

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT

MINUTES OF THE ADMINISTRATIVE COMMITTEE MEETING
(Continuation from Administrative Committee Meeting of April 22, 2010)
May 13, 2010
2:00 p.m.

Chairperson McDonald called the Administrative Committee Meeting to order at 2:00 p.m. All present stood for the pledge of allegiance, led by Chairperson McDonald.

ADMINISTRATIVE COMMITTEE MEMBERS PRESENT:

Melody McDonald, Chairperson
Clare Henry Day, Director
Arnold Wright, Director

STAFF PRESENT:

R. Robert Neufeld, General Manager
Claud Seal, District Engineer
Samantha Brown, Finance Supervisor
Shanae Smith, Executive Assistant II

GUESTS PRESENT:

None

1. PUBLIC PARTICIPATION

Chairperson McDonald announced this as the time for any persons present, who so desire, to make an oral petition to the Administrative Committee. Hearing none, the meeting proceeded with the published agenda items.

2. ADDITIONS/DELETIONS TO AGENDA

There were no additions or deletions to the agenda.

3. REVIEW PROPOSED BUDGET OPTIONS FOR FISCAL YEAR 2010-2011

Robert Neufeld distributed a list of options compiled from staff and Director Raley regarding potential cuts to the budget disseminated to the Board at a previous meeting. Chairperson McDonald said that the Directors were asked to provide ideas to the strategic planning facilitator regarding cuts to the Board, as part of the preliminary process of the strategic plan. Mr. Neufeld said that no direction to staff regarding new revenue streams.

Chairperson McDonald requested an update regarding the meetings of the General Managers of the District, San Bernardino Valley Municipal Water District (SBVMWD) and Western Municipal Water District (WMWD). Mr. Neufeld reported that there is a meeting scheduled next week, and a full report will be made to the full Board regarding the recommendations that have come forth from the meetings. Mr. Neufeld said that Douglas Headrick said at that he went to his Board and has been encouraged to go forward. Mr. Neufeld said that major changes in the philosophy of how we've done business in the past will need to be made, and will be recommended for the consideration of Board. The issue of water rights will play a significant role in those principles and the details need to be discussed in closed session, as there is a potential for litigation. There is tremendous potential for additional revenue that has not been available before, as part of the process. The revenue is predicated solely for the District to spread water only, as a spreading operation as opposed to a production operation. A discussion ensued regarding water code statute as it relates to the groundwater charge, and the District's ability to run the District's operation in a spreading capacity.

Director Day said the Committee should focus on organizational structure and items on the budget that absolutely has to be done. The items need to be prioritized based on the immediate needs of the District. Mr. Neufeld said the last column proposed by staff is the absolute minimum needed to run the organization. Director Day said that we could sell services, which would entail dissolving some the District's assets. He said that partnering was a good example; combining resources; Mr. Day said the Committee needs to address one issue at a time. Director Wright said mitigation banking is a great option to consider. Mr. Neufeld said that we cannot utilize the land for environmental mitigation banking as long as we are committed to dedicating that land to the Wash Plan. A discussion ensued regarding a proposal regarding removing the restrictions on the Wash Plan Task Force agreement and the federal government's role.

Claud Seal led a discussion regarding an environmental firm located in the San Diego who is working for a development company in the Rancho Cucamonga area who is interested in purchasing District land for mitigation land for \$10,000 per acre for land used for mitigation.

4. ADJOURN

The meeting adjourned to be continued on Tuesday, May 18, 2010, at 2:00 p.m.