>83.01%</u>	<u>123,869.28</u>	<u>-493,576.85</u>	<u>617,446.13</u>	<u>-25.1%</u>

*WP Professional Services
 Baker (RBF Consulting) (EIS)-35% spent
 ICF Jones & Stokes (HCP)-100% spent
 ICF Jones & Stokes (HCP Amendment)-100% spent
 ICF Jones & Stokes (HCP Amendment)-88% spent
 Jericho Systems (survey work)-100% spent
 Randy Scott (management)-38% spent-Contract Expired



General Manager's Report

For October 10, 2015 to November 6, 2015

Daniel B. Cozad

The following report covers the weeks between meetings and the efforts and activities during the reporting period.

- 1. Water Conservation – Plan Goal 1** – The recent rainfall events have provided limited rainfall for recharge. About 200 acre feet have been recharged in Santa Ana River spreading grounds including ash containing water from burn areas. About 50 acre feet have been recharged in Mill Creek which has been from thunderstorms. Staff is working with contractors and with District equipment to be sure we are ready for any rains.

- 2. Facility Maintenance and Cleanout- Plan Goal 1** – Staff worked with contractors and permittees for their on-site field work. Screening and removal of significant rock that was generated by construction project continues by Upland Rock in Mill Creek. Major cleaning in Mill Creek Pond 1 and 2 are completed and cleaning in Mill Creek 14 and 15 will be completed soon.



- 3. Aggregate Management – Plan Goal 2** – Staff met with MCC/Munoz Construction on the non-renewal for the Access Permit for equipment yard in the Mill Creek spreading grounds. Staff requested a restoration plan for removal of stored materials and removal of all materials that may have been in contact with asphalt. Restoration to be completed between Nov 1 and December 15, 2015



- 4. Personnel/Administration/Staff – Plan Goal 6** – Staff planned holiday events. Athena went on maternity leave October 28th the day Josiah James was born. Staff selected Isabela Uribe to support the administrative functions while Athena is on maternity leave.

5. **Finance/Budget/Audit** – *Plan Goal 6* – Staff referred the Audit Management Letter recommendation on IRS handling (1099 or W-2) for Board member payments to Legal counsel for recommendation in December board meeting.
6. **East Branch Extension** – *Plan Goal 7* – EBX2 work is substantially completed with restoration of the land over the next few years to complete the mitigation requirements from USFWS. Upland Rock has sorted and shipped a significant portion of the rock stockpile left by Spiniello Construction closest to Highway 38. If markets for the material continue, most of the material will be gone by December/January.
7. **Mill Creek Diversion Engineering** – *Plan Goals 1/7* – California Watershed Engineering completed a Tech Memo on permitting being reviewed by Jeff Beehler. The selected alternative is undergoing detailed design. When detailed design is complete permitting and construction documents will be developed. Mill Creek design will also be reviewed by consultant working on Active Recharge and by the River HCP consultants.
8. **Plunge Creek Grant** – *Plan Goals 1/4/7* – ICF Jones and Stokes, staff and resources agency managers met to review the concepts and recommend any changes. Revised concepts will be finalized shortly and will be reviewed by the Operations Committee, prior to the next step.
9. **Collaborative Enhanced Recharge Project** – *Plan Goal 7* – Staff coordinated with SBVMWD on the selection of a design/construction firm for elements of the Enhanced Recharge project in the Wash Plan area.
10. **Wash Plan** – *Plan Goal 2* – Staff and District Legal Counsel worked on the Implementing Agreement and the MOU with all participating entities. The Draft Implementing Agreement and HCP were submitted to USFWS Solicitor. Staff met with participating entities, USFWS and others to resolve issues related to covered activities, avoidance and minimization as well as respond to questions on the HCP. Staff also met with IERCD, legal, finance and others related to Implementation Governance and the products from this effort are included in the agenda.
11. **Property/Redlands Plaza** – *Plan Goal 3* – The Chiropractic office was advertised for a new tenant as the current tenants do not intend to fulfil their lease. They remain paying their monthly lease payment. The updated cameras, roof cameras and security system upgrades were completed at Redlands Plaza after several delays. The new landscaping is growing in as temperatures cool and looks very good.
12. **Mining** – *Plan Goal 2/3* – Staff coordinated with mining entities gaining agreement on Wash Plan implementation issues. Staff is still working with them to update the CUP and Mining Plans required for mining in the wash area after the land transfer. Staff met with CEMEX related to requests included in the agenda for this month. In addition, CEMEX provided notice of movement of a temporary field office to the site and connection to existing utilities.
13. **Public Outreach and Legislative** – *Plan Goal 4* – Staff coordinated with Board Members and Commissioners and LAFCO staff in advance of the October 21, sphere

hearing. Staff coordinated with Congressman Cook's legislative staff for the land exchange bill.

14. Current Board Action Implementation – Plan Goal 3 – Staff is implementing the priorities and other recommendations of the Board. Planning efforts to fulfill Board direction on regional groundwater sustainability. The next meeting is scheduled for November 17 for the development of the organization for consideration by governing boards' approval.

15. Future Board Activities – Expected short term items for consideration or note

- Governance and Investment actions to support the Wash Plan
- Trails Plan proposals for consultant support
- MOU with City of Redlands for Mill Creek
- Board Member IRS reporting method
- Wash Plan HCP and Environmental document publication in Federal Register

16. District Successes – Plan Goal 6

- Board Members, staff and others provided outreach to the water community and LAFCO Commissioners resulting in Commission approval of Sphere of Influence for the District
- The SBVWCD Family grew by 1. We congratulate Athena on her new boy, Josiah. We also appreciate Isabela for her help while Athena is on maternity leave.



October 19, 2015

Daniel Cozad
San Bernardino Valley Water Conservation District
1630 W. Redlands Blvd., Suite A
Redlands, CA 92373

RE: Orange Street Operation – Import Material

Dear Daniel,

In an effort to keep the District informed, as this issue is not directly discussed in our lease, we wanted to notify you that CEMEX is planning to bring in project-specific, clean, recyclable materials which will be processed into aggregate base. As you know, this is an activity commonly done within industry, and at other CEMEX facilities, including the Orange Street site in the past. It is an ancillary part of our business that does not impact our core business of mining and producing construction grade aggregates. Any sales of recycled aggregate base will be specifically identified so as to be distinguished from mined material for audit purposes. If you have any questions, please contact me at 909-335-2736 ext. 201 or Bryan Forgey at 909-210-2340.

Sincerely,

A handwritten signature in blue ink that reads "Christine Jones".

Christine Jones
Resources Manager

San Bernardino Valley Water Conservation District

Monthly Recharge Report

From: 10/1/2015
To: 10/31/2015



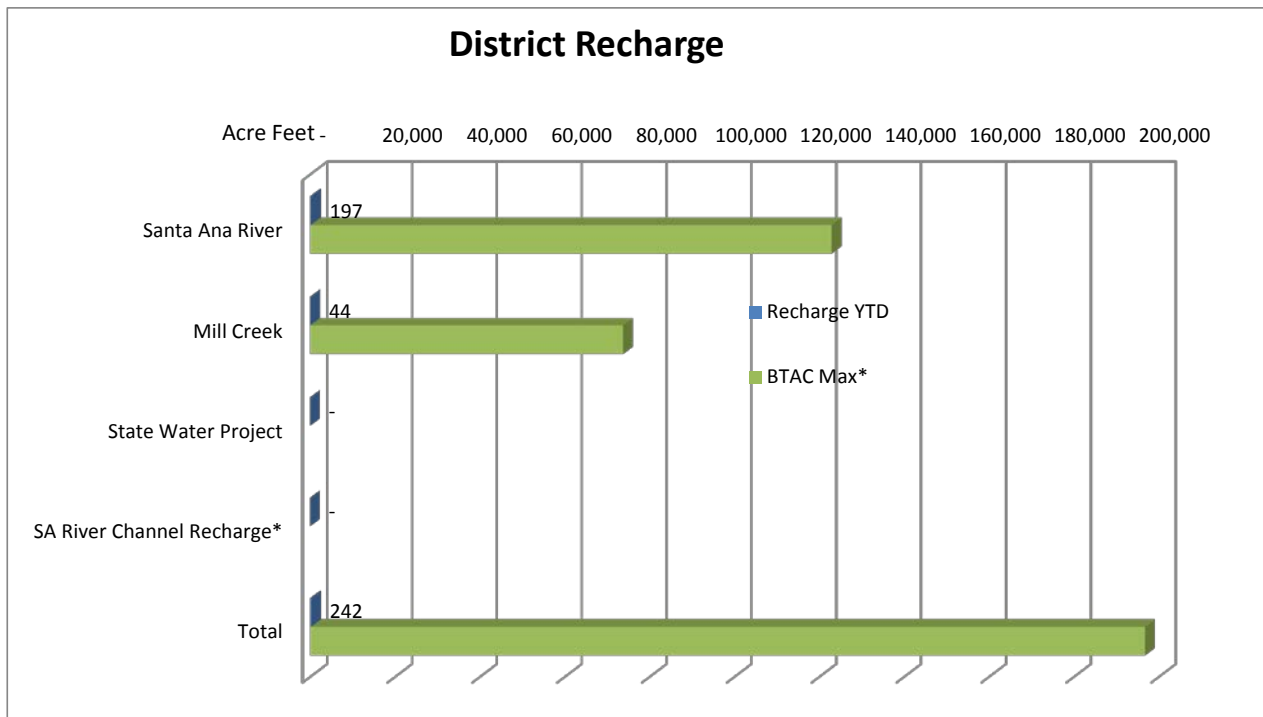
	October				
	Avg Daily Recharge	Monthly Recharge	Recharge YTD	BTAC Max*	% Max
Santa Ana River	6.4	197	197	123,000	0%
Mill Creek	1.4	44	44	73,800	0%
State Water Project	0.0	0	-	NA	NA
In River Channel Recharge**	0.0	0	-	NA	NA
Total	8	242	242	196,800	0%

Values in Acre Feet

*BTAC Revised Max in December 2014

**Monitoring began in Mid-April 2011

*** All Values Based on Water Year Oct-Sep 2016





Board Member Meeting Report

Prepared by: David E. Raley

Date: September 10, 2015

Meeting Name: Redlands Chamber — Rise and Shine

Meeting Location: University of Redlands

Meeting Purpose and Value to District:

Community Outreach and Relations

Significant or Notable Meeting Actions/Issues of Interest for the Board

Gave a 2 minute presentation about the District.

- We are Special Purpose District under §74000 California Water Code WCD Act 1931.
- One of 11 such Districts in California specifically created sustain groundwater supplies
- Water Conservation in Bunker Hill Basin – critical since 1900, started as water conservation association.
- 100 years of service and Commitment to economic and environmental future of the Valley
- District manages 3 diversion facilities, 48 miles of roadways and 77 groundwater recharge basins.
- Recharged well over 1 million acre feet since 1912, but due to drought basin is at a historic low.

Recommendations or Concerns

District should continue it's association with the Chamber

Member or Members Attending

Director Raley

This form is not required for regular Board or Committee Meetings, nor District Requested meetings attended by the primary or alternate in place of the primary attendee. It is required for all meetings categorized in Appendix C where it indicates (WRR).

D.S.



Board Member Meeting Report

Prepared by: M.Aranda

Date: October 5, 2015

Meeting Name: BTAC

Meeting Location: Muni Office

Meeting Purpose and Value to District:

Monthly BTAC Report

Significant or Notable Meeting Actions/Issues of Interest for the Board

Report from the Engineering Subcommittee:

1. San Bernardino Basin Area Precipitation Index
 - a. Wettest Years; 1992-93 (76.9); 1968-69 (70.0)
 - b. Historic average:(1931-2015) 31.4
 - c. Last Year(2013-2014) 21.1
 - d. Driest year:2001-2002 7.0
- 2 Total Recharge October - September: 8,366

Recommendations or Concerns

Continue attending these meetings.

Member or Members Attending

melody, manny

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DS.



Board Member Meeting Report

Prepared by: M. Aranda

Date: 10/6/2015

Meeting Name: Regular meeting of Muni Board

Meeting Location: Muni's Office

Meeting Purpose and Value to District:

Regular Meeting of the Board of Directors

Significant or Notable Meeting Actions/Issues of Interest for the Board

Considered Participation in the 2015 San Bernardino Valley Regional Urban Water Management Plan Motion to participate passed
Considered Proposed Amendment 3 to Cooperative Agreement with the City of Redlands. motion to participate in the agreement passed.
Director Longville appointed to ACWA's Energy Committee.
Considered Draft Framework Agreement for the Construction and Operation of Potential Groundwater Replenishment Facilities.
Bob Tencher gave up date on the California drought.

Recommendations or Concerns

Continue attending these meetings. Very informative. Bob will provide this District with slides of the drought.

Member or Members Attending

Melody, Manny

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Board Member Meeting Report

Prepared by: M. Aranda

Date: 10/12/2015

Meeting Name: WRI Awards Reception

Meeting Location: ~~Ontario~~ CAL STATE S.B.

Meeting Purpose and Value to District:

Receptio honoring Anthony "Butch" Araiza and Stacey Aldstadt

Significant or Notable Meeting Actions/Issues of Interest for the Board

Water Legend Award : Butch Araiza; Water Conservation Award: Stacey Aldstadt

Recommendations or Concerns

Awards given to outstanding giants in the water world.

Member or Members Attending

Melody, Manny

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D.S.



Board Member Meeting Report

Prepared by: M. Aranda

Date: 10/14/2015

Meeting Name: San Bernardino Chamber of Commerce

Meeting Location: Office of SBCC

Meeting Purpose and Value to District:

Weekly Koffee Klash

Significant or Notable Meeting Actions/Issues of Interest for the Board

Representative of the ofState of California provided information on ride sharing. Idea: If you live in San Bernardino and your place of employment is in Orange county you can call this agency and they will pair you with a with person who lives in San Berdo and works in Orange County. You alternate the driving. Saves on your gas and reduces stress. Good idea.

Recommendations or Concerns

Continue attending these meetings. Each meeting I give an update on the drought.

Member or Members Attending

M. Aranda

This form is not required for regular Board or Committee Meetings, nor District Requested meetings attended by the primary or alternate in place of the primary attendee. It is required for all meetings categorized in Appendix C where it indicates (WRR).

D.S.



Board Member Meeting Report

Prepared by: M. Aranda

Date: 10/15/2015

Meeting Name: Riverside Land Conservan2nd Annual Awards Banquet

Meeting Location: Riverside Regional Park

Meeting Purpose and Value to District:

Awards Banquet : Task force of Wash Plan received Award.

Significant or Notable Meeting Actions/Issues of Interest for the Board

With this award we are now in a tough situation. We have to bring the Wash Plan, started by our district umteen years,ago to fruition.

Recommendations or Concerns

I have every confidence that the wash plan will be completed this year,2015.DD

Member or Members Attending

Dan Cozad and wife, Dave Railey, M. Aranda,and Jeff Beehle

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BA



Board Member Meeting Report

Prepared by: M. Aranda

Date: 10/19/2015

Meeting Name: ASBCSD

Meeting Location: Rancho Cucamonga

Meeting Purpose and Value to District:

Regular meeting of the Board of directors and of membership.

Significant or Notable Meeting Actions/Issues of Interest for the Board

Action Items:
Discussion and action re : awarding the Educational Fund Monies; M. Aranda reported that names of students that would be considered as awardees have been received. In addition, the name of a teacher who works with disadvantage children has been received. Rebekah Swanson and Manny will work out the details, e.g. amount to be awarded, the selection of the winners. Report of same will follow at the next meeting.
Assembly member Matt Steinorth .of the 40th Assembly District spoke on the Trials and Tribulations of a Freshman Representative

Recommendations or Concerns

Board members should attend these meetings. Next meeting in Victorville, CA hosted by the Mojave Water Agency.

Member or Members Attending

Melody, John, Manny

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8/5-



Board Member Meeting Report

Prepared by: M. Aranda

Date: 10/20/2015

Meeting Name: Regular Meeting of the Board of Directors, Muni

Meeting Location: Muni Offices

Meeting Purpose and Value to District:

Board of Directors bi-monthly meeting

Significant or Notable Meeting Actions/Issues of Interest for the Board

Consider proposals for refinement of Basin and diversion Structure and Hydrogeologic Analysis for the active recharge project in the tributaries of the Santa Ana River. Approved.
Consider funding the preparation of a Santa Ana Sucker Translocation plan and associated site-specific technical memorandum on behalf of the upper Santa Ana Habitat Conservation Plan. Approved
Consider Cancellation of December 1, 2015 meeting because of ACWA annual fall meeting. Approved.

Recommendations or Concerns

These meetings are very informative.

Member or Members Attending

Melody, Manny

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Board Member Meeting Report

Prepared by: M. Aranda

Date: 10/22/2015

Meeting Name: SBCC Business After Hours

Meeting Location: Mountain View Cemetary

Meeting Purpose and Value to District:

Monthly Evening meeting of SBCC

Significant or Notable Meeting Actions/Issues of Interest for the Board

Director Selected event. This event exceeds my limit of three director selected. I still attend other meeting that exceed those limits.

Recommendations or Concerns

Will continue attending these meetings and others.

Member or Members Attending

Melody, Manny

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Board Member Meeting Report

Prepared by: M. Aranda

Date: 10/28/2015

Meeting Name: San Bernardino Chamber of Commerce

Meeting Location: SBCC Office

Meeting Purpose and Value to District:

Weekly Koffee Klash

Significant or Notable Meeting Actions/Issues of Interest for the Board

Reported to members of the drought and to continue conserving their water. Many questions on the El Nino. Every body looking forward to rain.

Recommendations or Concerns

Will continue attending these meetings and informing the membership of our water situation.

Member or Members Attending

M. Aranda

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Board Member Meeting Report

Prepared by: M. Aranda

Date: 10/30/2015

Meeting Name: Professional Development Committee Special District

Meeting Location: Conference call to Sacramento

Meeting Purpose and Value to District:

Bi-Annual Meeting of PDCSD

Significant or Notable Meeting Actions/Issues of Interest for the Board

On date of telephonic meeting with the committee, 10:30 AM. on 10/30/2015. I was in the office ready to participate in the telephonic conference. I had already received the agenda and I had reviewed the document. I was set up in the library. Before this date a Athena had confirmed my participation by E-Mail as requested. I asked Angie to connect me to the conference, on the conference phone. At this time, she informed me that the office telephones were not operating. For the next 30 minutes she did every thing possible to correct the problem. Some time later it was clear that a technician had to fix the problem. I was informed that the problem, what ever it was could not be remedied until later that day Only then did I realize that I would not be able to participate in the meeting. Athena immediately E-Mail the committee informing them of our phone problem. I have the agenda for that meeting if any director wants to see it

Recommendations or Concerns

Will continue to participate in this committee baring Acts of God.

Member or Members Attending

M. Aranda

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Board Member Meeting Report

Prepared by: M. Aranda

Date: 10/30/2015

Meeting Name: Professional Development Committee Special Districts

Meeting Location: Conference Call to Sacramento

Meeting Purpose and Value to District:

Regular meeting of the PDCSP

Significant or Notable Meeting Actions/Issues of Interest for the Board

Discussed:

1. Review of 2015 Attendance & Financial 2015 Attendance Tracker
2. Annual Conference Exhibition Showcase
3. 2016 Special District Legislative Days
4. Conference Update
5. Course Planning Spread Sheet
6. Board Secretary/Clerk Conference II

Recommendations or Concerns

Will continue attending these meetings and informing the membership.

Member or Members Attending

M. Aranda

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Board Member Meeting Report

Prepared by: Melody McDonald

Date: October 19, 2015

Meeting Name: Special Districts

Meeting Location: Antonino's Italian Restaurant, Rancho Cucamonga, CA

Meeting Purpose and Value to District:

Stay involved and active in Special Districts

Significant or Notable Meeting Actions/Issues of Interest for the Board

Freshman Assemblyman Marc Steinorth gave update on his activities his first year up in Sacramento. Several Board Members were in attendance and it was a well attended function.

Recommendations or Concerns

Member or Members Attending

Melody McDonald, Manny Aranda, John Longville

This form is not required for regular Board or Committee Meetings, nor District Requested meetings attended by the primary or alternate in place of the primary attendee. It is required for all meetings categorized in Appendix C where it indicates (WRR).



Board Member Meeting Report

Prepared by: Melody McDonald

Date: 10/23/15

Meeting Name: ACWA State Legislative Committee

Meeting Location: 910 K St. Sacramento

Meeting Purpose and Value to District:

To stay actively engaged in legislation affecting water for our District and our region.

Significant or Notable Meeting Actions/Issues of Interest for the Board

See attached notes, agenda, and information pages

Recommendations or Concerns

Member or Members Attending

Melody McDonald

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ACWA SLC

Federal update.

November 3rd budget ceiling raising. Paul Ryan probable new leader.

More on headwaters, fire suppression management budget.

Prop 218 update

ACWA part of coalition of 4 to amend constitution, provide more flexibility for tiered rates, enhance the ability for agencies to finance Stormwater projects,

Initiative route, legislative route, file measure with the AG office, entitlement funding.

Alternative path for article 10, does not amend prop 218 itself.

ACWA board authorized staff, policy direction not specific language yet.

California Water Foundation part of coalition, really big on public goods charge.

Politics is a heavy lift, harder than the bond. Updating Governor as a coalition, part of California's Water Plan, meeting with administration staff next week, have no read on what Governor will do.

Webcast meeting being planned, discussion ensued, good comments by Art Kidman, loss of local control a huge issue on rates, will voluntary measures become mandatory, people not happy with this or with ACWA.

It is a property related service, Big Horn decision may have got it right. Forcing people to have a commodity rate structure is not good.

Greg Zlotnick clarified ACWA Boards decisions. ACWA has formed advisory group, not full approval by ACWA Board.

Prop 1 update, State Board pretty aggressive. IRWMP draft guidelines available in December

Wendy Ridderbush

SB 20 public goods charge update.

Special Session requested, needed to address unprecedented water crises and El Niño anticipation. To include discussion on environmental policies.

Consolidation update, SB 88 trailer bill background, see update paper and FAQ sheet.

Whitney Wiley, update on CEQA legislation still have AB 291, committee reviewed a set up amendment addressing environmental groups opposition. Solution of oppositions put forth. Last County to receive NOD language. No other bills submitted.

Dave Bolland, Groundwater Regulatory Implementation update.

California Water Commission approved proposed Draft. Using same process on basin boundary.

Technical groups are engaged in the process. Department staff pretty responsive. Had a very successful regulatory conference in Ontario, excellent panel discussion on new laws and challenging sigma regulations going forward.

State Board looking to roll regulations into next year regardless of El Niño

Adam Walukiewicz Robin update on CA Water Commission Water Storage Investment Program



**Association of
California Water Agencies**

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Leadership • Advocacy • Information • Services

**ACWA State Legislative Committee
Annual Planning Meeting**

October 23, 2015


10:00 a.m.

AGENDA

- | | |
|---|-----------------------------|
| 1. Welcome | Paul Bartkiewicz, Chair |
| 2. Self-Introductions | Members, Guests, Staff |
| 3. Deputy Executive Director's Report | Cindy Tuck |
| A. Federal Update | |
| B. Proposition 218 Coalition Update | |
| C. Proposition 1 Implementation Update | |
| 4. ACWA Committee Appointment Process Recap | Wendy Ridderbusch |
| 5. Updated 2016 State Legislative Committee Meeting Calendar | Wendy Ridderbusch |
| 6. Public Goods Charge Status | Wendy Ridderbusch |
| 7. Potential Legislative Special Session Update | Wendy Ridderbusch |
| 8. Water District Consolidation Update | Wendy Ridderbusch |
| 9. ACWA-Sponsored CEQA Legislation AB 291 (Medina) Update | Whitnie Wiley |
| 10. Groundwater Legislative Update | Whitnie Wiley |
| 11. Groundwater Regulatory Implementation | Dave Bolland |
| 12. State Water Resources Control Board Conservation Emergency Regulation 2016 | Dave Bolland |
| 13. CA Water Commission Water Storage Investment Program | Adam Walukiewicz Robin |
| 14. State Water Resources Control Board Public Water System Operating Fee Update | Adam Walukiewicz Robin |
| 15. CSDA Joint Legislative Bus Tour | Kelly McBee/Daniel Muelrath |
| 16. Other Business | |
| 17. Adjourn | |

**Reminders: First State Legislative Committee Meeting for the 2016-17 term is on
January 22, 2016**

ACWA's Legislative Symposium: Wednesday, March 9, 2016

 Association of California Water Agencies <small>the national professional association for water</small>		BOARD OF DIRECTORS	
Meeting Date: October 13, 2015		Item No.: II.	
Board Action Required: YES		Prepared By: Timothy Quinn	
Fiscal/Budgetary Impact: NO		Chairperson: N/A	
Agenda Title: ACWA SUPPORT FOR AMENDING ARTICLE X OF THE CALIFORNIA CONSTITUTION			

BACKGROUND

In 1996, California voters approved Proposition 218, which added Article XIII C (governing taxes) and Article XIII D (governing property-related fees) to the California Constitution. The intent of Proposition 218 was, in part, to strengthen the nexus between the property-related fees, such as water and sewer service fees, imposed by local public agencies and the cost of providing those services. To accomplish this, Article XIII D, section 6 requires that water rates for any class of water users be proportionate to the costs of providing that service.

While most public water agencies agree they should be accountable for the revenues they raise through rate setting and that those revenues should be commensurate with the costs of providing service, the strict proportionality and other provisions of Proposition 218 have had some unintended and undesirable consequences for many ACWA member agencies. One concern is the difficulty local public agencies face in financing stormwater and flood control infrastructure. Though environmental regulations under the Clean Water Act are making it increasingly necessary to capture and manage stormwater, Article XIII D makes it difficult to finance the infrastructure needed to do so, putting local public agencies between a rock and a hard place. The strict proportionality requirements of Article XIII D also constrain the ability of local water management agencies to establish conservation-based tiered rate structures or to implement lifeline water rates to make water service more affordable for low-income households.

To address these concerns, ACWA has been active in a coalition with the League of California Cities (League), the California State Association of Counties (CSAC), and the California Water Foundation (CWF) to identify and implement a strategy to accomplish three goals:

- 1) Enhance the ability of local agencies to finance stormwater and flood control infrastructure;
- 2) Provide more flexibility for the establishment of conservation-based tiered rate structures; and
- 3) Allow public agencies, at their discretion, to implement lifeline water rates for low-income households.

Agenda Title: ACWA SUPPORT FOR AMENDING ARTICLE X OF THE CALIFORNIA CONSTITUTION

Meeting Date: October 13, 2015

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Earlier this year, the coalition conducted statewide public attitude polling to determine the level of public support for these goals and to identify strategies more likely to be successful in accomplishing them. The survey results were summarized in detail by League of California Cities Executive Director Chris McKenzie for the ACWA Board of Directors at a workshop on July 28, 2015.

Since that time, the coalition has continued to develop a strategy to place a measure on the November 2016 ballot to achieve the policy goals identified above. Specific language for such a measure is also under development.

The purpose of this special Board meeting and action item is to seek authority for the ACWA Executive Director to continue participating in these efforts on ACWA's behalf and pursue a strategy to achieve the identified policy goals by sponsoring and promoting a measure for the November 2016 ballot in cooperation with the coalition.

POLICY GUIDELINES FOR PROPOSED PLAN OF ACTION

Based on the results of the survey, advice from policy consultants and input from ACWA member agencies, coalition partners have identified a common proposed strategy. Since a hallmark of the strategy is to provide maximum flexibility for local public agencies, we do not propose any new mandates or alterations to existing law, including the provisions of Article XIII D. Some agencies believe existing law is acceptable; this proposal would allow them to continue establishing water rates and financing infrastructure consistent with past practices. Other agencies have concluded that existing law significantly restrains the ability to finance stormwater and flood control infrastructure, as well as to establish conservation-based water rates and lifeline rates.

To provide more flexibility to ACWA members in accomplishing the above goals, staff recommends that ACWA commit to an action plan consistent with the following policy guidelines:

- 1) Amend Article X of the California Constitution to provide a separate and voluntary means of financing for public water agencies that:
 - a. Allows for financing stormwater and flood control infrastructure in a manner consistent with financing water and sewer systems; and
 - b. Retains cost-of-service requirements for water and sewer service charges while expressly authorizing establishment of conservation-based water rates and lifeline rates.
- 2) In cooperation with our coalition partners, pursue a strategy that includes both filing an Initiative and introducing legislation to preserve maximum flexibility to accomplish these policy objectives.
- 3) Work in close collaboration with the Brown Administration to make the Administration, in effect, a full partner in this initiative.

ACWA Board of Directors

Agenda Title: ACWA SUPPORT FOR AMENDING ARTICLE X OF THE CALIFORNIA CONSTITUTION

Meeting Date: October 13, 2015

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- 4) Broaden coalition supporters to include business, labor, environmental and other organizations.
- 5) Proceed in a manner that does not adversely affect the interests of ACWA members, whether they choose to implement finance measures under the new or existing law of California.

DISCUSSION

This proposal is intended to enhance local agencies' water management capabilities consistent with Article X of the California Constitution by providing additional tools while ensuring transparency and meeting cost-of-service and public participation requirements. The goal is to provide an alternative, purely voluntary track for public water agencies to pursue without adversely affecting the interests of those who continue to utilize approaches under existing law.

Among ACWA members, there are a range of views regarding existing law and whether it poses a problem. Some member agencies use their discretion to adopt uniform rate structures consistent with existing law, asserting there are strategies other than pricing signals to induce conservation. Members also point out that the recent decision in the *San Juan Capistrano* case did not outlaw tiered rate structures, but merely required that rates in higher tiers be tied to the cost of service required to supply water in those higher tiers consistent with the strict proportionality requirements of Article XIII D.

Many believe, however, that existing law does pose serious problems for numerous ACWA members. Some agencies have identified a need for new cost-of-service based authorities to finance stormwater management and flood control infrastructure, since those efforts are an increasingly important part of a holistic approach to water management consistent with the water management principles of Article X. In addition, agencies have identified a need for authority and discretion to establish lifeline rates, which currently are prohibited under existing law.

Much of the discussion involves tiered rate structures. ACWA believes local public agencies, operating under the guidance of locally elected (or appointed) boards, should have the authority to establish water rate structures that work best for them. For those agencies that intend to operate under uniform rate structures in the future, existing law may be adequate. But for those who would like to use rate structures as a tool to encourage greater levels of conservation, existing law can be a serious impediment. While the *San Juan Capistrano* court makes it clear that an agency may establish tiered rates, it can do so only under the confines of the strict proportionality on a parcel basis requirements of Article XIII D. For those agencies that seek to use tiered rates to manage demand and achieve conservation, sound economic practice indicates that water rates that can reflect only the cost of providing the water service itself will not be sufficient to get the conservation job done. From the broader perspective of covering costs and managing demands under modern environmental policies, developing an alternative, purely voluntary financing track that loosens the constraints of the strict proportionality requirements of Article XIII D is a policy objective worth pursuing.

ACWA Board of Directors

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The most recent version of a proposed amendment to Article X to accomplish the goals specified in this Board Report is attached. This language—which is subject to minor change in the coming weeks—has been developed jointly by the coalition partners with the aid of legal and policy consultants.

The policy decision before the ACWA Board is not to approve the specific language, but rather to approve the policy guidelines identified in the report and to acknowledge that an amendment substantially similar to the attached would fulfill this objective. Specific wording of a final proposed amendment would be left to the discretion of staff working with our coalition partners.

RECOMMENDATION

That the Board authorize staff to cosponsor an initiative and legislation to create an alternative financing track for public agencies consistent with the policy guidelines described in this Board Report.

Attachment:

1. Draft – Amendments to Article X of California Constitution

10/16/2015

State Water Resources Control Board



Home → Drinking Water → Programs → Compliance

Mandatory Consolidation or Extension of Service for Disadvantaged Communities¹

Effective June 24, 2015, Senate Bill 88 (Statutes 2015, Chapter 27) added sections 116680-116684 to the California Health and Safety Code, allowing the State Water Board to require certain water systems that consistently fail to provide safe drinking water to consolidate with, or receive an extension of service from, another public water system. The consolidation can be physical or managerial. Although for many years the Drinking Water program has encouraged – and will continue to encourage – voluntary consolidations of public water systems, the new authority will allow it to mandate consolidation of water systems where appropriate. Please note that extension of service to domestic wells is authorized only when agreed to by the well owner. The changes to the Health and Safety Code give the Division of Drinking Water authority to mandate such consolidations or extension of service following a series of specific actions. The State Water Board's Division of Drinking Water will issue letters to water systems to consolidate with, or seek an extension of service, from a public water system. The recipients of such letters have up to six months from the date the letter is issued to voluntarily consolidate with, or receive extension of service from, a public water system. As letters to public water systems are issued, they are made publicly available on this resource page. See the links to the letters below.

Frequently Asked Questions on Mandatory Consolidation or Extension of Service for Public Water Systems

- [Mandatory consolidation letters to city of Tulare](#) [Souls Mutual Water Company](#) | [Pratt Mutual Water Company](#)
- [Mandatory consolidation letter to Pratt Mutual Water Company](#)
- [Mandatory consolidation letter to Souls Mutual Water Company](#)

¹As defined in SB 88.

(Updated 9/11/15)

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The California Water Boards include the [State Water Resources Control Board](#) and nine [Regional Boards](#).
The State Water Board is one of six environmental entities operating under
the authority of the California Environmental Protection Agency
[Cal/EPA](#) | [ARB](#) | [CalRecycle](#) | [DPR](#) | [DTSC](#) | [OEHHA](#) | [SWRCB](#)

ACWA 2016-2017 COMMITTEE APPOINTMENT PROCESS TIMELINE

2015

August 3rd Committee Appointment Packets are sent to all Agency general managers, board presidents & Friends of ACWA contacts. The packet contains:
List of all agency staff, directors, associate/affiliate members currently serving on ACWA committees.
Committee guidelines, purposes and responsibilities.
Committee consideration form and sample for the 2016-2017 term.
Attendance records for limited committees
2016-2017 Committee consideration process and timeline outline.

August 7th Letters are sent to all current committee members notifying them of the process for reappointment to ACWA committees.
IMPORTANT NOTE: All current committee members must stand again for reappointment by completing and submitting to ACWA a committee consideration form.

September 30th **DEADLINE:** ALL committee consideration forms must be submitted to ACWA. Any consideration forms submitted after this date will be added to the waiting list after ACWA's President has made his/her committee selections.

October Committee considerations are compiled and organized for recommendations by the new region chairs. Copy to region chairs and staff liaisons.

October 28th Hold meeting with newly elected region chairs/vice chairs for 2016-2017 committee recommendations.

November 19th **DEADLINE:** The incoming region chairs/vice chairs will make their recommendations for committee appointments. They will meet with the outgoing and incoming region chairs/vice chairs for training, input and continuity of the committee process.

November 19-25 Region recommendations are compiled and organized for the new ACWA President.

December 3rd Region committee recommendations are submitted to the incoming ACWA President and Vice President for their consideration.

December 11th **DEADLINE:** for the ACWA President to complete committee appointments.

December 31st ACWA sends official appointment letters to new committee members who will serve for the 2016-2017 term. Letters will also be sent to those not appointed to committees.

2016

1st/2nd Wk of January Executive Assistant/Clerk of the Board holds a conference call to ratify the chair/vice chair appointments. ACWA sends letters to those not receiving an appointment to ACWA committees and places those individuals on a waiting list for possible future appointment as vacancies occur.



Fact Sheet

Frequently Asked Questions on Mandatory Consolidation or Extension of Service for Water Systems

Why are water systems encouraged to consolidate?

The State Water Resources Control Board is committed to ensuring all Californians have access to safe, clean, and affordable water for human consumption. Achieving this goal can be particularly challenging for small and disadvantaged communities that lack the resources to fund basic capital costs, let alone the ongoing costs of maintenance, energy, treatment and personnel needed to operate what are sometimes very complex systems.

Consolidating public water systems and extending service from existing public water systems to communities and areas which currently rely on under-performing or failing small water systems, as well as private wells, reduces costs and improves reliability. It does this by extending any development costs to a larger pool of ratepayers.

Water provided by public water systems is subject to regulation by the United States Environmental Protection Agency (USEPA) and the State of California. Requirements include regular monitoring and testing for contaminants. Consolidating or extending service from a public water system to a community otherwise served by unreliable systems or unregulated private wells advances the goal of a reliable, accessible supply of safe drinking water for all California residents.

The authority to regulate public water systems under the state and federal Safe Drinking Water Acts (the Division of Drinking Water program) was transferred from the State Department of Public Health to the State Water Board July 1, 2014. Historically, the Division of Drinking Water asked public water systems to voluntarily consolidate when appropriate. To date, a number of systems have voluntarily consolidated, and many of these projects were funded by the Drinking Water State Revolving Fund Program, or the proceeds from the sale of state bonds (Proposition 84).

However, there remain many systems which could benefit by consolidation. The situation has been exacerbated by the current severe drought and the water emergencies that a number of disadvantaged communities and small water systems are facing throughout the state.





Fact Sheet

Why is mandatory consolidation being implemented now?

As the number of failing water systems climbed in 2014 and 2015 due in large part to the State's continuing drought conditions, Governor Edmund G. Brown Jr. signed Senate Bill 88 (Statutes 2015, Chapter 27), authorizing the State Water Board to require systems that consistently fail to meet standards to consolidate with, or obtain service from, a public water system. Senate Bill 88 is crafted to expedite permanent solutions for failing water systems and those that have run out of water due to the drought.

Roughly 2 percent of public water systems do not reliably deliver drinking water that meets all state and federal drinking water standards. Through consolidation and extension of service the number of systems relying on contaminated water sources, unreliable or inadequate sources of supply, or having no water at all will be reduced or eliminated.

How does the State Water Board approach consolidations?

Public water systems experiencing chronic water quality failures or unreliable supplies are first provided technical assistance to analyze the problem and recommend a course of action. Enforcement may also be necessary to achieve compliance with Safe Drinking Water Act requirements. Lacking progress, the State Water Board may initiate discussions with the system and neighboring/adjacent public water systems regarding consolidation. These discussions will examine many factors such as:

- the capacity of a neighboring system to supply water to the affected community;
- the geographical separation of the two systems;
- the cost of required infrastructure improvements;
- the costs and benefits to both systems; and
- access to financing for the consolidated entity.

Consolidation may involve the actual physical consolidation of the participating water systems (physical consolidation), just the management of the participating water system (managerial consolidation), or both. If voluntary consolidation cannot be negotiated in a reasonable time period, the State Water Board may direct mandatory consolidation or a mandatory extension of service pursuant to Health & Safety Code section 116682. In this case, consolidation letters will be sent to the consistently failing water system (subsumed system) and to the receiving system notifying them that they have six months to develop a plan for voluntarily consolidation.

A similar approach is taken when a residential area, not served by a public water system, is identified as a potential candidate for receiving an extension of service from an existing public water system.

What liability relief is provided by Senate Bill 88?

Senate Bill 88 added section 116684 to the Health and Safety Code, limiting the liability of water systems, wholesalers, or any other agencies that deliver water to consolidated water systems. This liability relief is available regardless of whether the consolidation occurs through



Fact Sheet

the mandatory consolidation process or through a voluntary act. These new liability relief provisions will protect water systems involved in consolidations and remove a barrier that previously limited voluntary consolidations.

What happens if systems do not consolidate after six months?

If the two systems have not developed a plan for consolidation within six months, the Board may then order the two systems to consolidate.

What is the process for mandatory consolidation?

Before ordering a mandatory consolidation, the State Water Resources Control Board must find all of the following:

- The subsumed system consistently fails to provide safe drinking water;
- All reasonable efforts to negotiate consolidation or extension of service were made;
- Consolidating, or extending service, is technically and economically feasible;
- There is no pending local agency formation commission process that is likely to resolve the problem in a reasonable amount of time;
- Water rights and water contract concerns have been adequately addressed;
- Consolidating or extending service is determined to be the most efficient and cost-effective means for providing an adequate supply of safe drinking water; and
- The capacity of the proposed interconnection needed to accomplish the consolidation is large enough to serve additional customers.

Consultation with local and state agencies along with outreach to customers within the affected service areas must occur before ordering the consolidation or extension of service.

How will mandatory consolidations be paid for?

The State Water Board will provide funding from Proposition 1, the Drinking Water State Revolving Fund (DWSRF) and monies made available from the emergency drought relief package, for consolidation or extension of service, including infrastructure improvements. The costs for consolidation or extension of service are largely location and situation specific and will require a study of specific infrastructure improvements for each project.

How does the State Water Board enforce an order for mandatory consolidation?

The authority for ordering mandatory consolidation is included in the California Safe Drinking Water Act and may be enforced by the State Water Board pursuant to Article 9 of the Health & Safety Code, including sections 116650 (citations) and 116655 (compliance order).

(This FAQ sheet was last updated on Sept. 11, 2015)



Board Member Meeting Report

Prepared by: Melody McDonald

Date: 10/27/2015

Meeting Name: Highland Chamber Lunch

Meeting Location: Immanuel Baptist Church, Highland

Meeting Purpose and Value to District:

Stay invested in the business communities in which we serve

Significant or Notable Meeting Actions/Issues of Interest for the Board

Ashley Gaines gave presentation on what the EDCT Foundation is all about. Helping people start businesses.

Recommendations or Concerns

Member or Members Attending

Melody McDonald

This form is not required for regular Board or Committee Meetings, nor District Requested meetings attended by the primary or alternate in place of the primary attendee. It is required for all meetings categorized in Appendix C where it indicates (WRR).



2016 Board Calendar - San Bernardino Valley Water Conservation District

JANUARY						
S	M	T	W	Th	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

Jan. 13 Board Meeting
 Jan. 20 2nd Qtr. Finance & Admin Mtg.

JULY						
S	M	T	W	Th	F	S
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31						

July 13 Board Meeting
 July 20 4th Qtr. Finance & Admin Mtg.

FEBRUARY						
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Feb. 10 Board Meeting

AUGUST						
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Aug. 10 Board Meeting

MARCH						
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March 09 Board Meeting
Engineering Investigation Report Presentation

SEPTEMBER						
S	M	T	W	Th	F	S
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Sept. 07 Board Meeting

APRIL						
S	M	T	W	Th	F	S
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April 06 Board Meeting
Public Meeting/Groundwater Charge
 April 13 3rd Qtr. Finance & Admin Mtg.
 April 20 Board Meeting
Public Hearing/Groundwater Charge

OCTOBER						
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30	31					

Oct. 12 Board Meeting

MAY						
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22	23	24	25	26	27	28
29	30	31				

May 11 Board Meeting

NOVEMBER						
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20	21	22	23	24	25	26
27	28	29	30			

Nov. 09 Board Meeting
 Nov. 16 1st Qtr. Admin Mtg

JUNE						
S	M	T	W	Th	F	S
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June 08 Board Meeting

DECEMBER						
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25	26	27	28	29	30	31

Dec. 07 Board Meeting
Holiday Luncheon