

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT  
BOARD OF DIRECTORS MEETING

MINUTES OF January 13, 2016  
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 1:42 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:

Michelle Diamond, Tetra Tech

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. DISTRICT STANDING COMMITTEE APPOINTMENTS

This item was taken out of order.

President Corneille introduced Appendix C for discussion on package page 4. He asked the Board for feedback. President Corneille noted that the District received the ACWA and CSDA Committee Appointments and there were some revisions that needed to be made to the appendix. Vice President McDonald requested that the ACWA Committees remain even though she was not reappointed because she would like to attend on an as needed basis if items/legislation pertinent to the District comes up. Discussion ensued regarding ACWA Appointments. It was the consensus of the Board to remove "f. ACWA Water Management Committee" and "d. ACWA State Legislative Committee" from the appendix since no member of the Board has been appointed to them. However, the Board edited #15 under Organization/Committee to say "Meeting (s) Requested by the General Manager and/or Board President" to allow for Board Members to be able to request attendance at a meeting not specifically listed if they deem it is of interest to the District and Board. Additional edits include revising "g. CSDA Fiscal Committee" with "g. CSDA Audit Committee"; Director Raley was appointed for 2016. Also remove #11 "Santa Ana Sucker Task Force" since ruling came in and add Director Longville as the alternate for #13 "Wash Plan Task Force".

**It was moved by President Corneille and seconded by Director Raley to approve Appendix C with the noted revisions. 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**

President Corneille reviewed current Standing Committee Appointments in Appendix B as follows:

- Finance & Administration: Vice President McDonald, Chair; Director Raley, Member ; and Director Longville, Alternate
- Operations: President Corneille, Chair; Director Aranda, Member; and Director Raley, Alternate
- Outreach & Communications: Director Aranda, Chair; John Longville, Member; and Vice President McDonald, Alternate

There were no revisions suggested by the Board therefore President Corneille re-appointed the same Board Members to the Standing Committees in Appendix B.

#### **4. CONSENT CALENDAR**

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

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

- Item 11: Outreach and QWEL Training are ongoing. Mr. Cozad will teach one of the sessions. Also, working with Cal State San Bernardino to potentially offer it as a class.
- Item 12: Community Garden Conservation Plan Revision; comments will be incorporated by the District and the Plan finalized. This item will likely transition over to the County for implementation, but the District will provide limited implementation support.
- Item 13: Updated Mining Agreement-CEMEX; There are remaining lands that are not covered under the existing agreement that the District and CEMEX intend for mining in the Wash Plan
- Item 14: Harmony Development; entitlement process is ongoing.

President Corneille requested that the target completion dates be included on the final version, but once the first update is prepared the estimate column can be added. Discussion ensued regarding minor formatting revisions to be made. Eliminate watch or caution on new version. The Board agreed with the importance of each priority (1-3) presented. A final version of the priorities will be provided to the Board at the February meeting.

**It was moved by Director Aranda and seconded by Longville to approve the 2016 District Board Priorities with suggested revisions to be incorporated. 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. WASH PLAN IMPLEMENTATION ORGANIZATION

Mr. Cozad presented a PowerPoint presentation on the Governance Roles and Options. He reviewed the proposed San Bernardino Valley Conservation Trust (SBVCT), a new nonprofit 501 (c) 3. SBVCT will include the following policy principles: 1) Conservation easement or restrictive covenants Holder, 2) Investment Management appropriate for Endowments 4+% plus inflation likely not subject to Gov. Code §53601, and 3) Wash Plan Manager and Land Owner. The SBVCT Board will consist of two members from SBVWCD and one public member. However, there is possibility for board expansion in the future. The District has met with CDFW, USFWS, Wash Plan participants, IERCD and legal counsel regarding bylaws and agreements. If authorized, the next step is for the District to file with the Secretary of State, Attorney General's Office, and IRS form 1023. Discussion ensued regarding 501 (c) 3 status and filing requirements. President Corneille recommended Director Raley and Director Longville as SBVCT Board Members and Paul Williams from IERCD.

**It was moved by Vice President McDonald and seconded by Director Aranda to authorize staff and District Counsel to file organization documents for the San Bernardino Valley Conservation Trust to initiate Wash Plan Implementation. 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**

D. SUSTAINABLE GROUNDWATER MANAGEMENT ACT (SGMA) PRESENTATION AND GSC FACILITATION AUTHORIZATION

Mr. Cozad presented a PowerPoint on this item. He gave an overview of the Sustainable Groundwater Management Act (SGMA) that was signed in 2014 including the legislation and major components. SGMA requires that a Groundwater Sustainability Agency (GSA) be formed. The GSA in our area will be the Groundwater Sustainability Council (GSC). The GSA must be formed no later than June 30, 2017 or the county or State Water Board can step in as the agency for non-adjudicated basins. An agency can elect to become a GSA. The GSA is required to have an advisory committee, perform annual reporting and has an exemption from CEQA for the development of the plan. Discussion ensued regarding legislation and requirements. The GSC being formed is intended to cover both adjudicated and non-adjudicated basins and have subcommittees by groundwater basin. The GSC is developed to ensure all stakeholders are represented in the management of the basin and pay their proportionate share of recharge costs. The new authorities for GSA were reviewed. Staff requested that the Board receive and file the overview and authorize the General Manager to solicit and award a contract for facilitation services for the development of the GSC.

**It was moved by Director Aranda and seconded by Director Raley to receive and file the Sustainable Groundwater Management Act and Groundwater Sustainability Agency overview and authorize the General Manager to solicit and award a contract for facilitation services in connection with development of the Groundwater Sustainability Council. 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**

E. BOARD MEMBER COMPENSATION REPORTING

Mr. Cosgrove introduced this item for discussion referencing memo #1391 located on package pages 46-48. He indicated that as recommended by the auditors as a result of the 2014-2015 audit report counsel reviewed the statute on IRS reporting for public officials. As a result the statute requires that the District withhold Federal income tax, social security and Medicare taxes and issue a Form W-2, Wage and Tax Statement to Board Members. Currently Board Members receive a 1099 from the District. Mr. Cosgrove recommended the District shift from using a 1099 to W-2 for Board Members commencing this calendar year. He indicated extensive research was performed on public agencies in our region and this is counsel's recommendation. Vice President McDonald spoke in opposition of making the change to W-2. She stated that

most public officials that receive W-2s also receive other benefits as well. Brief discussion ensued regarding IRS guidance. Mr. Cosgrove stated that if the District does not report accurately it may be liable for paying both employee and employer share of tax contributions including penalties and interests.

**It was moved by Director Longville and seconded by Director Aranda to change the District's Board Member Compensation from 1099 to W-2 as required by the IRS statute as recommended by District Counsel. The motion carried 4-1 with President Corneille, Director Longville, Director Aranda and Director Raley voting in the affirmative and Vice President McDonald in opposition.**

**President Corneille: Yes  
Vice President McDonald: No  
Director Longville: Yes  
Director Raley: Yes  
Director Aranda: Yes**

## 6. INFORMATION ITEMS

### A. BOARD COMMITTEE REPORTS-WITHOUT ACTION

There were none discussed.

### B. WASH PLAN REPORT

Mr. Beehler introduced this item for discussion. The written Wash Plan Report is included in the Board package on page 49 along with the Wash Plan financial spreadsheet. Staff received comments back from FWS and the Solicitor's office and there are nine issues that need to be fixed. He indicated that some of these items include avoidance and minimization and FCD issues and COI requirements. Also, the Woolly Star Preserve Area (WSPA) has a separate HCP within our HCP area and there are District facilities within the HCP boundaries that need to be brought into compliance. This item was received and filed.

### C. GENERAL MANAGER'S REPORT

Mr. Cozad indicated that the written General Manager's Report is included in the Board Package on pages 52. Staff closed out Munoz Access Permit and the site is cleaned-up. Staff and President Corneille provided comments on Mill Creek intake redesign and coordinated them with the consultant. The District has identified that the site where the paint was dumped is being used by the Buoye's for beekeeping; staff is working with them for Access Permit issuance and new gates. This item was received and filed.

### D. MONTHLY RECHARGE REPORT

Total recharge through December is 530 AF for this water year.

### E. FUTURE AGENDA ITEMS & STAFF TASKS

President Corneille and Director Longville noted that they will be absent from the March 9<sup>th</sup> Board of Directors meeting. Director Raley requested that he be notified of the next GSC meeting.

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

Director Longville attended the ASBCSD Dinner meeting on December 14<sup>th</sup>.

Vice President McDonald attended the SBVMWD Board of Directors Meeting on December 15<sup>th</sup> and January 5<sup>th</sup> and SBVMWD Workshop on January 12<sup>th</sup>. She also attended the ASBCSD Dinner meeting. Additional written reports are included in Board Package.

Director Aranda stated all written reports are included in Board Package.

Director Raley attended Redlands Rise N Shine and presented at Yucaipa Kiwanis Club this morning.

President Corneille attended the Advisory Commission on Water Policy held on December 11<sup>th</sup>. He provided a letter handout on the recommendations from the Advisory Commission to the SVMWD Board.. President Corneille attended a MACA meeting and noted that just before Christmas the District received MACA comments on the Community Garden. Director Longville and President Corneille were interviewed by Brad Pomerance of the California cable channel Charter Local Edition on the District activities. Additional written reports are included in Board Package.

8. UPCOMING MEETINGS

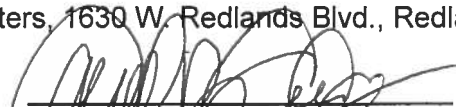
President Corneille noted that the next Advisory Commission on Water Policy will be held on March 16<sup>th</sup> at Valley District, 6:30 p.m.

9. ADJOURN MEETING

**It was moved by Director Aranda and seconded by Vice President McDonald 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 3:46 p.m. the meeting adjourned to the next regular Board Meeting scheduled for February 10, 2016 at 1:30 p.m. at District Headquarters, 1630 W. Redlands Blvd., Redlands, CA.

  
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Daniel B. Cozad  
General Manager