

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT  
BOARD OF DIRECTORS MEETING

MINUTES OF February 13, 2019  
1:30 p.m.

President Corneille called the meeting of the Board of Directors to order at 1:36 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  
John Longville, Director (Arrival 1:41 p.m.)  
Robert Stewart, Director

BOARD MEMBERS ABSENT:

None

GENERAL COUNSEL PRESENT:

David Cosgrove, Rutan & Tucker, LLP

STAFF PRESENT:

Daniel Cozad, General Manager  
Jeff Beehler, Land Resources Manager  
Athena Monge, Administrative Services Specialist  
Katelyn Scholte, Assistant Engineer

GUESTS PRESENT:

Michelle Diamond, Tetra Tech  
T. Milford Harrison, San Bernardino Valley Municipal Water District  
David E. Smith, East Valley Water District

1. PUBLIC PARTICIPATION

President Corneille announced that any persons present, who so desired, may make an oral presentation to the Board of Directors. Hearing none, the meeting continued with the published Agenda items.

2. ADDITIONS/DELETIONS TO AGENDA

There were no additions or deletions to the posted agenda.

3. DISTRICT STANDING COMMITTEE APPOINTMENTS

This item was taken out of order to allow all members to participate.

President Corneille introduced this item for discussion. He said that Director Longville had expressed an interest in being a member of the Finance & Administration and Outreach &

Communications committees. Vice President McDonald had expressed interest in being on the Operations Committee. President Corneille proposed that Director Raley remain and consider becoming chair on the Finance & Administration Committee with Director Longville being a committee member and Director Stewart an alternate committee member. He also proposed that he would continue to serve on the Operations Committee and would be willing to continue as chair, with Vice President McDonald as a committee member and Director Stewart as the alternate committee member. President Corneille proposed that for the Outreach & Communications Committee Director Longville will remain on the committee and be chair with Director Stewart as a committee member and Vice President McDonald as the alternate committee member.

**It was moved by Director Longville and seconded by Vice President McDonald to approve the appointments proposed by President Corneille. 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 Stewart: Yes**

The Board reviewed President's Corneille's suggested assignments to the organizations and committees in Appendix C of the Board Policy Manual beginning on Board meeting package page 6. Director Raley was assigned as alternate representative for the Association of California Water Agencies/JPIA. Vice President McDonald was assigned as the primary representative for the Association of San Bernardino County Special Districts and Director Stewart was assigned as the alternate representative. President Corneille recommended that Director Stewart be appointed as primary representative for the Basin Technical Advisory Committee (BTAC); Vice President McDonald spoke in opposition stating that she would like to remain primary. Director Raley proposed that for the BTAC, both Vice President McDonald and Director Stewart be permitted to attend as a District Requested meeting allowing for two members to be present. President Corneille asked for the Finance & Administration Committee to review this change to existing Board Policy and provide a recommendation to the Board. Vice President McDonald will remain as primary for the Basin Technical Advisory Committee with Director Stewart assigned as alternate representative. President Corneille will remain the primary representative to the Valley District Advisory Commission on Water Policy and Director Raley as alternate. Vice President McDonald will remain the primary representative for the Valley Municipal Board meetings and Director Raley will be the alternate representative. The San Bernardino Valley Conservation Trust will remain with Director Raley and Director Longville as members. The Wash Plan Task Force will have Director Raley as primary representative and Director Longville as alternative. Director Raley will remain the primary representative for the Big Bear Watermaster Committee with Director Stewart appointed as alternate representative. President Corneille was appointed as the primary representative for the Partnership Agreement Policy Committee with Vice President McDonald appointed as the alternate. President Corneille requested that ACWA Local Government Committee, CSDA Professional Development Committee and Countywide Oversight Board be removed from Appendix C since there is no Board member currently appointed to those committees. President noted that the Trails Ad Hoc Committee will consist of Director Raley and Director Stewart.

It was moved by Director Longville and seconded by Director Raley to approve the appointments proposed by President Corneille. 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 Stewart: Yes

4. CONSENT CALENDAR

It was moved by Vice President McDonald and seconded by President Corneille to approve Item A: Board Meeting Minutes, January 9, 2019, Item B: Expenditure Report, January 2019 and Item C: Groundwater Assessment Report for July 1, 2018-December 31, 2018. The motion carried 3-0 with all Directors present voting in the affirmative.

President Corneille: Yes  
Vice President McDonald: Yes  
Director Longville: Yes  
Director Raley: Yes  
Director Stewart: Yes

5. COMMITTEE REPORTS/ACTION ITEMS

A. OPERATIONS COMMITTEE VERBAL UPDATE

President Corneille reported on the January 17 Operations Committee Meeting. Manuel Colunga, Field Supervisor provided a field operations update. President Corneille said that the Mendoza Property fencing types and costs were discussed. Staff is looking into seeing if placing boulders along the property would be more practical and cost-effective as a barrier. Field staff and CalFire completed clearing for a firebreak on the Mendoza Property. The Operations Committee provided feedback on the Plunge Creek procurement documents. Mr. Beehler said that the documents will not be finalized until staff receives the 2181 Permit so that they are revised only once. He said that Woolly Star seeding will also be done after the 2181 Permit is received. President Corneille stated that field staff is spreading sand from the pits along the roads to create more potential habitat for San Bernardino Kangaroo Rats. The Committee reviewed the Capital Improvements Project listing and made suggestions; it will be brought back to full Board during the budget workshop. This item was received and filed.

B. INSTALLATION OF MILL CREEK NORTH CANAL MEASUREMENT DEVICE

Ms. Scholte presented a PowerPoint presentation on this item. Senate Bill 88 requires that measurements be taken every hour if we divert more than 10-acre-feet per year. The water through the North Canal cannot currently be measured in compliance with this requirement. Diversion measurements are currently estimated by field staff. The Board approved the project and the gate was ordered and has arrived. Ms. Scholte said that the District needs a concrete structure built to hold the gate and related equipment. Staff received two proposals for the concrete construction channel: Larry Jacinto, \$58,670; and Carri Construction, \$120,510. Staff estimates the total cost of the project to be \$108,000. Ms. Scholte noted that the installation of

the measurement device would be done in-house by staff. Mr. Cozad briefly reviewed the purpose behind the regulation and answered questions.

**It was moved by Vice President McDonald and seconded by Director Longville to authorize staff to enter into a contract with Larry Jacinto Construction, Inc. for an amount not to exceed \$60,000 to construct the concrete spreading channel and to install the dual leaf slide gate. 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 Stewart: Yes**

**C. 2<sup>ND</sup> QUARTER ANNUAL UNAUDITED FINANCIALS FOR 2018-2019**

Vice President McDonald introduced this item for discussion. The Finance & Administration Committee met on January 23 and reviewed the 2<sup>nd</sup> Quarter Annual Unaudited Financials for 2018-2019 as presented on package pages 37 to 38. It was noted that the election invoice had not been received yet; costs were reduced because only one election was held. This item was received and filed.

**D. UNAUDITED FINANCIAL REPORTS, JANUARY 2019**

Mr. Cozad noted this item inclusion in the Board package beginning on package page 41.

**It was moved by Director Raley and seconded by Director Longville to approve the Unaudited Financial Reports for January 2019. 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 Stewart: Yes**

**E. DRAFT ENGINEERING INVESTIGATION REPORT FOR 2019**

Ms. Scholte presented a PowerPoint presentation on the draft Engineering Investigation Report. She said that the well depth data was received promptly from the water agencies. The annual change in storage decreased to -46,268 acre-feet (AF). The accumulated change in storage in the Bunker Hill Basin decreased to -569,198 AF from 1993. Ms. Scholte then reviewed the water elevation maps from 2017 and 2018. The groundwater production from the Bunker Hill Basin is 161,708 AF for 2017-2018. The estimated annual change in storage for the current year is a decrease of -77,468 AF. The average change in storage is a decrease of -5,921 AF. The ensuing water year production within the District boundaries is estimated at 11,065 AF for historically agricultural and 95,056 AF for non-agricultural. The estimated surface diversion from the basin is 76,743 AF and from the District is 53,963 AF for 2018-2019. The estimated replenishment required for constant storage is an estimated 136,493 AF for the basin and

112,042 AF for the District. The replenishment required to reach the 1993 full level is 783,159 AF for the ensuing water year. Mr. Cozad indicated that staff would offer to present the data to the Basin Technical Advisory Committee, which meets every other month. The Board thanked Ms. Scholte for her hard work in preparing and presenting the Draft Engineering Investigation Report for 2019.

**It was moved by Vice President McDonald and seconded by Director Stewart for the Board to receive and file the Draft Engineering Investigation Report for 2019. 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 Stewart: Yes**

**F. BUDGET PLANNING FOR GROUNDWATER ENTERPRISE FOR 2019-2020,  
PROPOSED GROUNDWATER COUNCIL O&M FEE AND ADVERTISED  
GROUNDWATER CHARGE**

Mr. Cozad introduced this item for discussion and gave a brief overview of the groundwater budgeting process. He noted the inclusion of this item in the package on pages 49 to 57. Last year, the Board approved a three-year phase-in for agricultural producers, and the District has implemented the first year of the phase-in. Mr. Cozad presented a PowerPoint presentation showing the Groundwater Council and groundwater charge staff proposed the Board consider. Staff is recommending a 5% increase in the groundwater rate for 2019-2020. The presented revenue is slightly different from that in the Board package due to the Groundwater Council's request after its Monday meeting. The contribution to capital projects will be smaller if the District decides not to increase the groundwater rate as proposed by staff. There are a number of capital projects on the Board's priorities from 2019-2020; therefore, the District would need to take more funding from groundwater reserves if it did not increase its rates. Director Longville spoke in support of staff's recommendation. President Corneille spoke in support of advertising a groundwater rate increase of 5% but suggested that a budget workshop be held prior to the public hearing to review assumptions and to allow the Board to determine the necessary increase. Director Stewart asked for a historical overview of the groundwater budget and reserve levels for reference; potentially showing the five-year rolling average. The budget workshop was set for April 17. The Finance & Administration Committee will meet prior to the budget workshop to review the groundwater budget plan and third quarter financials.

**It was moved by Director Longville and seconded by Director Raley to advertise a 5% groundwater rate increase in the overall groundwater charge transition to a unitary charge for all production with the consideration for phasing the Groundwater Charge for Agricultural Production Groundwater Charge over two or more years and to hold a budget workshop to review and approve a budget plan. 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 Stewart: Yes**

**G. INVESTMENT MANAGEMENT SERVICES**

Mr. Cozad introduced this item for discussion. Staff requested that PFM Asset Management, who prepared the District's Investment Policy, assist the District with a Management Plan for the short-term investment of the proceeds from the Partnership Agreement for Active Recharge.

**It was moved by Vice President McDonald and seconded by President Corneille to authorize the General Manager to extend the existing agreement with PFM Asset Management to provide assistance and recommendations on investments for Capital Improvement Projects up to the level of his authority, notifying the Board if costs exceed this level. 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 Stewart: Yes**

**H. ASSOCIATION OF SAN BERNARDINO COUNTY SPECIAL DISTRICTS BOARD  
NOMINATION OF MELODY MCDONALD**

**It was moved by President Corneille and seconded by Director Longville to nominate Vice President McDonald for the Board of the Association of San Bernardino County Special Districts. 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 Stewart: Yes**

**6. INFORMATION ITEMS**

**A. WASH PLAN VERBAL UPDATE**

Mr. Beehler provided a verbal update on the Wash Plan. No action was accomplished by federal agencies during the government shutdown. This item was received and filed.

**B. GENERAL MANAGER'S REPORT AND MONTHLY RECHARGE REPORT**

Mr. Cozad indicated that the written General Manager's Report was included in the Board package on pages 62 to 66. The Monthly Recharge Report was included on page 67. Mr. Cozad stated that there was a car accident that occurred in Mill Creek; no fuel was identified to

have been spilled. Senate Bill 47 is expected to go the House for approval next week. This item was received and filed.

### C. FUTURE AGENDA ITEMS AND STAFF TASKS

There were none discussed.

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

President Corneille chaired the Advisory Commission on Water Policy on January 10 and Operations Committee meeting on January 17. He made a presentation on January 22 to the Valley Municipal Board on the Advisory Commission recommendations. President Corneille attended the Redlands Chamber Installation Dinner on January 23, Highland Area Chamber of Commerce (HACC) Installation Dinner on January 24 and Association of San Bernardino County Special District (ASBCSD) on January 28. He also had a meeting with the General Manager on January 31 for agenda planning, Redlands Rise N Shine on February 1 and met with the Mentone Area Community Association on February 4. He also attended the Special Board meeting on February 6.

Vice President McDonald attended the San Bernardino State of the County on February 12, James Ramos Swearing-In Ceremony on February 9, and the Special Board meeting on February 6. She attended the Valley Municipal Board meeting on February 5, Basin Technical Advisory Committee on February 4, California Special Districts Association Membership Committee on February 1, and San Bernardino Area Chamber Koffee Klatch on January 30. Vice President McDonald attended the HACC Installation Dinner on January 24, HACC Monthly Luncheon on January 22 and the Finance & Administration Committee on January 23.

Director Raley attended the Advisory Commission on Water Policy on January 10 and the Operations Committee meeting on January 17. He attended the Finance & Administration Committee on January 23, Big Bear Watermaster Committee on January 31 and Valley Municipal Joint Board meeting on January 30. Director Raley attended the Valley Municipal Board Meeting on January 22, Redlands Rise N Shine on February 1, and Special Board Meeting on February 6. He attended the Legislative & Policy Committee on February 6, Valley Municipal Board meeting on January 8, and SB State of the County on February 12. Director Raley attended the Redlands Chamber Installation dinner on January 23.

Director Longville attended the Martin Luther King Day at Cal State San Bernardino on January 31, and Valley Municipal Board meetings on January 22 and February 5. He attended the Special Board meeting on February 6, James Ramos Swearing-In Ceremony on February 9, and San Bernardino State of the County address on February 12.

Director Stewart attended today's Board meeting.

#### 8. UPCOMING MEETINGS

President Corneille noted that Form 700's are due to the District Office by March 22.

#### 9. CLOSED SESSION

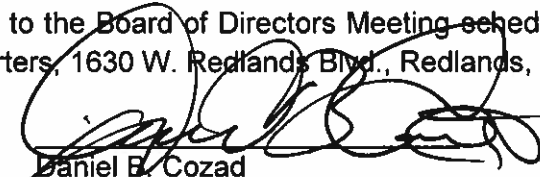
There was none held.

10. ADJOURN MEETING

It was moved by Director Longville 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 Stewart: Yes**

At 4:06 p.m., the meeting was adjourned to the Board of Directors Meeting scheduled for 1:30 p.m. March 13, 2019, at District Headquarters, 1630 W. Redlands Blvd., Redlands, Calif.



Daniel B. Cozad  
General Manager