

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS

MINUTES OF THE BOARD MEETING OF
September 9, 2009
1:30 P.M.

President Melody McDonald 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 McDonald.

ROLL CALL:

BOARD MEMBERS PRESENT:

Melody McDonald, President
Manuel Aranda, Vice President
Cheryl Tubbs, Director
Clare Henry Day, Director
Arnold Wright, Director
Richard Corneille, Director
John Longville, Director (1:43 p.m.)

BOARD MEMBERS ABSENT:

None

GENERAL COUNSEL PRESENT:

David Cosgrove, Rutan & Tucker, LLP

STAFF PRESENT:

R. Robert Neufeld, General Manager
Claud Seal, Assistant General Manager/District Engineer
Colleen Theuer, Admin. Mgr/Recording Secretary
Shanae Smith, Executive Assistant

GUESTS PRESENT:

Scott Manno, Rogers, Anderson, Malody & Scott, LLP
Tim Horn, Rogers, Anderson, Malody & Scott, LLP
Don Lee, Tetrattech

1. PUBLIC PARTICIPATION

President McDonald 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 proceeded with the published agenda items.

2. ADDITIONS/DELETIONS TO AGENDA

There were no additions/deletions to the agenda.

6. A. 2008-2009 Audit Presentation

This item was taken out of order.

It was moved by Director Tubbs and seconded by Director Corneille to take Item 6A, 2008-2009 Audit Presentation, out of order. The motion carried 6-0, with Director Longville noted absent.

Director Longville arrived at 1:43 p.m.

Mr. Tim Horn, of Rogers, Anderson, Malody & Scott, LLP presented the 2008-2009 audit to the Board. Discussion ensued and Mr. Horn and Mr. Manno answered questions from the Board. The engagement partners thanked District staff for their participation and cooperation during the audit process.

It was moved by Director Wright and seconded by Director Day to receive and file the 2008-2009 Audit Report. The motion carried unanimously.

3. BOARD DISCUSSION ITEMS

Director Aranda reported attending the Resources Committee meeting.

Director Corneille reported attending the Resources Committee meeting.

Director Tubbs reported attending the Administrative Committee meeting.

Director Day reported attending the Administrative Committee meeting and the Resources Committee meeting.

President McDonald reported attending the Highland Chamber of Commerce meeting; the San Bernardino Chamber of Commerce meeting; the Administrative Committee meeting; and a San Bernardino Valley Municipal Water District (SBVMWD) Board meeting. She noted that at the SBVMWD meeting, a detailed report regarding the state's jurisdiction over local water rights was discussed.

4. CONSENT CALENDAR

The August 12 and August 26, 2009 Board meeting minutes were discussed and revisions were noted.

It was moved by Director Day and seconded by Director Aranda to approve the minutes of the August 12, 2009 Board meeting, as amended. The motion carried unanimously.

It was moved by Director Day and seconded by Director Aranda to approve the minutes of the August 26, 2009 Board meeting, as amended. The motion carried 6-1, with Director Corneille abstaining due to his absence from the meeting.

Administrative Manager Colleen Theuer provided a brief report on the un-audited financial reports for the month of August, 2009.

It was moved by Director Tubbs and seconded by Director Aranda to approve the un-audited financial reports for the month of August, 2009. The motion carried unanimously.

5. INFORMATION ITEMS

A. Board Committee Reports

Director Tubbs reported the Administrative Committee met on August 18, 2009, noting that items from the meeting would be covered later as part of the action items.

Director Day reported the Resources Committee met on September 4, 2009 and discussed repairs to the Cuttle Weir.

B. Wash Plan Update

David Cosgrove reported that the Biological Assessment for the land exchange prepared by the Bureau of Land Management (BLM) had been given over to U.S. Fish and Wildlife Service by way of informal consultation. He said the timeline would be flexible as it was proceeding as informal consultation, given the conclusion that the land exchange would not adversely affect biological resources. Mr. Cosgrove said a meeting with the Wash Plan Task Force (Task Force) is scheduled for September 15, 2009 to discuss the model generated for the San Bernardino Kangaroo Rat (SBKR) habitat characterization, and to advise the Task Force of the District's continued leadership as the project manager for the project and its completion.

C. Operations and Maintenance Report

Claud Seal reported the District has continued to spread State Water Project (SWP) water in Pond 15, in the Santa Ana River. He said less than half of the 2,000 AF of purchased water has been spread, and the current spreading rate is between 10 and 20 cfs. Mr. Seal said no water was being spread in Mill Creek due to remedial work on the

inlet channel base which is currently under construction, where concrete is scheduled to be poured on September 10, 2009.

D. Assistant General Manager's Report

Mr. Seal made the following announcements:

- A Resources Committee meeting was held on September 4, 2009. Discussion and recommendations were made regarding the second phase of the Mill Creek channel repairs, and the proposed contract for the work with Larry Jacinto Construction in the amount of \$23,272.60. The committee recommended forwarding the contract to the Board of Directors for review and approval. The committee also recommended considering a surcharge for future bulk water purchases and directed staff to bring to the Board at a future date a recommendation for that possible surcharge, but not for the current 2,000 AF of SWP water purchased from the SBVMWD.
- The replacement of the wood gates with steel gates at Cuttle Weir would be a joint project with SBVMWD and the District, with costs split 50% each. The proposed contract amount from Larry Jacinto Construction is approximately \$18,070. The committee recommended forwarding the proposal to the Board of Directors for review and approval. A meeting with the SBVMWD is scheduled for September 21, 2009 to discuss overall spreading and conveyance plans using District facilities.
- A quote for aerial surveying of the Mill Creek spreading basins and tributary areas was obtained. This work will provide the District with current information on how to deal with the replacement or repair of spreading basins the District may lose due to the Department of Water Resources (DWR) East Branch Extension - Phase II (EBXII) project pipeline that will be constructed on the District's Mill Creek property.

C. General Manager's Report

Mr. Neufeld presented photos of the vandalism incident at Redlands Plaza tenant mailboxes that occurred over the past weekend. Reports of the break-in were submitted to both the Redlands Police Department and the U.S. Postal Service. He said a replacement mailbox would be installed closer to the District's suite at the plaza for greater visibility. He indicated staff would obtain proposals for a security surveillance system as recommended by the Redlands Police Department. A discussion ensued.

Mr. Neufeld said he and Mr. Seal met with San Bernardino County Flood Control District (SBCFCD) personnel for a tour of the Seven Oaks Dam (SOD) facility previously used by the U.S. Army Corp of Engineers (USACE) during the construction of the dam. He suggested the possibility of the District purchasing the property for the purpose of combining all District operations in one secure location. A discussion ensued regarding the layout of the facilities and whether the Board would be interested in pursuing the matter further.

Mr. Neufeld indicated that the new Finance Supervisor position, to replace the Administrative Manager (AM) position, was posted on Brown and Caldwell's BC Water Job website and the California Special Districts Association (CSDA) website. He said there had been good candidate responses, and the first-round interview is scheduled for September 21, 2009. The final interview for best candidates selected is scheduled for September 25, 2009.

Mr. Neufeld briefly summarized a letter received from the County of San Bernardino regarding the Prop 1A Loan Securitization Program for cities, counties and special districts. He said local agencies could enroll in the program on the California Communities Joint Powers website starting September 14, 2009. Discussion ensued.

Mr. Neufeld reported attending a meeting on September 2, 2009 with the DWR and David Cosgrove on the proposed EBXII project. Mr. Cosgrove said design considerations as it pertained to the District's land and facilities were reviewed and discussed. He said a standard form easement was offered by the DWR, but the District advised it was unacceptable. The District suggested that a joint use agreement as provided for under the Eminent Domain law would be more appropriate. A discussion ensued regarding additional basins that may be available for District use in the event the current facilities were lost.

6. ACTION ITEMS, NEW BUSINESS, FYI

A. 2008-2009 Audit Presentation

This item was previously covered in the meeting.

B. Consider Approval of W. McMullan & Associates Contract for Strategic Planning Facilitator

Mr. Cosgrove summarized contract negotiations between the District and Mr. McMullan for the consulting services agreement for strategic planning facilitator, and the associated issues regarding the scope of work and fees. A discussion ensued regarding JPIA contract requirements for contractors and consultants.

It was moved by Director Aranda and seconded by Director Corneille to authorize staff to prepare a contract, subject to the approval of General Counsel, and authorize the President to sign the contract for William McMullan's proposal dated August 26, 2009, in the amount of \$36,455, including reimbursable expenses. The motion carried unanimously.

C. Consider Approval of New Job Description, Finance Supervisor

Director Tubbs said the proposed job description for Finance Supervisor was a rewrite of the AM job description. Recommendations for the revisions were based on an audit of the current job duties of the AM position conducted by Cindy Navaroli, of Platinum Consulting Group. Director Tubbs said it was important for the candidate to have a

strong financial background; however, the candidate would not be required to perform audits, or year-end financial reports. A discussion ensued regarding salary range for the position, and accounting system recommendations.

It was moved by Director Longville and seconded by Director Aranda to approve the new job description of the Finance Supervisor. The motion carried unanimously.

D. Approval of Amended Board Policy Manual

Director Tubbs said this item was discussed at the Administrative Committee meeting on September 2, 2009 after President McDonald made several suggested changes. She said the committee attempted to merge the CSDA Board Policy Manual with the District's existing manual, to reflect commitments made by the District after the LAFCO consolidation issue was resolved. A discussion ensued and policy revisions were noted.

It was moved by Director Longville and seconded by Director Day to approve the amended Board Policy Manual. The motion carried unanimously.

The Board directed staff to insert the updated manual in a three-ring binder for greater accessibility for updates.

E. Consider ACWA Committee Appointment Nominees for the 2010-2011 Term

A discussion ensued regarding the ACWA Committee Appointment Nominees for the 2010-2011 term, and names of Directors interested in the committees were noted. Staff was directed to update the Committee Consideration Form for submission to ACWA.

7. UPCOMING EVENTS

Upcoming events were discussed. President McDonald announced that Cucamonga Valley Water District had called to enlist additional members of the Board who may be interested in attending the Public Officials Workshop in Indian Wells on September 24-26. A discussion ensued regarding the importance of the meeting and the number of Directors that should attend the event.

It was moved by President McDonald and seconded by Director Longville to approve the attendance of the Public Officials Workshop by Director Day. The motion carried unanimously.

8. CLOSED SESSION

There were no Closed Session items for this meeting.

9. ADJOURN MEETING

At 4:25 p.m., the meeting adjourned to the regular Board meeting scheduled for September 23, 2009, at 1:30 p.m., at District Headquarters, 1630 W. Redlands Blvd., Redlands, CA.

R. Robert Neufeld
Secretary of the Board