

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT

MINUTES OF THE
RESOURCES COMMITTEE MEETING

September 17, 2010
8:00 a.m.

Chairperson Richard Corneille called the Resources Committee Meeting to order at 8:00 a.m. All present stood for the pledge of allegiance, led by Chairperson Corneille.

RESOURCES COMMITTEE MEMBERS PRESENT:

Richard Corneille, Director
Clare Henry Day, Director
Arnold Wright, Director

STAFF PRESENT:

Lisa Pierce, GIS and Land Resources Management Consultant
Randy Carlisle, Field Supervisor
Shanae Smith, Executive Assistant II

GUESTS PRESENT:

David Cosgrove, Rutan and Tucker, LLP (via conference call)

1. PUBLIC PARTICIPATION

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

2. ADDITIONS/DELETIONS TO AGENDA

It was moved by Director Day and seconded by Director Wright to add, "Contract Services Agreement for Land Resources and Engineering Services with Claud Seal," to the agenda. The motion carried unanimously.

3. Contract Services Agreement for Land Resources and Engineering Services

Staff distributed the proposed contract services agreement for Land and Resources and Engineering Services with Claud Seal, previous Assistant General Manager/District Engineer. David Cosgrove led a discussion regarding the terms of the contract, which

covers a wide range of services for a term set not to exceed six months with an option extend if needed. Director Corneille stated the scope of services was complete and directed legal counsel to add, "Review design by others," to include the Department of Water Resources' (DWR) East Branch Extension project. He also noted that on page 2 of the agreement, under compensation, travel time to and from the District office should be indicated as the consultant's responsibility and that travel directed by the District at IRS enforced rates would be reimbursable. In addition, Director Corneille directed legal counsel to include, "Invoices shall be submitted on a monthly basis," as well as a statement regarding insurance specifying that Mr. Seal shall carry his own automobile insurance. The agreement shall also designate the Contract Officer as the District's General Manager and or Board President and be utilized at the Board's discretion, on an on-call basis. A discussion ensued.

It was moved by Director Day and second by Director Wright to, "Approve the Contract Services Agreement for Land Resources and Engineering Services with Claud Seal for \$80.00 per hour," as amended. The motion carried unanimously.

4. Minutes From the August 30, 2010 Resources Committee Meeting

It was moved by President Day and seconded by Director Wright to, "Approve the Minutes from the Meeting of August 30, 2010." The motion carried unanimously.

5. Exclusive Right to Negotiate and Finder's Fee Agreements with United Strategies, Inc.

Mr. Cosgrove summarized the business terms of the proposed agreements with United Strategies, Inc., with regard to the sale of 21 acres of the District's land outside of the Wash Plan area. Mr. Cosgrove said the Finder's Fee Agreement has a three year term, and is functionally equivalent to a typical broker's fee. Mr. Cosgrove stated the concept and business terms of the agreement should be considered before the technical legal terms are presented to the Committee. He said staff has initiated discussions with the Inland Empire Resource Conservation District (IERCD) to get a feel for typical rates for the specialized industry. He also explained that the straight sale of property would not be an issue with the Local Agency Formation Commission (LAFCO), however if the District is interested in mitigation banking, latent powers would need to be activated, requiring a full re-organization before LAFCO, including hearing proceedings. GIS Consultant, Lisa Pierce reported discussions with Mandy Parks at the IERCD regarding a potential Joint Powers Authority (JPA) opportunity with the District. A discussion ensued.

It was moved by Director Day and seconded by Director Wright to, "Table the Proposed Exclusive Rights to Negotiate and Finder's Fee Agreements with United Strategies, Inc., to the Resources Committee

meeting prior to the October 27th regular Board meeting.” The motion carried unanimously.

6. Proposed Revision to FY 2010-11 General Fund Budget

This item was taken out of order.

Director Day stated that staff was directed to bring the FY 2010-11 General Fund budget to the Resources Committee for an overview of the current status of the budget relative to Capital Projects in the field. Discussion included the proposed relocation of the shop facilities to the canyon property owned by the District. Field Supervisor, Randy Carlisle was directed to put together a new detailed scope of services for the potential shop relocation, including electrical and plumbing installation costs. He was also directed to obtain contractor bid proposals to perform the scope of work. A discussion ensued.

I was moved by Director Day and seconded by Director Wright to, “Recommend to the Board to refurbish and relocate field operations to refurbished building; and allocate funds not to exceed \$7,000.” The motion carried unanimously.

7. Excavation and Maintenance Agreement for Materials Contract with Terra Cal Materials, Inc.

Mr. Cosgrove stated there were operators on District property conducting basin maintenance activities without agreements in place. The previous General Manager and Assistant General Manager attempted to remedy the issue by drafting an agreement for excavation and maintenance of the District’s spreading basins, and potentially generate additional revenue for the District if the materials excavated were sold. Mr. Carlisle summarized the scope of services outlined in the Excavation and Maintenance agreement, which entailed scraping and cleaning of the basins and processing of the materials. Mr. Carlisle said that currently the materials have not been removed from District property. He said the consultant is willing to clean out ponds in Mill Creek free of charge. Mr. Cosgrove expressed concerns with regard to missing exhibits to the agreement and suggested the Committee table the item until a meeting with Terra Cal Materials, Inc., the new General Manager and legal counsel is scheduled to flush out key business points in the agreement. A discussion ensued.

It was moved by Director Day and seconded by Director Wright to, “Table the Excavation and Maintenance Agreement with Terra Cal Materials, Inc., to the Resources Committee meeting prior to the October 27th regular Board meeting.” The motion carried unanimously.

8. Survey Operators Currently on District Property

The contract agreement list was distributed for the Committee's review. A discussion ensued regarding the operators conducting business on District property. Director Corneille stated list should be expanded and verified for accuracy. He complimented staff on their effort and directed legal counsel, Mr. Carlisle and GIS Coordinator, Lisa Pierce to verify the data for accuracy and bring back to the Committee for review. Ms. Pierce stated that maps would also be provided to coincide with the list.

9. Sixth Amendment to Larry Jacinto Construction, Inc. Contract

Mr. Carlisle reported attending an Upper Santa Ana Water Resources Association (USAWRA) meeting on September 9th. Discussions included a potential request from the San Bernardino Valley Municipal Water District (SBVMWD) to spread 50 cfs of State Water Project (SWP) water in Santa Ana Low. Mr. Carlisle stated the Larry Jacinto Construction, Inc. contract was needed as he has obtained a proposal to clean the basins in the Santa Ana River. Mr. Carlisle also said the cleaning is needed in order to percolate the water that may be requested by the SBVMWD to be spread. Mr. Cosgrove led a discussion regarding the reimbursement of basin maintenance costs covered under the Easement and License Agreement among the District, SBVMWD and Western Municipal Water District (WMWD). Mr. Carlisle explained that the maintenance has to be performed annually. He summarized the terms of the Larry Jacinto proposal relative to costs for time and materials and charges itemized for mobilization. Director Corneille directed staff to obtain an amended proposal from Larry Jacinto Construction Inc., excluding the non-prevailing wage language.

It was moved by Director Day and seconded by Director Wright to, "Prepare a New Agreement for Larry Jacinto Construction, Inc., to Include Proposal to Clean Out Santa Ana River Spreading Basins, as amended. The motion carried unanimously.

10. Proposal to Clean Out Santa Ana River Spreading Basins

This item was covered earlier in the meeting.

11. USFS Grant and SAWPA Grants Status Update

Ms. Pierce gave an update on the District's active grants and potential additional opportunities with the IERCD. Ms. Pierce requested approval to draft a letter regarding the District's project ranking to present to SAWPA on the District's behalf at the September 23rd public comment meeting. Ms. Pierce also requested approval to draft a letter to the Basin Technical Advisory Committee to include District projects in the Integrated Regional Water Management Plan (IRWMP) grant funding opportunities in the Santa Ana River Watershed. Each letter would be signed by President Day.

It was moved by Director Corneille and seconded by Director Day to, “Authorize Lisa Pierce to draft two letters; 1) project ranking update letter to SAWPA and attend public comment meeting; and 2) draft letter to BTAC to include District projects in the IRWMP grant funding opportunities.” The motion carried unanimously.

12. ADJOURN

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

There being no further business the meeting adjourned at 9:27 a.m.