



**San Bernardino Valley  
Water Conservation District**  
Helping Nature Store Our Water

**BOARD OF DIRECTORS MEETING AGENDA**  
**Wednesday, January 9, 2019 – 1:30 p.m.**

**Location--1630 West Redlands Boulevard, Suite A, Redlands, California**

Note: Copies of staff reports and other documents relating to the items on this agenda are on file at the District office and are available for public review during normal District business hours. New information relating to agenda topics listed, received, or generated by the District after the posting of this agenda, but before the meeting, will be made available upon request at the District office and in the Agenda Package on the Districts website. It is the intention of the San Bernardino Valley Water Conservation District to comply with the Americans with Disabilities Act (ADA) in all respects. If you need special assistance with respect to the agenda or other written materials forwarded to the members of the Board for consideration at the public meeting, or if as an attendee or a participant at this meeting you will need special assistance, the District will attempt to accommodate you in every reasonable manner. Please contact Athena Monge at (909) 793-2503 at least 48 hours prior to the meeting to inform her of your particular needs and to determine if accommodation is feasible. Please advise us at that time if you will need accommodations to attend or participate in meetings on a regular basis.

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**CALL TO ORDER**  
**PLEDGE OF ALLEGIANCE**  
**ROLL CALL**

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**1. PUBLIC PARTICIPATION**

*Members of the public may address the Board of Directors on any item that is within the jurisdiction of the Board; however, no action may be taken on any item not appearing on the agenda unless the action is otherwise authorized by Subdivision (b) Section 54954.2 of the Government Code.*

**2. ADDITIONS/DELETIONS TO AGENDA**

*Section 54954.2 provides that a legislative body may take action on items of business not appearing on the posted agenda under the following conditions: (1) an emergency situation exists, as defined in Section 54956.5; (2) a need to take immediate action and the need for action came to the attention of the District subsequent to the agenda being posted; and (3) the item was posted for a prior meeting occurring not more than five calendar days prior to the date action is taken on the item, and at the prior meeting the item was continued to the meeting at which action is being taken.*

**3. DISTRICT STANDING COMMITTEE APPOINTMENTS**

**A. Board President Appointments**

- Appendix B-Standing Committees .....4
- Appendix C-Roster of Organizations and Committees with Assigned Representatives (To be assigned after Division 3 Board Member Appointment).....5

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**BOARD OF DIRECTORS**

Division 1:  
Richard Corneille  
Division 2:  
David E. Raley

Division 3:  
Vacant

Division 4:  
John Longville

Division 5:  
Melody McDonald

**GENERAL MANAGER**

Daniel B. Cozad

- 4. **CONSENT CALENDAR**
  - A. Approval of Board Minutes, December 12, 2018 .....8
  - B. Approval of Expenditure Report, December 2018.....14

5. **COMMITTEE REPORTS /ACTION ITEMS**

**Action Items**

- A. UNAUDITED FINANCIAL REPORTS, DECEMBER 2018 - 5 minutes (M#1617) .....23

*Presenter: Daniel Cozad*

*Recommendation:* Review and approve the unaudited financials for December 2018.

- B. STATEMENT OF INVESTMENT POLICY 2019 – 5 minutes (M#1618) .....29

*Presenter: Daniel Cozad*

*Recommendation:* Staff recommends no changes to the Statement of Investment Policy and recommends the Board consider approval of the existing policy for calendar year 2019.

- C. DISTRICT BOARD PRIORITIES FOR 2019 – 20 minutes (M#1619).....41

*Presenter: Daniel Cozad*

*Recommendation:* Review, provide new or revised priorities, feedback and ranking or consider approval of the 2019 District Board Priorities.

6. **INFORMATION ITEMS:**

- A. Wash Plan Verbal Update – 5 Minutes
- B. Update on Division 3 Appointment.....46
- C. General Manager’s Report and Monthly Recharge Report – 10 Minutes .....47
- D. Future Agenda Items & Staff Tasks

7. **MONTHLY BOARD MEMBER MEETING REPORTS, AND/OR BOARD MEMBER COMMENTS**

- A. Board Member Meeting Reports – 15 minutes

8. **UPCOMING MEETINGS:**

- A. January 10, 2019                      Advisory Commission on Water Policy, 6:30 p.m. at Valley Municipal
- B. January 15, 2019                      San Bernardino Valley Municipal Water District Board Meeting, 2:30 p.m. at Valley Municipal
- C. January 22, 2019                      Big Bear Watermaster Committee, 2:00 p.m. at Conservation District
- D. January 23, 2019                      Finance & Administration Committee, 1:30 p.m. at Conservation District
- E. February 12, 2019                      State of the County, 4:00 p.m. at Citizens Business Bank Arena
- F. March 29, 2019                        Santa Ana River Watershed Conference, at Cal State Fullerton

9. **CLOSED SESSION**

1. The Board will meet in Closed Session under authority of Government Code §54956.9 (a), in order to discuss existing litigation, Endangered Habitats League et al. vs. U.S. Army Corps of Engineers, Central District Court Case no. Case No.: 2:16-cv-09178-MWF-E.

2. The Board may convene in Closed Session for Conference to discuss Real Property Negotiations pursuant to Government Code §54956.8; Owner: SP Deerfield LLC for property located on Greenspot Road in Highland, Negotiator: Daniel Cozad and Owner: 7W Enterprises for property located at 1500 Crafton Ave in Redlands, APN 0168237109, 016837106 and 016838103 Negotiator: Daniel Cozad. Owner: SBVMWD for land located within Section 12 of San Bernardino Baseline, Highland, APN 01681106, 029705102, 029701107, 029707113, 029707108, 029707103, 029707116, 029707110, 029705106, 029707102, 029705105, and 029705101 Negotiator: Daniel Cozad.

3. The Board will meet in closed session under authority of Government Code §54956.8 regarding the potential renewal of lease of various properties located within section 11 and 12 more specifically described in “Mineral Lease for Extraction of Sand and Gravel Materials” dated November 1, 2011. The discussion will concern the price and terms of a potential renewal of the lease. The District’s negotiators are Daniel Cozad and David Cosgrove. The party with whom the District will negotiate is Cemex Materials Pacific, LLC, and its negotiators are Sean Palmer and Christine Jones.

4. The Board will meet in closed session under authority of Government Code §54956.8 regarding the potential to initiate litigation related to illegal grading and trespass on APN No. 0302-131-14.

10. **ADJOURN MEETING.** The next regularly scheduled Board of Directors Meeting will be on February 13, 2019 at 1:30 p.m., at District Headquarters, 1630 W. Redlands Blvd., Redlands, CA.

## APPENDIX "B"

### BOARD COMMITTEES

#### STANDING COMMITTEES

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##### **FINANCE/ADMINISTRATION**

**Chair** – Melody McDonald  
**Member** - David E. Raley  
**Alternate:** John Longville

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##### **OPERATIONS (formerly Resources)**

**Chair** – Richard Corneille  
**Member** – TBD  
**Alternate** – David E. Raley

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##### **OUTREACH AND COMMUNICATIONS**

**Chair** – John Longville  
**Member** – TBD  
**Alternate** – Melody McDonald

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#### COMMITTEE CHARTER

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The Finance and Administration Committee may review or be referred items by the Board or General Manager in the areas of Finance, Budget, Investments and Reporting, Staffing and Human Resources, Benefits, Board and Employee Administrative Policies and Procedures, and other issues designated by the Board.

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The Operations Committee may review or be referred items by the Board or General Manager in the areas of Water Management, Land and Habitat Resource Planning, Groundwater Recharge Monitoring and Reporting, Engineering Investigation, Groundwater Charge Rates, Facilities Operation, Maintenance and Development, Regulatory Compliance, Mineral Lease Oversight or other issues designated by the Board.

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The Outreach and Communications Committee may review or be referred items by the Board or General Manager in the areas of Public Information, Outreach Programs, Conservation and Landscape Education, District Legislative Monitoring, Intergovernmental Press and Media Coordination or other issues designated by the Board.

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#### AD HOC COMMITTEES

Ad Hoc Committees are informal, temporarily formed advisory committees to investigate or address situation specific occurrences, and are created by appointment of the President of the Board of Directors. For example, an Ad Hoc Audit committee is formed in the spring each year to oversee the District's Annual Audit.

# APPENDIX "C"

## Roster of Organizations and Committees with Assigned Representatives

### District Requested Meetings

District Requested Meetings are organizations that the Board has determined as essential for participation. The Board designates a primary and alternate; the alternate only attends if the primary indicates they are unavailable to attend. Included are all District Board meetings and Standing and Ad Hoc committees the member is appointed to, and those meetings or events a member is required to attend as a part of his or her role as a member of any other committee, board, or organization to which the member was appointed by the entire Board, or whose appointment was solicited or approved by the entire Board. If service on a committee requires travel or other costs such costs must be disclosed prior to appointment. Attendance by another Board member, other than the primary or alternate designee, may only be eligible for per diem compensation as a Director Selected meeting. Travel costs include conference registration, airfare car rental, hotel or similar reimbursable costs. Meeting Expenses include local mileage, meals, and parking. A cost estimate (Travel and Per Diem) must be presented to the Board in advance at its regularly scheduled Board meeting for approval for meetings listed as "Set by Board Action". Once "Set by Board Action" meetings are approved by the Board they may be claimed as District Requested meetings. Any District Requested or Director Selected meetings beyond ten per month are eligible for reimbursement of Expenses only. California Government Code § 53232.3 requires Board members to report on each compensated meeting outside of meetings District Board or Committee meetings at the next regular Board Meeting as designated in the Agenda. The reports may be made verbally or provided in writing at the discretion of the director.

<u>Organization/Committee</u>	<u>Primary/Alternate</u>
1. Association of California Water Agencies/JPIA	McDonald/TBD
2. Association of California Water Agencies (Spring/Fall Conferences)	Set by Board Action
3. California Special Districts Association Annual Conference **	Set by Board Action
4. Association of San Bernardino County Special Districts	McDonald/TBD
5. Special Presentations [only one per month per director]	All Board Limited
6. ACWA Region 9 Meetings	All Board Limited

7. Basin Technical Advisory Committee	McDonald/Harrison
8. SBVMWD Advisory Commission on Water Policy	Corneille/Raley
9. SBVMWD Board Meetings	McDonald/Harrison
10. Wash Plan Task Force	Raley/Longville
11. Big Bear Watermaster Committee (Court Appointed Attendee-Cozad)	Raley/Corneille
12. San Bernardino Valley Conservation Trust	Raley & Longville
13. Partnership Agreement Policy Committee	TBD*
14. Meeting(s) Requested by the General Manager and/or Board President	All Board Limited
15. Any District Required/Mandated Training	All Board Limited

**Organization/Committee's selected by Outside Organization subject to Board Approval**

**Other Activities:**

**Organization/Committee**

**Primary/Alternate**

a. Sacramento Legislative Forums	Set by Board Action
b. Washington DC Legislative Forum	Set by Board Action
c. ACWA Groundwater Committee	Corneille/McDonald*
d. ACWA State Legislative Committee	McDonald/No Alternate**
e. ACWA Local Government Committee	TBD/No Alternate**
f. CSDA Audit Committee	Raley/No Alternate**
g. CSDA Fiscal Committee	Raley/No Alternate**
h. CSDA Member Services Committee	McDonald/No Alternate**
i. CSDA Professional Development Committee	TBD/No Alternate**
j. Countywide Oversight Board (Alternate)	TBD/No Alternate**
k. Local Government Commission	Longville/No Alternate

\*Only one member should attend meeting on behalf of the District

\*\* If appointed and while appointed.

### **Director Selected Meetings - Maximum of 3**

The Director Selected meetings are pre-approved; discretionary meetings that each Director may attend, in a number not to exceed three (3) per month, and are eligible for meeting per diem compensation and eligible Expense (local mileage, meals, and parking) reimbursement. Directors may attend more than three (3) Director Selected meetings in a single month; such attendance will be eligible only for reimbursement of Expenses, and ineligible for meeting per diem reimbursement. Reimbursement for Travel expenses (conference registration, airfare car rental, hotel or etc.) for any Director Selected meeting shall be paid only upon prior approval of the Board. A cost estimate must be presented to the Board in advance at a regularly scheduled Board meeting for approval. Expenses are subject to limitations provided for in the Board Policy Handbook Section 4025.1 for all Director Selected meeting.

### **Organization**

- |                                       |                   |
|---------------------------------------|-------------------|
| A. Redlands Chamber of Commerce       | Director Selected |
| B. Highland Area Chamber of Commerce  | Director Selected |
| C. Loma Linda Chamber of Commerce     | Director Selected |
| D. Mentone Chamber of Commerce        | Director Selected |
| E. San Bernardino Chamber of Commerce | Director Selected |
| F. Various Water Related Meetings     | Director Selected |

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT  
BOARD OF DIRECTORS MEETING

MINUTES OF December 12, 2018  
9:30 a.m.

President Corneille called the meeting of the Board of Directors to order at 9:34 a.m. All present stood for the Pledge of Allegiance, led by President Corneille.

ROLL CALL:

BOARD MEMBERS PRESENT:

Richard Corneille, President  
David E. Raley, Director  
John Longville, Director (Arrival 9:42 a.m.)  
Melody McDonald, Vice President

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

GUESTS PRESENT:

Crystal Castellanos, Tetra Tech  
T. Milford Harrison, San Bernardino Valley Municipal 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 published agenda items.

2. ADDITIONS/DELETIONS TO AGENDA

There were no additions or deletions to the posted agenda.

3. OATH OF OFFICE

This item was taken out of order.

Mr. Cozad administered the Oath of Office to Director Longville, Director Raley, and Vice President McDonald.

#### 4. ELECTION OF BOARD OFFICERS

The following two items was taken out of order.

President Corneille opened up nominations for President for a two-year term through December 2020. He stated that he believes that the Board should rotate officers, but indicated he is willing to serve another term.

**It was moved by Vice President McDonald to nominate President Corneille for President. There being no other nominations the President closed the nominations and called for voting on the office of President. The motion carried 4-0 with all Directors present voting in the affirmative.**

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

President Corneille opened nominations for Vice President for a two-year term through December 2020.

**It was moved by President Corneille to nominate Vice President McDonald for Vice President. There being no other nominations the President closed the nominations and called for voting on the office of Vice President. The motion carried 4-0 with all Directors present voting in the affirmative.**

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

#### 5. CONSENT CALENDAR

**It was moved by Vice President McDonald and seconded by President Corneille to approve Item A: Board Meeting Minutes, November 14, 2018, and Item B: Expenditure Report, November 2018. The motion carried 3-0 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  
Director Raley: Yes**

6. COMMITTEE REPORTS/ACTION ITEMS

A. 1<sup>ST</sup> QUARTER FINANCIALS FOR 2018-2019

Vice President McDonald introduced this item for discussion and noted that the Finance & Administration Committee met on November 19 to review this item. The Committee recommends approval of the financials as presented in the package on pages 20 and 21. Mr. Cozad noted that the Quarterly Investment Report is also included on package pages 22 and 23. He said that the CD ladders are fully funded and operating as planned. A brief discussion ensued about groundwater revenue and related issues.

**It was moved by Vice President McDonald and seconded by Director Raley to approve the 1<sup>st</sup> Quarter Unaudited Financials for the Fiscal Year 2018-2019. The motion carried 4-0 with all Directors present voting in the affirmative.**

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

B. 2019 PER DIEM RATE

Vice President McDonald noted that the Committee reviewed this item as well and it recommends that the Board of Directors approve an increase of up to 4% (\$9.00) to \$225 for the Calendar Year 2019.

**It was moved by Vice President McDonald and seconded by Director Raley to approve a per diem increase informed by the most recent CPI-U of approximately 4% implemented as an increase of \$9.00 as a total of \$225.00 for the Calendar Year 2019. The motion carried 4-0 with all Directors present voting in the affirmative.**

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

C. UNAUDITED FINANCIAL REPORTS, NOVEMBER 2018

**It was moved by Director Raley and seconded by Director Longville to approve the Unaudited Financial Reports for November 2018. The motion carried 4-0 with all Directors present voting in the affirmative.**

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

D. APPENDIX C CHANGES FOR CSDA COMMITTEE APPOINTMENT

**It was moved by President Corneille and seconded by Director Longville to approve the revisions to Appendix C adding Vice President McDonald to the CSDA Member Services Committee. The motion carried 4-0 with all Directors present voting in the affirmative.**

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

7. INFORMATION ITEMS

A. WASH PLAN VERBAL UPDATE

Mr. Beehler provided a verbal update on the Wash Plan. The environmental documents are scheduled to be in the Federal Register on February 22, 2019. Staff is working with BLM to address issues with the BLM related to the land transfer. Mr. Cosgrove spoke with staff and addressed their concerns. Mr. Beehler said that the solicitor at California Department of Fish & Wildlife Service has been a great advocate for the Wash Plan in Washington, D.C. Vice President McDonald thanked staff members for their efforts in pushing the project forward. 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 34 to 37. The Monthly Recharge Report was included on page 38. Mr. Cozad stated that the preliminary procurement/bid documents for Plunge Creek have arrived, and he recommended scheduling an Operations Committee to review them. There are also many committee related field operations topics which staff would like to review with the Committee. President Corneille asked about Plunge Creek permitting. Mr. Beehler said that the District has obtained one permit, but needs two more. He said that a USFWS Section 7 consultation was initiated by USACOE last month. Mr. Cozad said that there were minor changes made to the partnership agreement with Valley Municipal. Discussion ensued regarding the agreement. The Board concurred with the revisions as related in staff's description. Staff provided a handout of the District's first Annual Accomplishments Report. President Corneille recommended incorporating some of the information in the Annual Report into the standard District PowerPoint presentation. The schedule and issues with the vacancy for Division 3 were discussed. President Corneille asked that the Board tentatively hold the January 30, 2019 date in case the date is needed to review candidates and select interviewees. This item was received and filed.

## C. FUTURE AGENDA ITEMS AND STAFF TASKS

Director Longville expressed his interest in being considered for the Finance & Administration Committee. Director Raley requested an Ad Hoc Trails Committee meeting. President Corneille suggested waiting until the new Board member is seated. Director Raley asked for staff to look into exploring the use of solar power, based on work done by Valley Municipal. Staff performed a solar feasibility study in 2014, determining that the most beneficial place to have solar is at the District Office, but the building will need a new roof first. Mr. Cozad said that the District would likely have to re-roof Redlands Plaza next year. President Corneille noted that there would be a Santa Ana Watershed Conference held on March 29 at Cal State Fullerton.

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

President Corneille attended the Association of California Water Agencies (ACWA) Groundwater Committee, ACWA Water Management Committee, ACWA Water Quality Committee meetings and ACWA Financial Management Committee at the ACWA Conference held at the conference from November 26 to November 29 in San Diego. He met with the General Manager of Valley Municipal on December 3 to plan Advisory Commission meeting. President Corneille attended the Redlands Rise N Shine of December 7 and The Sierra Club as a private citizen on December 4.

Director Longville attended the Valley Municipal Board meeting on November 20 and December 11 and the ACWA Fall Conference on November 27 to November 29.

Director Raley attended the Valley Municipal Board meetings on November 20, December 4 and December 11. He attended the Redlands Rise N Shine on December 7.

Vice President McDonald attended the December 11, December 4 and November 20 Valley Municipal Board meetings. She attended BTAC on December 3 and the Association of San Bernardino County Special Districts on December 10. Vice President McDonald attended the ACWA Fall Conference and ACWA Joint Powers Insurance Authorities meetings from November 26 to November 30. She attended the Groundwater Committee, Attorney's Panel, and Region 9 meetings at the conference as well.

### 9. UPCOMING MEETINGS

President Corneille will chair the Advisory Commission on Water Policy on January 10, 2019.

### 10. CLOSED SESSION

**It was moved by Vice President McDonald and seconded by Director Longville to adjourn to Closed Session. The motion carried 4-0 with all Directors present voting in the affirmative.**

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

**Director Raley: Yes**

General Counsel announced that the meeting would adjourn to closed session under the posted agenda items.

At 11:43 a.m., the meeting reconvened into Open Session. Mr. Cosgrove noted that there was no reportable action.

11. ADJOURN MEETING

**It was moved by President Corneille and seconded by Director Raley to adjourn. The motion carried 4-0 with all Directors present voting in the affirmative.**

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

At 11:44 a.m., the meeting was adjourned to the Board of Directors Meeting scheduled for 1:30 p.m. January 9, 2019, at District Headquarters, 1630 W. Redlands Blvd., Redlands, Calif.

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Daniel B. Cozad  
General Manager

## San Bernardino Valley Water Conservation District Expenditure Report December 2018

Num	Date	Name	Account	Class	Original Amount
PC 12.19.18	12/19/2018	Paychex	1012 · Citizens Busine...		<b>-84.57</b>
			6042 · Payroll Processing	4-General Fund Ent.	84.57
TOTAL					84.57
PC 12.5.18	12/05/2018	Paychex	1012 · Citizens Busine...		<b>-85.89</b>
			6042 · Payroll Processing	4-General Fund Ent.	85.89
TOTAL					85.89
ACH 0168	12/03/2018	Melody McDonald	1012 · Citizens Busine...		<b>-18.00</b>
			6410 · Mileage	4-General Fund Ent.	18.00
TOTAL					18.00
ACH 0169	12/03/2018	T. Milford Harrison	1012 · Citizens Busine...		<b>-198.94</b>
			6410 · Mileage	4-General Fund Ent.	198.94
TOTAL					198.94
ACH0170	12/05/2018	Raley, David	1012 · Citizens Busine...		<b>-27.80</b>
			6410 · Mileage	4-General Fund Ent.	27.80
TOTAL					27.80
ACH 0171	12/20/2018	Melody McDonald	1012 · Citizens Busine...		<b>-89.93</b>
			6410 · Mileage	4-General Fund Ent.	89.93
TOTAL					89.93
21524	12/11/2018	ACWA/JPIA-Health	1012 · Citizens Busine...		<b>-13,268.20</b>
	12/03/2018		6110 · Vision Insurance	4-General Fund Ent.	26.60
			6110 · Vision Insurance	1-Groundwater Ent.	84.25
			6110 · Vision Insurance	2-Redlands Plaza/...	8.45
			6110 · Vision Insurance	3-Land Resources	27.99
			6110 · Vision Insurance	5-Wash Plan	18.33
			6130 · Dental Insurance	4-General Fund Ent.	112.73
			6130 · Dental Insurance	1-Groundwater Ent.	357.07
			6130 · Dental Insurance	2-Redlands Plaza/...	35.80
			6130 · Dental Insurance	3-Land Resources	118.62
			6130 · Dental Insurance	5-Wash Plan	77.70
			6150 · Medical Insurance	4-General Fund Ent.	1,991.55
			6150 · Medical Insurance	1-Groundwater Ent.	6,308.22
			6150 · Medical Insurance	2-Redlands Plaza/...	632.43
			6150 · Medical Insurance	3-Land Resources	2,095.71
			6150 · Medical Insurance	5-Wash Plan	1,372.75
TOTAL					13,268.20
21525	12/11/2018	American Power Security	1012 · Citizens Busine...		<b>-520.00</b>
	12/05/2018		6026 · Redlands Plaza ...	2-Redlands Plaza/...	520.00
TOTAL					520.00

**San Bernardino Valley Water Conservation District**  
**Expenditure Report**  
**December 2018**

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Account</u>	<u>Class</u>	<u>Original Amount</u>
21526	12/11/2018	Bob's Plumbing	1012 · Citizens Busine...		-1,940.00
	12/10/2018		6015 · Mentone House ...	2-Redlands Plaza/...	1,940.00
TOTAL					1,940.00
21527	12/11/2018	Castro Landscaping Se...	1012 · Citizens Busine...		-250.00
	11/30/2018		6026 · Redlands Plaza ...	2-Redlands Plaza/...	250.00
TOTAL					250.00
21528	12/11/2018	City News Group, Inc.	1012 · Citizens Busine...		-64.75
	11/19/2018		6091 · Public Notices	4-General Fund Ent.	12.95
			6091 · Public Notices	1-Groundwater Ent.	51.80
TOTAL					64.75
21529	12/11/2018	Corneille, Richard	1012 · Citizens Busine...		-227.30
	12/03/2018		6410 · Mileage	4-General Fund Ent.	124.26
			6425 · Meals	4-General Fund Ent.	103.04
TOTAL					227.30
21530	12/11/2018	Daily Journal Corporati...	1012 · Citizens Busine...		-123.20
	11/23/2018		6091 · Public Notices	4-General Fund Ent.	24.64
			6091 · Public Notices	1-Groundwater Ent.	98.56
TOTAL					123.20
21531	12/11/2018	Edison - 8812	1012 · Citizens Busine...		-126.59
	11/30/2018		5420 · Electricity	4-General Fund Ent.	35.45
			5420 · Electricity	1-Groundwater Ent.	25.32
			5420 · Electricity	2-Redlands Plaza/...	65.82
TOTAL					126.59
21532	12/11/2018	Edison - Redlands Plaza	1012 · Citizens Busine...		-272.63
	11/30/2018		6026 · Redlands Plaza ...	2-Redlands Plaza/...	272.63
TOTAL					272.63
21533	12/11/2018	Edison -5552	1012 · Citizens Busine...		-330.11
	12/08/2018		5420 · Electricity	4-General Fund Ent.	84.84
			5420 · Electricity	1-Groundwater Ent.	60.59
			5420 · Electricity	2-Redlands Plaza/...	157.54
			6020 · Vacancy Marketi...	2-Redlands Plaza/...	27.14
TOTAL					330.11

**San Bernardino Valley Water Conservation District**  
**Expenditure Report**  
**December 2018**

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Account</u>	<u>Class</u>	<u>Original Amount</u>
<b>21534</b>	<b>12/11/2018</b>	<b>Frontier-4860</b>	<b>1012 · Citizens Busine...</b>		<b>-266.30</b>
	11/28/2018		5440 · Telephone	4-General Fund Ent.	84.92
			5440 · Telephone	1-Groundwater Ent.	36.39
			5470 · Internet Services	4-General Fund Ent.	72.50
			5470 · Internet Services	1-Groundwater Ent.	43.50
			5470 · Internet Services	2-Redlands Plaza/...	7.25
			5470 · Internet Services	3-Land Resources	21.74
TOTAL					266.30
<b>21535</b>	<b>12/11/2018</b>	<b>Highland Community N...</b>	<b>1012 · Citizens Busine...</b>		<b>-105.00</b>
	11/30/2018		6091 · Public Notices	4-General Fund Ent.	21.00
			6091 · Public Notices	1-Groundwater Ent.	84.00
TOTAL					105.00
<b>21536</b>	<b>12/11/2018</b>	<b>Home Depot Credit Ser...</b>	<b>1012 · Citizens Busine...</b>		<b>-69.99</b>
	11/28/2018		5210 · Equipment Maint...	1-Groundwater Ent.	5.36
			6016 · Redlands Plaza ...	2-Redlands Plaza/...	64.63
TOTAL					69.99
<b>21537</b>	<b>12/11/2018</b>	<b>ICF Jones &amp; Stokes, Inc</b>	<b>1012 · Citizens Busine...</b>		<b>-6,202.50</b>
	11/13/2018		5122 · Wash Plan Profe...	5-Wash Plan	6,202.50
TOTAL					6,202.50
<b>21538</b>	<b>12/11/2018</b>	<b>Jerry Herbert Roofing, I...</b>	<b>1012 · Citizens Busine...</b>		<b>-485.00</b>
	12/03/2018		6016 · Redlands Plaza ...	2-Redlands Plaza/...	485.00
TOTAL					485.00
<b>21539</b>	<b>12/11/2018</b>	<b>Lowe's Companies, Inc.</b>	<b>1012 · Citizens Busine...</b>		<b>-20.46</b>
	11/25/2018		5210 · Equipment Maint...	1-Groundwater Ent.	20.46
TOTAL					20.46
<b>21540</b>	<b>12/11/2018</b>	<b>Mikael Romich</b>	<b>1012 · Citizens Busine...</b>		<b>-6,133.00</b>
	12/04/2018		5120 · Misc. Profession...	4-General Fund Ent.	950.00
			5120 · Misc. Profession...	4-General Fund Ent.	1,260.00
			1700 · Work in Progress	1-Groundwater Ent.	3,923.00
TOTAL					6,133.00
<b>21541</b>	<b>12/11/2018</b>	<b>Netsteller</b>	<b>1012 · Citizens Busine...</b>		<b>-450.00</b>
	12/05/2018		5160 · IT Support	4-General Fund Ent.	180.00
			5160 · IT Support	1-Groundwater Ent.	225.00
			5160 · IT Support	3-Land Resources	45.00
TOTAL					450.00

**San Bernardino Valley Water Conservation District**  
**Expenditure Report**  
**December 2018**

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Account</u>	<u>Class</u>	<u>Original Amount</u>
<b>21542</b>	<b>12/11/2018</b>	<b>ReadyRefresh by Nestle</b>	<b>1012 · Citizens Busine...</b>		<b>-64.60</b>
	11/26/2018		5460 · Water / Trash / S...	4-General Fund Ent.	32.30
			5460 · Water / Trash / S...	1-Groundwater Ent.	25.84
			5460 · Water / Trash / S...	3-Land Resources	6.46
TOTAL					64.60
<b>21543</b>	<b>12/11/2018</b>	<b>Rutan &amp; Tucker</b>	<b>1012 · Citizens Busine...</b>		<b>-7,117.50</b>
	11/21/2018		5180 · Legal	4-General Fund Ent.	2,047.50
			5180 · Legal	1-Groundwater Ent.	2,047.50
			5180 · Legal	2-Redlands Plaza/...	477.75
			5180 · Legal	3-Land Resources	2,252.25
			5180 · Legal	4-General Fund Ent.	292.50
TOTAL					7,117.50
<b>21544</b>	<b>12/11/2018</b>	<b>Terminix</b>	<b>1012 · Citizens Busine...</b>		<b>-69.00</b>
	11/21/2018		6026 · Redlands Plaza ...	2-Redlands Plaza/...	69.00
TOTAL					69.00
<b>21545</b>	<b>12/11/2018</b>	<b>The Alarm and Sprinkle...</b>	<b>1012 · Citizens Busine...</b>		<b>-490.00</b>
	11/16/2018		6016 · Redlands Plaza ...	2-Redlands Plaza/...	490.00
TOTAL					490.00
<b>21546</b>	<b>12/11/2018</b>	<b>Valero Marketing &amp; Sup...</b>	<b>1012 · Citizens Busine...</b>		<b>-411.01</b>
	11/29/2018		5320 · Fuel	1-Groundwater Ent.	411.01
TOTAL					411.01
<b>21548</b>	<b>12/11/2018</b>	<b>Shell</b>	<b>1012 · Citizens Busine...</b>		<b>-403.96</b>
	12/06/2018		5320 · Fuel	1-Groundwater Ent.	403.96
TOTAL					403.96
<b>21549</b>	<b>12/28/2018</b>	<b>AAA Alarm Systems, Inc.</b>	<b>1012 · Citizens Busine...</b>		<b>-129.00</b>
	01/01/2019		5410 · Alarm Service	4-General Fund Ent.	64.50
			5410 · Alarm Service	1-Groundwater Ent.	64.50
TOTAL					129.00
<b>21550</b>	<b>12/28/2018</b>	<b>Burgeson's Heating &amp; ...</b>	<b>1012 · Citizens Busine...</b>		<b>-500.00</b>
	12/19/2018		6016 · Redlands Plaza ...	2-Redlands Plaza/...	500.00
TOTAL					500.00

## San Bernardino Valley Water Conservation District Expenditure Report December 2018

Num	Date	Name	Account	Class	Original Amount
21551	12/28/2018	Citizens Business Bank	1012 · Citizens Busine...		-5,779.66
	12/12/2018		5215 · Property Mainten...	1-Groundwater Ent.	1,717.63
			5215 · Property Mainten...	3-Land Resources	429.41
			6001 · General Adminis...	4-General Fund Ent.	122.21
			6001 · General Adminis...	1-Groundwater Ent.	122.21
			6002 · Website Adminis...	4-General Fund Ent.	225.00
			6004 · Meeting Expenses	4-General Fund Ent.	30.27
			6004 · Meeting Expenses	3-Land Resources	30.27
			6009 · Licenses	4-General Fund Ent.	12.00
			6009 · Licenses	1-Groundwater Ent.	48.00
			6036 · Printing	4-General Fund Ent.	86.20
			6036 · Printing	1-Groundwater Ent.	68.96
			6036 · Printing	3-Land Resources	17.24
			6039 · Postage and Ov...	4-General Fund Ent.	56.93
			6039 · Postage and Ov...	1-Groundwater Ent.	25.87
			6039 · Postage and Ov...	2-Redlands Plaza/...	10.35
			6039 · Postage and Ov...	3-Land Resources	10.35
			6060 · Outreach	4-General Fund Ent.	10.00
			6060 · Outreach	1-Groundwater Ent.	4.00
			6060 · Outreach	3-Land Resources	6.00
			6430 · Lodging	4-General Fund Ent.	2,110.64
			6425 · Meals	4-General Fund Ent.	245.17
			6420 · Other Travel	4-General Fund Ent.	330.95
			6520 · Travel, Other (re...	4-General Fund Ent.	27.00
			6520 · Travel, Other (re...	1-Groundwater Ent.	15.00
			6520 · Travel, Other (re...	3-Land Resources	18.00
TOTAL					5,779.66
21552	12/28/2018	City of Redlands -Muni...	1012 · Citizens Busine...		-2,028.20
	12/13/2018		6026 · Redlands Plaza ...	2-Redlands Plaza/...	2,028.20
TOTAL					2,028.20
21553	12/28/2018	Cozad, Daniel B	1012 · Citizens Busine...		-1,020.00
	12/12/2018		6510 · Mileage	4-General Fund Ent.	89.60
			6510 · Mileage	1-Groundwater Ent.	112.00
			6510 · Mileage	3-Land Resources	22.40
			6530 · Lodging	4-General Fund Ent.	358.20
			6530 · Lodging	1-Groundwater Ent.	278.60
			6530 · Lodging	3-Land Resources	159.20
TOTAL					1,020.00
21554	12/28/2018	CWE-CA Watershed En...	1012 · Citizens Busine...		-837.00
	12/17/2018		1700 · Work in Progress	1-Groundwater Ent.	837.00
TOTAL					837.00
21555	12/28/2018	Dept of Forestry and Fi...	1012 · Citizens Busine...		-1,588.58
	12/13/2018		5123 · Temp. Field Labor	1-Groundwater Ent.	1,588.58
TOTAL					1,588.58

**San Bernardino Valley Water Conservation District**  
**Expenditure Report**  
**December 2018**

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Account</u>	<u>Class</u>	<u>Original Amount</u>
<b>21556</b>	<b>12/28/2018</b>	<b>Edison - 7241</b>	<b>1012 · Citizens Busine...</b>		<b>-55.50</b>
	12/12/2018		5420 · Electricity	4-General Fund Ent.	15.54
			5420 · Electricity	1-Groundwater Ent.	11.10
			5420 · Electricity	2-Redlands Plaza/...	28.86
TOTAL					55.50
<b>21557</b>	<b>12/28/2018</b>	<b>Frontier-7275</b>	<b>1012 · Citizens Busine...</b>		<b>-147.93</b>
	12/19/2018		5440 · Telephone	4-General Fund Ent.	51.06
			5440 · Telephone	1-Groundwater Ent.	21.88
			5470 · Internet Services	4-General Fund Ent.	37.50
			5470 · Internet Services	1-Groundwater Ent.	22.50
			5470 · Internet Services	2-Redlands Plaza/...	3.75
			5470 · Internet Services	3-Land Resources	11.24
TOTAL					147.93
<b>21558</b>	<b>12/28/2018</b>	<b>ICF Jones &amp; Stokes, Inc</b>	<b>1012 · Citizens Busine...</b>		<b>-35,603.36</b>
	12/18/2018		5122 · Wash Plan Profe...	5-Wash Plan	35,603.36
TOTAL					35,603.36
<b>21559</b>	<b>12/28/2018</b>	<b>Image Source</b>	<b>1012 · Citizens Busine...</b>		<b>-171.29</b>
	12/13/2018		6033 · Office Equipmen...	4-General Fund Ent.	128.47
			6033 · Office Equipmen...	1-Groundwater Ent.	8.56
			6033 · Office Equipmen...	2-Redlands Plaza/...	25.70
			6033 · Office Equipmen...	3-Land Resources	8.56
TOTAL					171.29
<b>21560</b>	<b>12/28/2018</b>	<b>JAN-PRO Cleaning Sys...</b>	<b>1012 · Citizens Busine...</b>		<b>-618.00</b>
	01/01/2019		6018 · Janitorial Services	4-General Fund Ent.	618.00
TOTAL					618.00
<b>21561</b>	<b>12/28/2018</b>	<b>Katelyn Scholte</b>	<b>1012 · Citizens Busine...</b>		<b>-1,260.43</b>
	12/27/2018		6510 · Mileage	4-General Fund Ent.	14.17
			6510 · Mileage	1-Groundwater Ent.	17.72
			6510 · Mileage	3-Land Resources	3.54
			6087 · Educational Rei...	4-General Fund Ent.	1,225.00
TOTAL					1,260.43
<b>21562</b>	<b>12/28/2018</b>	<b>Larry Jacinto Construc...</b>	<b>1012 · Citizens Busine...</b>		<b>-5,450.00</b>
	12/11/2018		5050 · Basin Cleaning	1-Groundwater Ent.	5,450.00
TOTAL					5,450.00
<b>21563</b>	<b>12/28/2018</b>	<b>Netsteller</b>	<b>1012 · Citizens Busine...</b>		<b>-450.00</b>
	11/01/2018		5160 · IT Support	4-General Fund Ent.	180.00
			5160 · IT Support	1-Groundwater Ent.	225.00
			5160 · IT Support	3-Land Resources	45.00
TOTAL					450.00

**San Bernardino Valley Water Conservation District**  
**Expenditure Report**  
**December 2018**

Num	Date	Name	Account	Class	Original Amount
<b>21564</b>	<b>12/28/2018</b>	<b>Panoramic</b>	<b>1012 · Citizens Busine...</b>		<b>-1,200.00</b>
	12/10/2018		5120 · Misc. Profession...	4-General Fund Ent.	360.00
			5120 · Misc. Profession...	1-Groundwater Ent.	252.00
			5120 · Misc. Profession...	3-Land Resources	588.00
TOTAL					1,200.00
<b>21565</b>	<b>12/28/2018</b>	<b>Pat's Pots</b>	<b>1012 · Citizens Busine...</b>		<b>-170.00</b>
	12/27/2018		5460 · Water / Trash / S...	4-General Fund Ent.	85.00
			5460 · Water / Trash / S...	1-Groundwater Ent.	68.00
			5460 · Water / Trash / S...	3-Land Resources	17.00
TOTAL					170.00
<b>21566</b>	<b>12/28/2018</b>	<b>Quill Corporation</b>	<b>1012 · Citizens Busine...</b>		<b>-18.31</b>
	12/12/2018		6030 · Office Supplies	4-General Fund Ent.	14.64
			6030 · Office Supplies	1-Groundwater Ent.	0.92
			6030 · Office Supplies	2-Redlands Plaza/...	1.83
			6030 · Office Supplies	3-Land Resources	0.92
TOTAL					18.31
<b>21567</b>	<b>12/28/2018</b>	<b>Redlands Ford</b>	<b>1012 · Citizens Busine...</b>		<b>-44.51</b>
	12/12/2018		5310 · Vehicle Mainten...	1-Groundwater Ent.	44.51
TOTAL					44.51
<b>21568</b>	<b>12/28/2018</b>	<b>Rutan &amp; Tucker</b>	<b>1012 · Citizens Busine...</b>		<b>-4,582.50</b>
	12/12/2018		5180 · Legal	4-General Fund Ent.	1,335.75
			5180 · Legal	1-Groundwater Ent.	1,335.75
			5180 · Legal	2-Redlands Plaza/...	311.68
			5180 · Legal	3-Land Resources	1,469.32
			5180 · Legal	3-Land Resources	130.00
TOTAL					4,582.50
<b>21569</b>	<b>12/28/2018</b>	<b>Schubert Landscaping,...</b>	<b>1012 · Citizens Busine...</b>		<b>-295.00</b>
	12/20/2018		6015 · Mentone House ...	2-Redlands Plaza/...	295.00
TOTAL					295.00
<b>21570</b>	<b>12/28/2018</b>	<b>The Gas Company</b>	<b>1012 · Citizens Busine...</b>		<b>-125.16</b>
	12/14/2018		5450 · Natural Gas	4-General Fund Ent.	75.10
			5450 · Natural Gas	1-Groundwater Ent.	50.06
TOTAL					125.16
<b>21571</b>	<b>12/28/2018</b>	<b>U.S. Bank Equipment F...</b>	<b>1012 · Citizens Busine...</b>		<b>-336.18</b>
	12/11/2018		6033 · Office Equipmen...	4-General Fund Ent.	252.13
			6033 · Office Equipmen...	1-Groundwater Ent.	16.81
			6033 · Office Equipmen...	2-Redlands Plaza/...	50.43
			6033 · Office Equipmen...	3-Land Resources	16.81
TOTAL					336.18

## San Bernardino Valley Water Conservation District Expenditure Report December 2018

Num	Date	Name	Account	Class	Original Amount
100211N	12/03/2018	PERS	1012 · Citizens Busine...		<b>-6,238.07</b>
			6170 · PERS Retirement	4-General Fund Ent.	1,001.83
			6170 · PERS Retirement	1-Groundwater Ent.	3,173.31
			6170 · PERS Retirement	2-Redlands Plaza/...	318.14
			6170 · PERS Retirement	3-Land Resources	929.47
			6170 · PERS Retirement	5-Wash Plan	815.32
TOTAL					6,238.07
100212N	12/18/2018	PERS	1012 · Citizens Busine...		<b>-6,255.67</b>
			6170 · PERS Retirement	4-General Fund Ent.	1,004.66
			6170 · PERS Retirement	1-Groundwater Ent.	3,182.26
			6170 · PERS Retirement	2-Redlands Plaza/...	319.04
			6170 · PERS Retirement	3-Land Resources	932.09
			6170 · PERS Retirement	5-Wash Plan	817.62
TOTAL					6,255.67

San Bernardino Valley Water Conservation District  
**Director Fees Expenditure Payroll Report**  
November 2018

Pay Date	Name	For Period	Director Fees	Taxes Withheld	Check Amt
12/5/2018	Corneille, R	Nov-18	\$ 1,512.00	\$ 215.45	\$ 1,296.55
12/5/2018	Harrison, T.M.	Nov-18	\$ 864.00	\$ 225.19	\$ 638.81
12/5/2018	McDonald, M	Nov-18	\$ 2,160.00	\$ 249.25	\$ 1,910.75
12/19/2018	Harrison, T.M.	Dec-18	\$ 864.00	\$ 225.17	\$ 638.83
12/19/2018	Raley, D	Aug-18	\$ 864.00	\$ 234.79	\$ 629.21



**San Bernardino Valley  
Water Conservation District**

Helping Nature Store Our Water

Memorandum No. 1617

**To: Board of Directors**  
**From: General Manager, Daniel Cozad**  
**Date: January 9, 2019**  
**Subject: Unaudited Financial Reports, December 2018**

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**RECOMMENDATION**

Review and approve the unaudited financials for December 2018.

**BACKGROUND**

Each month staff presents the unaudited financials for the District. The reports submitted with this Board Letter have a closing date of December 31, 2018.

**DISCUSSION**

Performance of most revenue and expense are operating as projected in the budget. GL 4010 Interest Income is performing higher than expected due to increasing yields. GL 4031 & 4032 are slightly under budget due to the timing of December payment from Cemex. A quarterly report spreadsheet will be presented to the Finance & Administration Committee at its January 23, 2019 meeting.

**FISCAL IMPACT**

There is no fiscal impact from reporting the financial status of the District.

**POTENTIAL MOTIONS**

1. Move approval of the Unaudited Financials for December 2018 as presented.
2. Move to request this item be tabled and referred to Finance & Administration Committee for reconsideration of specific issues discussed.

**ATTACHMENTS OR MATERIALS**

Graph Financials for December 2018  
Profit & Loss to Date vs. Annual Budget

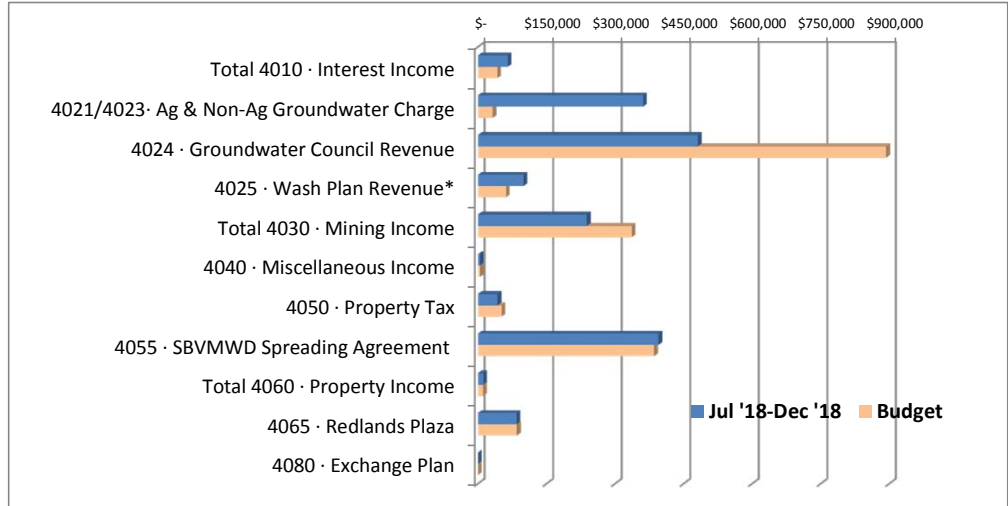
**SBVWCD - All Enterprises Budget and Actual**

**December 2018**

**REVENUE**

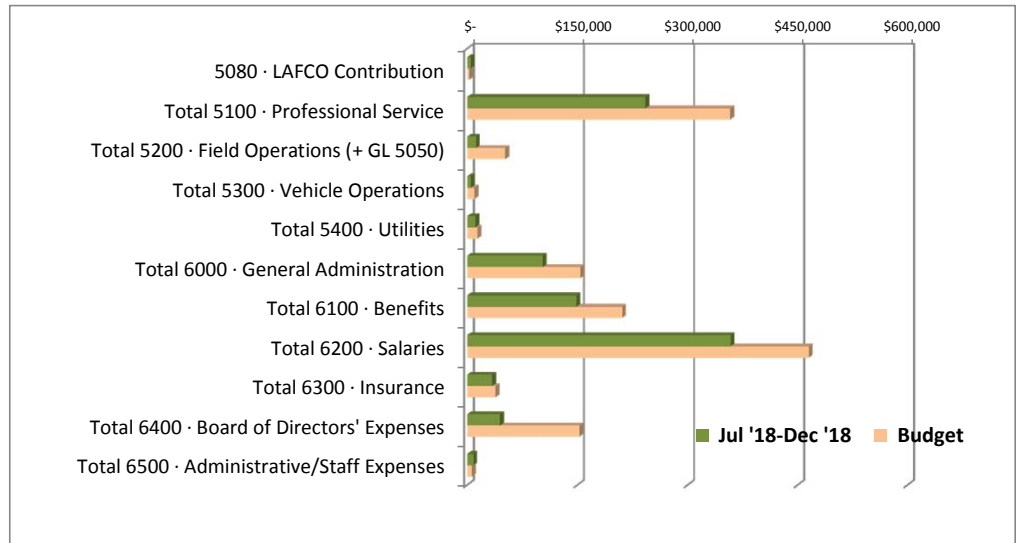
	<b>Jul '18-Dec '18</b>	<b>Budget</b>
Total 4010 · Interest Income	\$ 65,548	\$ 42,500
4021/4023· Ag & Non-Ag Groundwater Charge	\$ 361,802	\$ 32,460
4024 · Groundwater Council Revenue	\$ 481,377	\$ 893,577
4025 · Wash Plan Revenue*	\$ 100,181	\$ 61,433
Total 4030 · Mining Income	\$ 238,577	\$ 337,000
4040 · Miscellaneous Income	\$ 4,040	\$ 5,000
4050 · Property Tax	\$ 43,232	\$ 52,068
4055 · SBVMWD Spreading Agreement	\$ 395,205	\$ 385,696
Total 4060 · Property Income	\$ 11,700	\$ 11,400
4065 · Redlands Plaza	\$ 84,801	\$ 85,399
4080 · Exchange Plan	\$ -	\$ -
<b>Total Revenue</b>	<b>\$ 1,786,464</b>	<b>\$ 1,906,533</b>

\*District loans to the WP

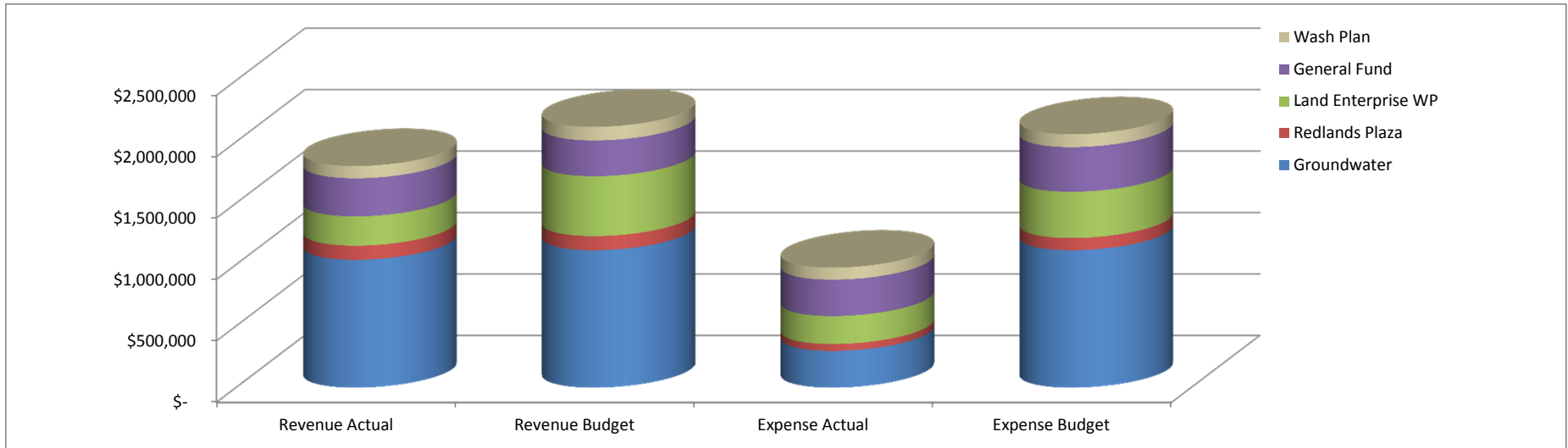


**EXPENSES Operating and Capital**

	<b>Jul '18-Dec '18</b>	<b>Budget</b>
5080 · LAFCO Contribution	\$ 5,000	\$ 3,000
Total 5100 · Professional Service	\$ 242,899	\$ 358,475
Total 5200 · Field Operations (+ GL 5050)	\$ 12,099	\$ 52,090
Total 5300 · Vehicle Operations	\$ 5,283	\$ 10,246
Total 5400 · Utilities	\$ 11,399	\$ 14,237
Total 6000 · General Administration	\$ 103,096	\$ 154,225
Total 6100 · Benefits	\$ 148,890	\$ 211,060
Total 6200 · Salaries	\$ 358,813	\$ 465,533
Total 6300 · Insurance	\$ 34,303	\$ 38,800
Total 6400 · Board of Directors' Expenses	\$ 44,848	\$ 152,671
Total 6500 · Administrative/Staff Expenses	\$ 8,603	\$ 6,674
<b>Total Expense</b>	<b>\$ 975,232</b>	<b>\$ 1,467,011</b>



## Enterprises to Date (December 2018)



Enterprise	Actual	Budget	% of Budget
Groundwater Revenue	\$ 1,040,782	\$ 1,118,885	93%
Groundwater Expense	\$ 299,386	\$ 534,359	56%
Revenue -Expense	\$ 741,396	\$ 584,526	
Redlands Plaza Revenue	\$ 114,549	\$ 114,299	100%
Redlands Plaza Expense	\$ 55,865	\$ 99,166	56%
Revenue -Expense	\$ 58,685	\$ 15,133	
Land Enterprise Revenue	\$ 238,877	\$ 488,250	49%
Land Enterprise Expense	\$ 227,578	\$ 376,178	60%
Revenue -Expense	\$ 11,299	\$ 112,072	
General Fund Revenue *	\$ 310,123	\$ 291,166	107%
General Fund Expense	\$ 295,806	\$ 363,892	81%
Revenue -Expense	\$ 14,317	\$ (72,726)	
Wash Plan Revenue	\$ 100,181	\$ 111,433	90%
Wash Plan Expense	\$ 98,414	\$ 105,166	94%
Revenue-Expense	1,768	6,267	
<b>Total All Revenue - Expense</b>	<b>\$ 827,465</b>	<b>\$ 645,272</b>	

Cash Status	As of 7/1/2018	As of 12/31/18
LAIF	\$ 456,175.70	\$ 3,470,049.37
Cal Trust	\$ 3,048,113.21	\$ 3,079,752.78
Citizens Bank	\$ 862,874.97	\$ 1,376,802.32
UBS Financial Services	\$ 1,860,713.75	\$ 1,868,677.34
Cal Credit Union	\$ 3,302,520.81	\$ 251,982.27
Total Cash	\$ 9,530,398.44	\$ 10,047,264.08
Less Prepaid Royalty	\$ (5,000,000.00)	\$ (5,000,000.00)
<b>Cash Position</b>	<b>\$ 4,530,398.44</b>	<b>\$ 5,047,264.08</b>

Increase (decrease) of  
Percent Increase \$ 516,865.64  
11.4%

\* General Fund Revenue shown here does not include overhead

San Bernardino Valley Water Conservation District  
 Profit & Loss To Date vs. Annual Budget

	<u>Jul - Dec 18</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
<b>4010 · Interest Income</b>				
4012 · LAIF	11,709.08	4,500.00	7,209.08	260.2%
4013 · Caltrust Investment Income	31,639.57	32,500.00	-860.43	97.35%
4014 · CalCredit Union Interest Income	3,418.10	26,000.00	-22,581.90	13.15%
4015 · UBS Interest Income	18,781.58	22,000.00	-3,218.42	85.37%
<b>Total 4010 · Interest Income</b>	<u>65,548.33</u>	<u>85,000.00</u>	<u>-19,451.67</u>	<u>77.12%</u>
<b>4020 · Groundwater Charge</b>				
4021 · Assessments - Ag	14,635.55	23,926.20	-9,290.65	61.17%
4023 · Assessments - Non-Ag	347,166.35	40,993.72	306,172.63	846.88%
4024 · Groundwater Council Revenue	481,377.00	893,577.00	-412,200.00	53.87%
<b>Total 4020 · Groundwater Charge</b>	<u>843,178.90</u>	<u>958,496.92</u>	<u>-115,318.02</u>	<u>87.97%</u>
4025 · Wash Plan Revenue	100,181.42	100,000.00	181.42	100.18%
<b>4030 · Mining Income</b>				
4031 · Plant Site - CEMEX	20,000.00	48,000.00	-28,000.00	41.67%
4032 · Cemex - Royalty / Lease	195,333.32	586,000.00	-390,666.68	33.33%
4036 · Aggregate Maintenance	23,243.50	40,000.00	-16,756.50	58.11%
<b>Total 4030 · Mining Income</b>	<u>238,576.82</u>	<u>674,000.00</u>	<u>-435,423.18</u>	<u>35.4%</u>
<b>4040 · Miscellaneous Income</b>				
4041 · Reimbursed Expenses	2,210.00			
4040 · Miscellaneous Income - Other	1,830.00	10,000.00	-8,170.00	18.3%
<b>Total 4040 · Miscellaneous Income</b>	<u>4,040.00</u>	<u>10,000.00</u>	<u>-5,960.00</u>	<u>40.4%</u>
4050 · Property Tax	43,232.31	104,135.47	-60,903.16	41.52%
4055 · SBVMWD Spreading Agreement Reim	395,205.47	385,696.20	9,509.27	102.47%
<b>4060 · Property Income</b>				
4062 · Mentone Property	11,700.00	22,800.00	-11,100.00	51.32%
<b>Total 4060 · Property Income</b>	<u>11,700.00</u>	<u>22,800.00</u>	<u>-11,100.00</u>	<u>51.32%</u>
4065 · Redlands Plaza	84,800.79	170,798.18	-85,997.39	49.65%
4066 · Redlands Plaza CAM	18,048.60	35,000.00	-16,951.40	51.57%
4080 · Exchange Plan	0.00	30,000.00	-30,000.00	0.0%
4086 · Plunge Creek IRWMP	0.00	150,000.00	-150,000.00	0.0%
4998 · Rate Stabilization From Reserve	0.00	22,223.00	-22,223.00	0.0%
4999 · Trust Reimbursement-Wash Plan	0.00	100,000.00	-100,000.00	0.0%
<b>Total Income</b>	<u>1,804,512.64</u>	<u>2,848,149.77</u>	<u>-1,043,637.13</u>	<u>63.36%</u>
<b>Gross Profit</b>	1,804,512.64	2,848,149.77	-1,043,637.13	63.36%
<b>Expense</b>				
<b>5040 · Regional Programs</b>				
5080 · LAFCO Contribution	5,000.00	3,000.00	2,000.00	166.67%
<b>Total 5040 · Regional Programs</b>	<u>5,000.00</u>	<u>3,000.00</u>	<u>2,000.00</u>	<u>166.67%</u>
5050 · Basin Cleaning	5,450.00	50,000.00	-44,550.00	10.9%
<b>5100 · Professional Service</b>				
5120 · Misc. Professional Services	61,146.27	130,000.00	-68,853.73	47.04%
5122 · Wash Plan Professional Services	50,025.25	30,000.00	20,025.25	166.75%
5124 · Plunge Creek Prof Services	73,831.05	150,000.00	-76,168.95	49.22%
5125 · Engineering Services	0.00	18,000.00	-18,000.00	0.0%
5130 · Aerial Photography & Surveying	0.00	1,000.00	-1,000.00	0.0%
5160 · IT Support	2,295.00	7,000.00	-4,705.00	32.79%
5170 · Audit	22,750.00	26,225.00	-3,475.00	86.75%
5175 · Legal - Wash Plan	32.50	10,000.00	-9,967.50	0.33%
5180 · Legal	32,818.71	175,000.00	-142,181.29	18.75%
<b>Total 5100 · Professional Service</b>	<u>242,898.78</u>	<u>547,225.00</u>	<u>-304,326.22</u>	<u>44.39%</u>
5123 · Temp. Field Labor	1,815.52	11,000.00	-9,184.48	16.51%
5133 · Regional River HCP Contribution	0.00	25,000.00	-25,000.00	0.0%
5143 · SBVCT District Contribution	0.00	0.00	0.00	0.0%
<b>5200 · Field Operations</b>				
5210 · Equipment Maintenance	1,346.97	6,180.00	-4,833.03	21.8%
5215 · Property Maintenance	5,301.87	42,000.00	-36,698.13	12.62%
5220 · Maintenance Materials/Shop/Fld	0.00	0.00	0.00	0.0%
5225 · Field Clean Up-Illegal dumping	0.00	6,000.00	-6,000.00	0.0%
<b>Total 5200 · Field Operations</b>	<u>6,648.84</u>	<u>54,180.00</u>	<u>-47,531.16</u>	<u>12.27%</u>

San Bernardino Valley Water Conservation District  
 Profit & Loss To Date vs. Annual Budget

	<u>Jul - Dec 18</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
<b>5300 · Vehicle Operations</b>				
5310 · Vehicle Maintenance	833.18	8,000.00	-7,166.82	10.42%
5320 · Fuel	4,450.03	12,500.00	-8,049.97	35.6%
<b>Total 5300 · Vehicle Operations</b>	<u>5,283.21</u>	<u>20,500.00</u>	<u>-15,216.79</u>	<u>25.77%</u>
<b>5400 · Utilities</b>				
5410 · Alarm Service	516.00	1,500.00	-984.00	34.4%
5420 · Electricity	3,532.78	9,747.00	-6,214.22	36.25%
5430 · Mobile Phone	1,620.00	3,550.00	-1,930.00	45.63%
5440 · Telephone	2,983.34	8,000.00	-5,016.66	37.29%
5450 · Natural Gas	143.17	942.30	-799.13	15.19%
5460 · Water / Trash / Sewer	1,091.19	2,160.00	-1,068.81	50.52%
5470 · Internet Services	1,512.36	2,575.00	-1,062.64	58.73%
<b>Total 5400 · Utilities</b>	<u>11,398.84</u>	<u>28,474.30</u>	<u>-17,075.46</u>	<u>40.03%</u>
<b>6000 · General Administration</b>				
6001 · General Administration - Other	724.54	4,500.00	-3,775.46	16.1%
6002 · Website Administration	1,517.94	3,300.00	-1,782.06	46.0%
6003 · Property Tax	0.00	235.10	-235.10	0.0%
6004 · Meeting Expenses	958.27	2,000.00	-1,041.73	47.91%
6006 · Permits	50.00	10,000.00	-9,950.00	0.5%
6007 · Inter District Costs	0.00	10,000.00	-10,000.00	0.0%
6009 · Licenses	1,267.74	1,217.88	49.86	104.09%
6010 · Surety Bond	1,210.00	1,900.00	-690.00	63.68%
6012 · Office Maintenance	2,024.69	3,180.00	-1,155.31	63.67%
6013 · Office Lease Payment	30,000.00	60,000.00	-30,000.00	50.0%
6015 · Mentone House Maintenance	5,175.09	5,000.00	175.09	103.5%
6016 · Redlands Plaza Maintenance	4,873.10	40,000.00	-35,126.90	12.18%
6018 · Janitorial Services	3,883.00	9,108.89	-5,225.89	42.63%
6019 · Janitorial Supplies	161.10	500.00	-338.90	32.22%
6020 · Vacancy Marketing-Redlands Plaz	131.36	5,500.00	-5,368.64	2.39%
6026 · Redlands Plaza CAM expenses	14,327.69	29,355.00	-15,027.31	48.81%
6027 · Computer Software	0.00	600.00	-600.00	0.0%
6030 · Office Supplies	466.73	3,750.67	-3,283.94	12.44%
6033 · Office Equipment Rental	3,531.32	9,500.00	-5,968.68	37.17%
6036 · Printing	940.02	980.00	-39.98	95.92%
6039 · Postage and Overnight Delivery	207.00	1,200.00	-993.00	17.25%
6042 · Payroll Processing	1,032.08	2,523.50	-1,491.42	40.9%
6045 · Bank Service Charges	164.00	2,575.00	-2,411.00	6.37%
6051 · Uniforms	737.97	2,200.00	-1,462.03	33.54%
6060 · Outreach	710.00	60,000.00	-59,290.00	1.18%
6087 · Educational Reimbursement	2,500.00	5,000.00	-2,500.00	50.0%
6090 · Subscriptions/Publications	830.47	1,210.00	-379.53	68.63%
6091 · Public Notices	292.95	3,200.00	-2,907.05	9.16%
6093 · Memberships	25,379.17	20,860.20	4,518.97	121.66%
<b>Total 6000 · General Administration</b>	<u>103,096.23</u>	<u>299,396.24</u>	<u>-196,300.01</u>	<u>34.44%</u>
<b>6100 · Benefits</b>				
6110 · Vision Insurance	993.72	2,731.16	-1,737.44	36.39%
6120 · Workers' Comp. Insurance	3,165.94	14,867.37	-11,701.43	21.3%
6130 · Dental Insurance	4,211.52	11,659.41	-7,447.89	36.12%
<b>6150 · Medical Insurance</b>				
6150.01 · Medical Employee Contribution	-11,176.44	-27,635.26	16,458.82	40.44%
6150 · Medical Insurance - Other	76,352.16	209,888.74	-133,536.58	36.38%
<b>Total 6150 · Medical Insurance</b>	<u>65,175.72</u>	<u>182,253.48</u>	<u>-117,077.76</u>	<u>35.76%</u>
6160 · Payroll Taxes-Employer	17,453.82	67,314.14	-49,860.32	25.93%
<b>6170 · PERS Retirement</b>				
6170.01 · PERS Employee Contributions	-25,096.84	-30,611.84	5,515.00	81.98%
6170 · PERS Retirement - Other	82,986.14	173,907.07	-90,920.93	47.72%
<b>Total 6170 · PERS Retirement</b>	<u>57,889.30</u>	<u>143,295.23</u>	<u>-85,405.93</u>	<u>40.4%</u>
<b>Total 6100 · Benefits</b>	<u>148,890.02</u>	<u>422,120.79</u>	<u>-273,230.77</u>	<u>35.27%</u>
<b>6200 · Salaries</b>				
6230 · Regular Salaries	358,813.38	980,564.97	-621,751.59	36.59%
<b>Total 6200 · Salaries</b>	<u>358,813.38</u>	<u>980,564.97</u>	<u>-621,751.59</u>	<u>36.59%</u>

San Bernardino Valley Water Conservation District  
Profit & Loss To Date vs. Annual Budget

	<u>Jul - Dec 18</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
<b>6300 · Insurance</b>				
6310 · Property/ Auto Insurance	2,431.50	7,000.00	-4,568.50	34.74%
6320 · General Liability Insurance	31,871.00	31,800.00	71.00	100.22%
<b>Total 6300 · Insurance</b>	<u>34,302.50</u>	<u>38,800.00</u>	<u>-4,497.50</u>	<u>88.41%</u>
<b>6400 · Board of Directors' Expenses</b>				
6401 · Directors' Fees				
6401.5 · Payroll Taxes-Directors	4,437.12			
6401 · Directors' Fees - Other	31,562.00	86,042.00	-54,480.00	36.68%
<b>Total 6401 · Directors' Fees</b>	<u>35,999.12</u>	<u>86,042.00</u>	<u>-50,042.88</u>	<u>41.84%</u>
6410 · Mileage	1,538.32	4,000.00	-2,461.68	38.46%
6415 · Air Fare	0.00	2,500.00	-2,500.00	0.0%
6420 · Other Travel	330.95	500.00	-169.05	66.19%
6425 · Meals	797.21	3,500.00	-2,702.79	22.78%
6430 · Lodging	3,052.23	3,800.00	-747.77	80.32%
6435 · Conf/Seminar Registrations	3,130.00	5,000.00	-1,870.00	62.6%
6440 · Election Fees / Re-Districting	0.00	100,000.00	-100,000.00	0.0%
<b>Total 6400 · Board of Directors' Expenses</b>	<u>44,847.83</u>	<u>205,342.00</u>	<u>-160,494.17</u>	<u>21.84%</u>
<b>6500 · Administrative/Staff Expenses</b>				
6510 · Mileage	818.25	1,800.00	-981.75	45.46%
6515 · Air Fare	1,487.89	2,000.00	-512.11	74.4%
6520 · Travel, Other (rental car, taxi)	530.87	1,000.00	-469.13	53.09%
6525 · Meals	599.15	1,545.00	-945.85	38.78%
6530 · Lodging	2,828.52	3,000.00	-171.48	94.28%
6535 · Conf/Seminar Registrations	2,338.00	4,000.00	-1,662.00	58.45%
<b>Total 6500 · Administrative/Staff Expenses</b>	<u>8,602.68</u>	<u>13,345.00</u>	<u>-4,742.32</u>	<u>64.46%</u>
9999 · Contribution to Capital Maint.	0.00	314,500.00	-314,500.00	0.0%
<b>Total Expense</b>	<u>977,047.83</u>	<u>3,013,448.30</u>	<u>-2,036,400.47</u>	<u>32.42%</u>
<b>Net Ordinary Income</b>	<u>827,464.81</u>	<u>-165,298.53</u>	<u>992,763.34</u>	<u>-500.59%</u>
<b>Other Income/Expense</b>				
<b>Other Expense</b>				
<b>7000 · Construction</b>				
7010 · Materials	0.00	12,000.00	-12,000.00	0.0%
7055 · Plunge Creek Expansion	0.00	462,228.00	-462,228.00	0.0%
<b>Total 7000 · Construction</b>	<u>0.00</u>	<u>474,228.00</u>	<u>-474,228.00</u>	<u>0.0%</u>
<b>7100 · Land &amp; Buildings</b>				
7110 · Property Capital Repairs	0.00	60,000.00	-60,000.00	0.0%
7130 · Mentone Property (House)-CapRep	10,500.00			
7140 · Mentone Property (Shop)-CapRep	0.00	200,000.00	-200,000.00	0.0%
7150 · Mill Creek Diversion	0.00	479,200.00	-479,200.00	0.0%
7160 · Mendoza Property	0.00	165,000.00	-165,000.00	0.0%
<b>Total 7100 · Land &amp; Buildings</b>	<u>10,500.00</u>	<u>904,200.00</u>	<u>-893,700.00</u>	<u>1.16%</u>
<b>7200 · Equipment &amp; Vehicles</b>				
7210 · Computer Hardware-Capital Purch	0.00	5,000.00	-5,000.00	0.0%
7220 · Computer Software	4,259.28	10,000.00	-5,740.72	42.59%
7230 · Field Equipment / Vehicles	0.00	145,000.00	-145,000.00	0.0%
7240 · Office Equipment	0.00	1,500.00	-1,500.00	0.0%
<b>Total 7200 · Equipment &amp; Vehicles</b>	<u>4,259.28</u>	<u>161,500.00</u>	<u>-157,240.72</u>	<u>2.64%</u>
<b>7400 · Professional Services Capital</b>				
7438 · Engineering Services-Other	0.00	125,000.00	-125,000.00	0.0%
<b>Total 7400 · Professional Services Capital</b>	<u>0.00</u>	<u>125,000.00</u>	<u>-125,000.00</u>	<u>0.0%</u>
<b>Total Other Expense</b>	<u>14,759.28</u>	<u>1,664,928.00</u>	<u>-1,650,168.72</u>	<u>0.89%</u>
<b>Net Other Income</b>	<u>-14,759.28</u>	<u>-1,664,928.00</u>	<u>1,650,168.72</u>	<u>0.89%</u>
<b>Net Income</b>	<u>812,705.53</u>	<u>-1,830,226.53</u>	<u>2,642,932.06</u>	<u>-44.41%</u>



**San Bernardino Valley  
Water Conservation District**

Helping Nature Store Our Water

Memorandum No. 1618

**To:** Board of Directors  
**From:** Daniel Cozad, General Manager  
**Date:** January 9, 2019  
**Subject:** Statement of Investment Policy 2019

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**RECOMMENDATION**

Staff recommends no changes to the Statement of Investment Policy and recommends the Board consider approval of the existing policy for calendar year 2019.

**BACKGROUND**

In December 2015, the Board hired PFM Asset Management LLC (PFM) to review its existing policy and recommend revisions. Based on the investments the Board had at the time PFM revised the Districts' Statement of Investment Policy with a variety of changes. The Board approved those changes at their March 9, 2016 Board of Directors meeting. The Statement of Investment Policy prepared by PFM Asset Management LLC is included in the package and was reapproved by the Board in 2017 and 2018.

**DISCUSSION**

Staff is implementing the existing policy and is not recommending revisions for 2019. The investments are performing as expected or better, and the Board receives a quarterly report on investments in accordance with the policy. The Statement of Investment Policy calls for the Board to review annually the delegation of authority of the General Manager and consider renewal of that delegation. The Board updated that delegation in May 2018. If the Board does not have any recommended revisions to the attached Policy staff is requesting approval as presented renewing the policy and General Manager's delegation of authority for calendar year 2019. Staff may need to bring changes to the Policy to the Board during fiscal 2019-2020 if Conservation Easement Revenue is received for investment.

**FISCAL IMPACT**

There is no significant cost to review and approve the Statement of Investment Policy for 2019.

**POTENTIAL MOTIONS**

1. Move to approve the Statement of Investment Policy for 2019.
2. Move to refer Statement of Investment Policy to the Finance & Administration Committee to discuss potential revisions needed to policy.

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**BOARD OF  
DIRECTORS**

Division 1:  
Richard Corneille

Division 2:  
David E. Raley

Division 3:  
Vacant

Division 4:  
John Longville

Division 5:  
Melody McDonald

**GENERAL  
MANAGER**

Daniel B. Cozad

**ATTACHMENTS OR MATERIALS**

Policy 0005-19 Statement of Investment Policy

# SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT

## STATEMENT OF INVESTMENT POLICY

Approval: January 9, 2019

### POLICY

This Investment Policy (the “Policy”) of the San Bernardino Valley Water Conservation District (the “District”) provides delegation and guidelines for the investment of the District’s surplus cash and reserves that are not required for near-term operational needs of the District. The District will invest these funds in such a manner as to comply with applicable state laws, including California Government Code Sections 53600, et seq. and Sections 53630 – 53686.

No investment shall be made unless authorized under California Government Code Sections 53600, et seq. and Sections 53630 – 53686. The District shall utilize conservative investment vehicles consistent with its objectives and investment strategies identified and listed in this document.

#### 1. SCOPE

The Investment Policy applies to all surplus cash and reserves that are not required for near-term operational needs of the District and all investment activities of the District except for the investment of bond proceeds, which are governed by the appropriate bond documents, and any pension, other post-employment benefit funds, or any other funds held in a trust that has a separate Investment Policy.

#### 2. PRUDENCE

The standard of prudence to be used by those authorized to invest on behalf of the District will be the “prudent investor” standard and will be applied in the context of managing an overall portfolio. The “prudent investor” standard states that:

*“When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency.”*

#### 3. OBJECTIVES

The primary objectives, in priority order, of the investment activities of the District are:

1. Safety—Safety of principal is the foremost objective of the investment program. Investments will be undertaken in a manner that seeks to ensure preservation of capital in the portfolio.
2. Liquidity—The investment portfolio will remain sufficiently liquid to enable the District to meet its cash flow requirements.
3. Return on Investment—The investment portfolio will be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into consideration the investment risk constraints of safety and liquidity needs.

#### **4. DELEGATION OF AUTHORITY**

In accordance with Government Code Section §53607, the Board of Directors hereby delegates investment management responsibility for the investment program to the General Manager, for a one-year period. Subject to review, the Board of Directors may renew the delegation of authority pursuant to this section each year. The General Manager, and the General Manager's designees, will monitor and review all investments for consistency with this Investment Policy. The General Manager may delegate day-to-day investment decision making and execution authority to an Investment Advisor. Eligible Investment Advisors must be registered with the Securities and Exchange Commission (SEC) under the Investment Advisors Act of 1940. The Advisor will follow the Policy and such other written instructions as are provided.

Investments shall be limited to investments listed in this Policy or investments added to California Government Code with the approval of the Board. Further, any significant changes in investment strategy will be brought forth by the General Manager and/or Investment Advisor for consideration at a meeting of the Finance and Administration Committee (the "Committee"). If it is deemed necessary by the Committee, such changes in investment strategy may also be taken to the Board of Directors for approval.

#### **5. ETHICS AND CONFLICTS OF INTEREST**

Officers and employees involved in the investment process will refrain from personal business activities that could conflict with proper execution of the investment program, or which could impair their ability to make impartial decisions. Employees and investment officials will disclose to the General Manager any material financial interests in financial institutions that conduct business within their jurisdiction, and they will further disclose any large personal financial/investment positions that could be related to the performance of the District's portfolio.

#### **6. AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS**

The General Manager, or his/her designee, will maintain a list of financial dealers and institutions qualified and authorized to transact business with the District.

The purchase by the District of any investment other than those purchased directly from the issuer, will be purchased either from an institution licensed by the State as a broker-dealer, as defined in Section 25004 of the Corporations Code, who is a member of Financial Industry Regulatory Authority (FINRA), or a member of a Federally-regulated securities exchange, a National- or State-Chartered Bank, a Federal or State Association (as defined by Section 5102 of the Financial Code), or a brokerage firm designated as a Primary Government Dealer by the Federal Reserve Bank.

The General Manager, or his/her designee, will investigate all institutions that wish to do business with the District, in order to determine if they are adequately capitalized, make markets in securities appropriate to the District's needs, and agree to abide by the conditions set forth in the District's Investment Policy and any other guidelines that may be provided. This will be done annually by requiring the financial institutions to submit in writing that they have read and will abide by the District's Investment Policy and submit its most recent Audited Financial Statement within 120 days of the institution's fiscal year-end.

If the District has retained the services of an Investment Advisor, the Investment Advisor may use its own list of authorized broker/dealers to conduct transactions on behalf of the District.

Purchase and sale of securities will be made on the basis of competitive bids and offers with a minimum of three quotes being obtained, whenever possible.

## 8. AUTHORIZED AND SUITABLE INVESTMENTS

The District will limit investments in any one issuer, except for U.S. Treasuries, federal agencies, U.S. instrumentalities, and pooled funds (i.e., money market funds, local government investment pools, and LAIF), to no more than 5% regardless of security type.

Where this section specifies a percentage limitation for a particular security type, that percentage is applicable only at the date of purchase. Credit criteria listed in this section refers to the credit rating category (inclusive of modifiers) at the time the security is purchased. If an investment's credit rating falls below the minimum rating required at the time of purchase, the General Manager, or his/her designee, will perform a timely review and decide whether to sell or hold the investment. If the District has retained the services of an Investment Advisor, the Investment Advisor will notify the General Manager of such a downgrade and will recommend a plan of action.

The following instruments are hereby authorized for investment by the District. If a type of instrument is not specifically authorized by this Policy, it is not a permitted investment.

1. **U.S. Treasuries.** United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the full faith and credit of the United States are pledged for the payment of principal and interest.
2. **U.S. Federal Agency Obligations.** Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.
3. **California State and Local Agency Obligations.** Obligations of the State of California or any local agency within the state, including bonds payable solely out of revenues from a revenue-producing property owned, controlled or operated by the state or any local agency or by a department, board, agency or authority of the state or any local agency. Obligations eligible for investment under this subdivision with maturities in excess of one year must be rated "A," its equivalent, or better by two Nationally Recognized Statistical Rating Organizations ("NRSROs"). Obligations eligible for investment under this subdivision with maturities under one year must be rated at least "A-1," its equivalent, or better by an NRSRO. No more than 30% of the District's portfolio may be invested in municipal obligations (combined with other state obligations, as described in section 8.4).
4. **Other State Obligations.** Registered treasury notes or bonds of any of the other 49 United States in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 United States, in addition to California. Obligations eligible for investment under this subdivision with maturities in excess of one year must be rated "A," its equivalent, or better by an NRSRO. Obligations eligible for investment under this subdivision with maturities under one year must be rated at least "A-1," its equivalent, or better by an NRSRO. No more than 30% of the District's portfolio may be invested in municipal obligations (combined with California state and local agency obligations, described in section 8.3).

5. **Bankers' Acceptances.** Purchases of bankers' acceptances will have a maximum maturity of 180 days. No more than 30% of the District's portfolio may be invested in bankers' acceptances. Eligible bankers' acceptances must be rated at least "A-1," its equivalent, or better by an NRSRO.
6. **Commercial Paper.** Commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by two NRSROs. The entity that issues the commercial paper will meet all of the following conditions in either paragraph a or paragraph b:
  - a. The entity meets the following criteria: (i) Is organized and operating in the United States as a general corporation. (ii) Has total assets in excess of five hundred million dollars (\$500,000,000). (iii) Has debt other than commercial paper, if any, that is rated "A" or higher by an NRSRO.
  - b. The entity meets the following criteria: (i) Is organized within the United States as a special purpose corporation, trust, or limited liability company. (ii) Has program wide credit enhancements including, but not limited to, over collateralization, letters of credit, or surety bond. (iii) Has commercial paper that is rated "A-1" or higher, or the equivalent, by an NRSRO.

Eligible commercial paper will have a maximum maturity of 270 days or less. No more than 25% of the District's portfolio may be invested in commercial paper. The City may purchase no more than 10% of the outstanding commercial paper of any single issuer.

7. **Medium-Term Notes.** Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the U.S. or any state, and operating within the U.S. medium-term notes must be rated "A," its equivalent, or better by an NRSRO. No more than 30% of the District's portfolio may be invested in medium-term notes.
8. **Bank Deposits.** Funds may be deposited in federally-insured or collateralized bank deposits to include, but not limited to, demand deposit accounts, savings accounts, market rate accounts, and time deposits. To be eligible to receive District deposits, the financial institution must be located in California and comply with the requirements listed in Government Code Section 53630 et. seq. The General Manager, at his/her discretion, may waive the collateralization requirements for any portion that is insured by the Federal Deposit Insurance Corporation or by the National Credit Union Administration. The District shall have a signed agreement with any depository accepting District funds per Government Code Section 53649. The final maturity of time deposits may not exceed five years. There is no limit on the percentage of the portfolio that may be invested in bank deposits. However, a maximum of 50 percent of the portfolio may be invested in time deposits.
9. **Deposit Placement Services.** The District may invest a portion of its portfolio in deposits at a commercial bank, savings bank, savings and loan association, or credit union in the State of California (the selected depository) that uses a private sector entity that assists in the placement of deposits in the United States. The full amount of each deposit placed and the interest that may accrue on each such deposit will at all times be insured by the Federal Deposit Insurance Corporation (FDIC) or the National Credit Union Administration (NCUA). Additional required criteria for this investment type can be found in California Government Code Section 53601.8.

If the District also uses negotiable certificates of deposit (“CDs”) (described in section 8.10), the 30% limit applies to the combined total invested in negotiable CDs and with deposit placement services. The maximum maturity of these instruments may not exceed five years.

The District will monitor the financial institutions selected by deposit placement services to ensure that the District does not deposit more than the amount eligible for FDIC insurance in a single financial institution through non-negotiable CDs and deposit placement services. California Government Code Section 53601.8 expires January 1, 2021 unless legislation is enacted to extend the expiration date.

10. **Negotiable Certificates of Deposit.** Negotiable certificates of deposit issued by a nationally- or state-chartered bank, a savings association or a federal association (as defined by Section 5102 of the Financial Code), a state or federal credit union, or by a federally- or state-licensed branch of a foreign bank. Eligible negotiable CDs with maturities in excess of one year must be rated “A,” its equivalent, or better by an NRSRO. Eligible negotiable CDs with maturities under one year must be rated at least “A-1,” its equivalent, or better by an NRSRO. No more than 30% of the District's investment portfolio may be invested in negotiable CDs. If the District also uses a deposit placement service (described in section 8.9), the 30% limit applies to the combined total invested in negotiable CDs and with deposit placement services.
11. **State of California's Local Agency Investment Fund (LAIF).** The State Treasurer established LAIF for the benefit of local agencies. The District can invest up to the maximum amount permitted by the State Treasurer.
12. **Money Market Funds.** Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1, et seq.). To be eligible for investment pursuant to this subdivision these companies will either:
  - a. Attain the highest ranking letter or numerical rating provided by not less than two of the three largest NRSROs or
  - b. Have an Investment Advisor registered or exempt from registration with the Securities and Exchange Commission with not less than five years experience managing money market mutual funds and with assets under management in excess of \$500,000,000.

No more than 20% of the District's portfolio may be invested in money market funds.

13. **Local Government Investment Pools (LGIPs).** Shares of beneficial interest issued by a joint powers authority organized pursuant to Government Code Section 6509.7 that invests in the securities and obligations authorized in subdivisions (a) to (q), inclusive, of Government Code Section 53601. Each share will represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. To be eligible under this section, the joint powers authority issuing the shares will have retained an investment adviser that meets all of the following criteria:
  - a. The adviser is registered or exempt from registration with the Securities and Exchange Commission.
  - b. The adviser has not less than five years of experience investing in the securities and obligations authorized in subdivisions (a) to (q), inclusive of California Government Code Section 53601.

- c. The adviser has assets under management in excess of five hundred million dollars (\$500,000,000).

14. **U.S. Instrumentalities.** United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), or Inter-American Development Bank (IADB), with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Investments under this subdivision must be rated at least “AA” by an NRSRO. No more than 30% of the District’s portfolio may be invested in these obligations.
15. **Asset-Backed Securities (ABS).** A mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-back certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond of a maximum of five years maturity. Securities eligible for investment under this subdivision shall be issued by an issuer having an “A” or higher rating for the issuer’s debt as provided by an NRSRO and rated in a rating category of “AA” or its equivalent or better by an NRSRO. No more than 20% of the District’s portfolio may be invested in ABS.

## 9. PROHIBITED INVESTMENTS

Investments not described herein, including but not limited to stocks, inverse floaters, range notes, mortgage-derived, interest-only strips, or any security that could result in zero interest accrual if held to maturity are prohibited for purchased by the District. The District will not leverage or borrow money for the purpose of investing.

## 10. INVESTMENT POOLS

The District will complete due diligence for any pooled investments the District invests in. The General Manager will collect and evaluate the following information for each pool/fund:

- Permitted investments and objectives
- Description of interest calculations
- Method/frequency of interest distribution
- Treatment of gains and losses
- Method/frequency of audits
- Description of eligible investors
- Limits/minimum account sizes, type of assets, transaction sizes, and number of transactions
- Limits on withdrawals
- Frequency of statements and reporting of underlying investments
- Reserves or retained earnings
- Fee schedules

## 11. COLLATERALIZATION

Collateralization is required for deposits. Deposits must be collateralized as specified under Government Code Section 53630, et seq. The District, at its discretion, may waive the collateralization requirements for any portion that is covered by federal deposit insurance. Funds may be deposited in active or inactive accounts, but may not exceed the total paid-up capital and surplus in any depository.

## **12. SAFEKEEPING AND CUSTODY**

All deliverable securities owned by the District will be kept in safekeeping/custody by a third-party bank's trust department. All trades of marketable securities will be executed (cleared and settled) on a delivery vs. payment (DVP) basis to ensure that securities are deposited in the District's safekeeping/custody bank prior to the release of funds.

## **13. MAXIMUM MATURITIES**

Maturities will be based on a review of cash flow forecasts. Maturities will be scheduled to permit the District to meet all projected obligations.

The District may not invest in a security that exceeds five years from the date of purchase unless the Board of Directors has provided at least 90 days prior approval for a specific purpose.

## **14. INTERNAL CONTROLS**

The General Manager will establish an annual process of independent review by an external auditor. This review will provide internal control by assuring compliance with policies and procedures.

## **15. PERFORMANCE STANDARDS**

The District will establish a performance benchmark consistent with its investment strategy and supportive of its investment objectives.

## **16. REPORTING REQUIREMENTS**

The General Manager shall submit a monthly report of investment transactions, if any, that is in accordance with California Government Code §53607. In addition, on a regular basis, the General Manager may provide the Board of Directors with a report that shall disclose, at a minimum, the following information about the risk characteristics of District's portfolio: A listing of District assets showing par value, cost, and market value of each security, type of investment, issuer name, credit quality, coupon rate, and yield to maturity at cost. This report may also include a statement of compliance with the Investment Policy, including a schedule of any transactions or holdings which do not comply with this Policy or with the California Government Code, if any, including a justification for their presence in the portfolio and a timetable for resolution, and a statement that the District has adequate funds to meet its cash flow requirements for the next six months.

These reports shall also contain any additional information as is requested by the Board of Directors.

## **17. INVESTMENT POLICY ADOPTION AND REVIEW**

The District's Investment Policy is hereby adopted by the District's Board of Directors. This Policy will be reviewed annually by the Board of Directors and any modifications made thereto must be approved by the Board of Directors.

**18. GLOSSARY**

See attached **Appendix A.**

## APPENDIX A GLOSSARY

**AGENCIES:** Federal agency securities and/or Government-sponsored enterprises.

**BENCHMARK:** A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

**BROKER:** A broker brings buyers and sellers together for a commission.

**CERTIFICATE OF DEPOSIT (CD):** A deposit with a specific maturity evidenced by a Certificate. Large-denomination CDs are typically negotiable.

**COLLATERAL:** Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies. California Government Code Sections 53630 – 53686 et seq. mandate the collateral requirements for public funds in the state of California.

**DEALER:** A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

**DELIVERY VERSUS PAYMENT:** There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

**FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC):** A federal agency that insures bank deposits, currently up to \$250,000 per entity.

**LIQUIDITY:** A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

**MATURITY:** The date upon which the principal or stated value of an investment becomes due and payable.

**MONEY MARKET:** The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

**PORTFOLIO:** Collection of securities held by an investor.

**PRIMARY DEALER:** A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

**RATE OF RETURN:** The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.

**SAFEKEEPING:** A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

**SECURITIES & EXCHANGE COMMISSION:** Agency created by Congress to protect investors in securities transactions by administering securities legislation.

## APPENDIX A

**SEC RULE 15(C)3-1:** See Uniform Net Capital Rule.

**UNIFORM NET CAPITAL RULE:** Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.



# San Bernardino Valley Water Conservation District

Helping Nature Store Our Water

Memorandum No. 1618

**To:** Board of Directors  
**From:** Daniel Cozad, General Manager  
**Date:** January 9, 2019  
**Subject:** District Board Priorities for 2019

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## **RECOMMENDATION**

Review, provide new or revised priorities, feedback, and ranking or consider approval of the 2019 District Board Priorities.

## **BACKGROUND**

The Board has set annual priorities since 2012. This process provides an opportunity for Board Members to discuss and prioritize District projects, tasks, and set goals based on staffing and other constraints. Each year since 2012 the Board has reviewed its priorities in January so they may be incorporated into District resource planning and budgets. The priorities are derived from the Board's Community Strategic Plan (CSP). Staff will present the updated priorities and status from 2018.

## **POLICY CONSIDERATION**

For consideration staff prepared a draft priorities matrix for 2019 for the Board's review discussion and ranking. Staffing and funding are the primary limitations to existing and new priority tasks. Staff is proposing several new priorities based on the 2017 CSP Goals. The 2019 matrix includes an early completion goal and a likely completion date for discussion. The matrix also attempts to estimate resource needs and link to CSP Goal numbers.

## **ALTERNATIVES**

Potential Board Actions include:

- Approve the 2019 priorities for incorporation into District budgets and plans.
- Provide specific feedback for staff to revise the plan
- Table the issue to a future meeting of the Board

## **FISCAL IMPACT**

Planning efforts and staff costs are included in the approved 2018-2019 budget. Costs for the elements which are prioritized are included in the District budget to the extent possible. Additional efforts may be included in the 2019-2020 budget planning.

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Redlands, CA 92373  
Phone: 909.793.2503  
Fax: 909.793.0188  
www.sbvwd.org Email: info@sbvwd.org

### **BOARD OF DIRECTORS**

Division 1:  
Richard Corneille

Division 2:  
David E. Raley

Division 3:  
Vacant

Division 4:  
John Longville

Division 5:  
Melody McDonald

### **GENERAL MANAGER**

Daniel B. Cozad

**POTENTIAL MOTIONS**

1. Move to approve the priorities as listed or with changes.
2. Move to direct staff on specific changes to incorporated into the plan and place it on the February agenda for approval.
3. Move to table the item to a future meeting of the Board.

**ATTACHMENTS OR MATERIALS**

2018 Final Priorities Report  
Draft 2019 Priorities Matrix  
2017 CSP Goals Table

## SBVWCD Board Priorities 2018

Priorities are special efforts or emphasis items for the General Manager and staff. These are in addition to core mission elements such as water spreading, conservation, and policy principals such as collaboration, transparency, sustainability and safety.\*

No.	Area or Item	Current Status as of 12/31/18	Board Priority	Early Completion	Likely Completion	Resource Needs	Links to	Plan Goal #
1	Regional Groundwater Sustainability Council Formed	Completed	1	Apr-18	Jun-18	👏👏👏 \$\$\$	⇒	1
2	Plunge Creek Conservation Project Permits Bid Docs	Partial Completion	1	Ongoing	Jan-19	👏👏 \$\$	⇒	1
3	Mill Creek Diversion Permitted (408, 404, 1600, ESA)	Ongoing	1	Ongoing	Ongoing	👏👏 \$\$	⇒	1
4	Wash Plan - Federal Register Publication	22-Feb-19	1	Feb-19	Mar-19	👏👏👏 \$\$	⇒	4
5	Wash Plan Trails Governance Agreement	Limited feedback	1	Mar-19	Sep-19	👏👏👏 \$	⇒	3
6	Update Groundwater Charge process	Completed	1	Mar-18	Apr-18	👏👏 \$	NEW	1
7	Wash Plan - Land Exchange Act Senate Action	Completed	2	Aug-18	Dec-18	👏👏👏 \$	⇒	4
8	Wash Plan Preserve Implementation Work Plan	Budgeting	2	Nov-19	Feb-20	👏👏 \$\$	NEW	4
9	Conservation Trust Support and Development	Ongoing	2	Ongoing	Ongoing	👏👏 \$	⇒	4
10	Plan and Develop collaborative project opportunities	Ongoing	3	Ongoing	Ongoing	👏👏? \$?	NEW	2
11	Mendoza initial plan and options	Clearing/Fencing	3	May-18	Mar-19	👏👏 \$\$\$?	TBD	1/4
12	Outreach Plan Implementation	Ongoing	3	Ongoing	Ongoing	👏👏 \$\$	NEW	5

Priority Key		Staffing and Program Key			
1	Must Do in 2018 <i>as noted</i>	Relative Staffing Need	👏 -- 👏👏👏	👏 -- 👏👏👏	Groundwater
2	Do based on resources	Relative Financial Cost	\$ -- \$\$\$	\$ -- \$\$\$	Land/Wash Plan
3	If possible, as needed	Ongoing or New Links	⇒ or NEW	⇒ or NEW	District/GFE

\* District Mission and Policy Principles are shown on the District website, boardroom and offices.

## SBVWCD Board Priorities 2019

Priorities are special efforts or emphasis items for the General Manager and staff. These are in addition to core mission elements such as water spreading, conservation, and policy principals such as collaboration, transparency, sustainability and safety.\*

No.	Area or Item	Current Status as of 12/31/18	Board Priority	Early Completion	Likely Completion	Resource Needs	Links to	Plan Goal #
1	Partnership Agreement Org Changes and Projects	Agreement	1	Ongoing	Ongoing	👏👏👏 \$\$\$	⇒	1
2	Plunge Creek Conservation Project Permits Bid Docs	Partial Completion	1	Ongoing	Jan-19	👏👏 \$\$	⇒	1
3	Mill Creek Diversion Permitted (408, 404, 1600, ESA)	Ongoing	1	Ongoing	Ongoing	👏👏 \$\$	⇒	1
4	Wash Plan - Federal Register Publication	22-Feb-19	1	Feb-19	Mar-19	👏👏👏 \$\$	⇒	4
5	Wash Plan Trails Governance Agreement	Limited feedback	1	Mar-19	Sep-19	👏👏👏 \$	⇒	3
6	Plunge Creek Conservaiton Construction	Pre Bid	1	May-19	Nov-19	👏👏 \$	NEW	1
7	Wash Plan - Land Exchange Act		2			👏👏👏 \$	⇒	4
8	Wash Plan Preserve Implementation Work Plan	Budgeting	2	Nov-19	Feb-20	👏👏 \$\$	NEW	4
9	Conservation Trust Support and Development	Ongoing	2	Ongoing	Ongoing	👏👏 \$	⇒	4
10	Plan and Develop collaborative project opportunities	Ongoing	3	Ongoing	Ongoing	👏👏? \$?	NEW	2
11	Mendoza water recharge plans	preliminary	3	Mar-19	Dec-19	👏👏 \$\$\$?	TBD	1/4
12	Outreach Plan Implementation	Ongoing	3	Ongoing	Ongoing	👏👏 \$\$	NEW	5

Priority Key		Staffing and Program Key		
1	Must Do in 2018 <i>as noted</i>	Relative Staffing Need	👏 -- 👏👏👏	👏 -- 👏👏👏
2	Do based on resources	Relative Financial Cost	\$ -- \$\$\$	\$ -- \$\$\$
3	If possible, as needed	Ongoing or New Links	⇒ or NEW	⇒ or NEW
				Groundwater
				Land/Wash Plan
				District/GFE

\* District Mission and Policy Principles are shown on the District website, boardroom and offices.

No.	2017 Strategic Planning Goals	No.	2013 Community Strategic Plan Goals
1	<b>Additional Recharge</b> - Consistent with CSPG 1, increase Stormwater recharge through maximizing District-owned facilities (aggressive recharge) then expand to support distributed community recharge in cooperative partnerships 2017-2022	1	Increase and enhance basin water resources and conservation management through core mission efforts and enhancement projects
2	<b>Boundary Service Expansion</b> - Consistent with CSPG 3, and supporting the mission and services of the District expand the District Boundary or Service Contracts by 2020	3	Continue to develop and improve financially sound and efficient District organization with secure foundation to better serve District Partners and Communities
3	<b>Trail Recreation</b> - Consistent with CSPG 5, continue to work to open wildland trails on District-owned lands with at least one trail open by 2020	5	Support Trails and outdoor recreation identified in the Wash Plan and in cooperation with District Partners and Communities where financially viable
4	<b>Habitat Management</b> - Consistent with SSPG 2 and working with the Conservation Trust leverage the Wash Plan successes to expand habitat management support for Wash Area lands.	2	Provide effective stewardship of District lands for environmental, water conservation and habitat management through the Wash Plan
5	<b>Outreach</b> - Consistent with CSPG 4, expand efforts for opportunistic outreach and provide information to decision makers - Tactical Issue	4	Deliver services and programs to improve non-retail outdoor water use efficiency and new groundwater recharge in the valley watershed
6	Mining Area Reuse - Consider mining pit reuse and recharge needs - not a strategic issue	6	Develop staff and District organization to support District Mission and regional projects and programs
7	Treatment Wetlands - Respond to opportunities for potential treatment wetlands areas compatible with the District's mission but not found to be a strategic issue.	7	Support and lead regional efforts related to water conservation and management of natural resources with District partners and communities

## Filling Vacancy of the Board of Directors

1. **11/14/2018** – Publish Notice of Vacancy
  - ✓ Post @ the Office
  - ✓ Publish in Papers 11/23/2018
    - ✓ The Sun
    - ✓ Loma Linda City News
    - ✓ Highland Community News
  
2. **12/21/2018** - Notify ROV of Vacancy
  - ✓ Called ROV and notified them of Board Vacancy 12/21/2018
  
3. **01/23/2019** – Deadline to Submit Resumes
  
4. **01/30/2019** – Special Meeting to Select Interviewees
  
5. **02/06/2019** – Interviews and Special Meeting to Appoint Board Member/Oath of Office
  
6. **03/06/2019** – Deadline to file Assuming Office Form 700 with Clerk of the Board

# General Manager's Report


For December 8, 2018 to January 4, 2019  
Daniel B. Cozad



**San Bernardino Valley  
Water Conservation District**  
Helping Nature Store Our Water

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The following report covers the weeks between meetings and the efforts and activities during the reporting period.

- 1. Water Conservation – Plan Goal 1** – Limited rains have provided intermittent watershed flows in Mill Creek. Flows in Santa Ana when not fully utilized by surface water plants are being recharged. State Project water has been curtailed, and local water has intermittently increased. Santa Ana recharge totals for the Water Year beginning October 1, 2018, total 1,280 AF. The total recharge in Mill Creek is about 720 AF. Total water recharge is about 2,000 AF for the water year of that amount about 1,150 AF was from State Water Project imports.
- 2. Facility Maintenance and Cleanout – Plan Goal 1** – The Mill Creek and Santa Ana Cleaning and repairs are completed. Sand removal and interim cleaning have been continued. Heavy maintenance from Jacinto was completed in Mill Creek and Santa Ana to increase recharge rates.
- 3. Aggregate Management – Plan Goal 1** – Upland Rock continues to sell sand and rock and also supports District basin cleaning efforts. District staff and Upland will help stage rock for the Plunge Creek Conservation project. Materials Processing License was renewed for 2019.
- 4. Personnel/Administration/Staff** – Staff, completed review information for the Classification and Compensation Study by Koff and Associates. The draft will be provided in February or March to the Board. Staff in accordance with existing policy implemented the destruction of records listed in destruction logs #21 thru #24, please see attached.
- 5. Finance/Budget/Audit** – Staff implemented the changes approved by the Board. Staff prepared information for the January Finance and Administration Committee and to finalize the Conservation Trust Audit files.
- 6. Mill Creek Diversion Engineering – Plan Goals 1/4** – SBC Flood Control and Staff continue to work with USACOE Section 408 permit staff. All requests have been supplied to the USACOE. All other permits will be timed to coordinate with the 408 permit. All requested information has been submitted to the USACOE for the 408 permit, and modeling engineering calculations have been requested.
- 7. Plunge Creek Restoration Conservation Project – Plan Goals 1/4** – Regional Water Quality Control Board 401 certification permit is complete. The USACOE 404 permit is nearly complete awaiting COE's USFWS consultation. Permitting for the project

requires a Section 7 consultation with USFWS which was initiated by the USACOE which is likely delayed by Federal Government shutdown.

8. **Enhanced Recharge Project – Plan Goal 1** – J.F. Shea Construction has completed the initial phase of the project and has completed the Parshall flume upgrades as well. The Enhanced Recharge Basins are scheduled for construction in 2020. Improvements at the Cuttle Weir are permitted in the River Habitat Conservation Plan and will follow its approval. The sedimentation basin saw its first larger flows to bill the basin, see photos below. Several locations have some seepage likely associated with initial startup, and there are increased flows in the Redlands Tunnel.



9. **Groundwater Council – Plan Goal 1** – The Groundwater Council met on December 10<sup>th</sup> and approved participation and Budget Committee policy recommendations.
10. **Wash Plan – Plan Goal 4** – The Wash Plan has a separate report listed on the agenda. USFWS and BLM are reviewing documents at the Washington DC level and completing tasks to meet the requirements for Federal Registrar Publication in February. The cultural report will follow and is the last item to complete.
11. **Santa Ana River Wash Plan Land Exchange Act – Plan Goal 4** – HR-497 was heard in the Senate Energy and Natural Resources Markup Hearing on May 17<sup>th</sup> and passed out of committee. On July 31, 2018, the clean Committee Report was filed. As was predicted, an effort is underway to move a federal lands bill including the HR-497 during the lame duck session in December/January. The District and several Wash Plan Partners provided support letters. We are assessing the options available in the 116<sup>th</sup> Congress for passage.
12. **Conservation Trust – Plan Goal 4** - The Conservation Trust Board of Directors last met on September 28, 2018. Staff continues to coordinate with the City of Highland and development interests adjoining the Wash Plan for Community Mitigation needs. Staff continues to work with a number of parties for mitigation lands. Staff is working with Wash Plan participants who may need more mitigation than expected for their projects to get their projects permitted.

- 13. Property/Redlands Plaza** – Staff continues to manage Redlands Plaza and various issues related to tenants and maintenance. One unit is vacant with one current tenant interested in leasing the unit.
- 14. Mining** – Mining efforts by CEMEX contractors continue on the Plant Site quarry. District Counsel drafted revisions to the existing lease to revise it for the Wash Plan implementation. CEMEX reviewed the draft providing extensive changes and met with staff and counsel with follow-up meetings planned in February. Staff coordinated survey and follow-up for potential Robertson’s mining area with Robertson’s and USFWS Coordination and communications with permittees and resources agencies continue.
- 15. Public Outreach and Legislative** – *Plan Goal 5* – Staff continued working with the BTAC group on Conservation outreach and related efforts. Staff also continued coordination and efforts for school education with IERCD; the December report is attached.
- 16. Community Recharge and Mitigation** – *Plan Goal 1 and 4* – The 2017 Community Strategic Plan (CSP) included this effort for planning and implementation. Based on staff efforts and in accordance with the resolution the District and SBVMWD are documenting the partnership to expand River HCP mitigation and Active Recharge Projects discussed below.
- 17. Active Recharge Partnership** – *Plan Goals 1, 2 and 4* – As reported in December legal counsel and staff continue to make minor changes to the Partnership Agreement MOU for Active Recharge Projects and Habitat Conservation Easements approved by the Board. If a revised approved agreement is received, it will be added to the agenda for concurrence.
- 18. Current Board Action Implementation** – Many priority efforts have separate sections of the General Manager’s Report, or independent Board requested reports. Staff and District Counsel worked closely on EHL/CBD v. USACOE settlement as well as other closed session property items. Staff will be working with consultants on outreach planning for 2019.
- 19. Future Board Activities** – Expected short-term items for consideration or note
  - Review and consideration of approval of the Memorandum of Agreement with the BLM in 2019
  - Partnership Agreement for Active Recharge changes
  - Budget Planning efforts
  - Potentially Federal Register Listing of Wash Plan
- 20. District Successes**
  - Additional permits for Plunge Creek Conservation project are being completed within the next two weeks leaving only the Federal Permit.
  - Revised Memorandum of Agreement with IERCD was completed
  - Significant efforts by the District on behalf of the water conservation and recharge districts paid off in the most recent draft of the Enclosed Bays and Estuaries Wetlands policy released by the State Waterboard staff for consideration. While other issues

remain, our requests were heard and exemptions included for facilities maximizing groundwater recharge and other changes we requested.



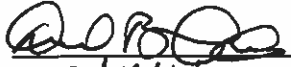
AUTHORIZATION FOR DESTRUCTION OF OBSOLETE RECORDS

Record Type:

Hard Copy   X    
 Electronic           

(1) Record Series	(2) Description	Date	(3) File Location	(4) Media Type	(5) Years Covered	(6) Reference Status	(7) Document (Original/Copy)	(8) REMARKS (Vital or Confidential Records, Retention Authority, etc.)
Human Resources	Timesheets		HR	Hard Copy	2010	Expired	Original	Ret. Term Ended
Human Resources	Works Comp Correspondence		HR	Hard Copy	2004	Expired	Original	Ret. Term Ended
Insurance	Larry Jacinto Construction, Inc. Insurance Certificates		Agreements	Hard Copy	2010, 2012	Expired	Original	Ret. Term Ended
Insurance	Gina Browning Insurance Certificates		Agreements	Hard Copy	2011-2012	Expired	Original	Ret. Term Ended
Insurance	Dayton Trucking Insurance Certificates		Agreements	Hard Copy	2010-2011	Expired	Original	Ret. Term Ended
Insurance	M.A.R.K.S. Insurance Cert.		Agreements	Hard Copy	2010-2011	Expired	Original	Ret. Term Ended
Human Resources	Timesheets		HR	Hard Copy	2009	Expired	Original	Ret. Term Ended
Insurance	Matich Corporation Insurance Certificates		Agreements	Hard Copy	2011	Expired	Original	Ret. Term Ended
Insurance	Alpha Materials, Inc.		Agreements	Hard Copy	2011	Expired	Original	Ret. Term Ended

Requested by: Athena L. Monge  
 Date: 12/18/2018

Approved by:   
 Date: 12/19/18



AUTHORIZATION FOR DESTRUCTION OF OBSOLETE RECORDS

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Recordings	Big Bear Watermaster Meeting	10/11/2016	Server	MP3	2016	Expired	Original	Ret. Term Ended
Recordings	Operations Committee Meeting	10/21/2016	Server	MP3	2016	Expired	Original	Ret. Term Ended
Recordings	Wash Plan Task Force Meeting	11/8/2016	Server	MP3	2016	Expired	Original	Ret. Term Ended
Recordings	Finance & Administration Committee	11/14/2016	Server	MP3	2016	Expired	Original	Ret. Term Ended
Recordings	Board of Directors Meeting	11/16/2016	Server	MP3	2016	Expired	Original	Ret. Term Ended
Recordings	Wash Plan Task Force Meeting	4/18/2017	Server	MP3	2017	Expired	Original	Ret. Term Ended
Recordings	Operations Committee Meeting	4/4/2017	Server	MP3	2017	Expired	Original	Ret. Term Ended
Recordings	Outreach Committee	1/19/2017	Server	MP3	2017	Expired	Original	Ret. Term Ended
Recordings	Conservation Trust	2/10/2017	Server	MP3	2017	Expired	Original	Ret. Term Ended
Recordings	Wash Plan Task Force Meeting	4/18/2017	Server	MP3	2017	Expired	Original	Ret. Term Ended
Recordings	Finance & Administration Committee	4/21/2017	Server	MP3	2017	Expired	Original	Ret. Term Ended
Recordings	Budget Workshop	5/31/2017	Server	MP3	2017	Expired	Original	Ret. Term Ended
Recordings	Conservation Trust	6/9/2017	Server	MP3	2017	Expired	Original	Ret. Term Ended
Recordings	Big Bear Watermaster Meeting	7/11/2017	Server	MP3	2017	Expired	Original	Ret. Term Ended
Recordings	Board of Directors Meeting	7/12/2017	Server	MP3	2017	Expired	Original	Ret. Term Ended
Recordings	Strategic Planning Workshop	7/18/2017	Server	MP3	2017	Expired	Original	Ret. Term Ended
Recordings	Finance & Administration Committee	7/19/2017	Server	MP3	2017	Expired	Original	Ret. Term Ended
Recordings	Board of Directors Meeting	8/9/2017	Server	MP3	2017	Expired	Original	Ret. Term Ended
Recordings	Outreach Committee	8/30/2017	Server	MP3	2017	Expired	Original	Ret. Term Ended
Recordings	Board of Directors Meeting	9/13/2017	Server	MP3	2017	Expired	Original	Ret. Term Ended
Recordings	Conservation Trust	10/5/2017	Server	MP3	2017	Expired	Original	Ret. Term Ended

Requested by: Athena L. Monge  
Date: 12-19-18

Approved by:   
Date: \_\_\_\_\_



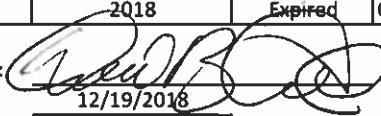
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Recordings	Board of Directors	8/9/2017	Server	MP3	2017	Expired	Original	Ret. Term Ended
Recordings	Outreach Committee	8/30/2017	Server	MP3	2017	Expired	Original	Ret. Term Ended
Recordings	Board of Directors	9/13/2017	Server	MP3	2017	Expired	Original	Ret. Term Ended
Recordings	Conservation Trust	10/5/2017	Server	MP3	2017	Expired	Original	Ret. Term Ended
Recordings	Outreach Committee	10/9/2017	Server	MP3	2017	Expired	Original	Ret. Term Ended
Recordings	Big Bear Watermaster	10/10/2017	Server	MP3	2017	Expired	Original	Ret. Term Ended
Recordings	Board of Directors	10/18/2017	Server	MP3	2017	Expired	Original	Ret. Term Ended
Recordings	Finance & Administration Committee	11/15/2017	Server	MP3	2017	Expired	Original	Ret. Term Ended
Recordings	Board of Directors	12/13/2017	Server	MP3	2017	Expired	Original	Ret. Term Ended
Recordings	Finance & Administration Committee	1/25/2017	Server	MP3	2017	Expired	Original	Ret. Term Ended
Recordings	Board of Directors	2/8/2017	Server	MP3	2017	Expired	Original	Ret. Term Ended
Recordings	Special Board Meeting	3/1/2017	Server	MP3	2017	Expired	Original	Ret. Term Ended
Recordings	Operations Committee	3/13/2017	Server	MP3	2017	Expired	Original	Ret. Term Ended
Recordings	Strategic Planning Workshop	3/23/2017	Server	MP3	2017	Expired	Original	Ret. Term Ended
Recordings	Board of Directors	4/12/2017	Server	MP3	2017	Expired	Original	Ret. Term Ended
Recordings	Operations Committee	10/30/2017	Server	MP3	2017	Expired	Original	Ret. Term Ended
Recordings	Board of Directors	2/14/2018	Server	MP3	2018	Expired	Original	Ret. Term Ended
Recordings	Board of Directors	1/10/2018	Server	MP3	2018	Expired	Original	Ret. Term Ended
Recordings	Big Bear Watermaster	1/22/2018	Server	MP3	2018	Expired	Original	Ret. Term Ended
Recordings	Finance & Administration Committee	1/24/2018	Server	MP3	2018	Expired	Original	Ret. Term Ended
Recordings	Operations Committee	2/7/2018	Server	MP3	2018	Expired	Original	Ret. Term Ended

Requested by: Athena L. Monge  
Date: 12/19/2018

Approved by:   
Date: 12/19/2018



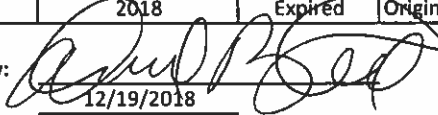
AUTHORIZATION FOR DESTRUCTION OF OBSOLETE RECORDS

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Recordings	Conservation Trust	3/15/2018	Server	MP3	2018	Expired	Original	Ret. Term Ended
Recordings	Big Bear Watermaster	3/9/2018	Server	MP3	2018	Expired	Original	Ret. Term Ended
Recordings	Board of Directors Meeting	3/14/2018	Server	MP3	2018	Expired	Original	Ret. Term Ended
Recordings	Conservation Trust	3/15/2018	Server	MP3	2018	Expired	Original	Ret. Term Ended
Recordings	Outreach Committee	3/15/2018	Server	MP3	2018	Expired	Original	Ret. Term Ended
Recordings	Finance & Administration Committee	4/27/2018	Server	MP3	2018	Expired	Original	Ret. Term Ended
Recordings	Operations Committee	3/21/2018	Server	MP3	2018	Expired	Original	Ret. Term Ended
Recordings	Board of Directors Meeting	4/11/2018	Server	MP3	2018	Expired	Original	Ret. Term Ended
Recordings	Board of Directors Meeting	4/25/2018	Server	MP3	2018	Expired	Original	Ret. Term Ended
Recordings	Board of Directors Meeting	6/13/2018	Server	MP3	2018	Expired	Original	Ret. Term Ended
Recordings	Board of Directors Meeting	5/23/2018	Server	MP3	2018	Expired	Original	Ret. Term Ended
Recordings	Board of Directors Meeting	10/10/2018	Server	MP3	2018	Expired	Original	Ret. Term Ended
Recordings	Board of Directors Meeting	11/1/2018	Server	MP3	2018	Expired	Original	Ret. Term Ended
Recordings	Board of Directors Meeting	7/11/2018	Server	MP3	2018	Expired	Original	Ret. Term Ended
Recordings	Board of Directors Meeting	9/19/2018	Server	MP3	2018	Expired	Original	Ret. Term Ended
Recordings	Budget Workshop	5/22/2018	Server	MP3	2018	Expired	Original	Ret. Term Ended
Recordings	Big Bear Watermaster	7/10/2018	Server	MP3	2018	Expired	Original	Ret. Term Ended
Recordings	Board of Directors Meeting	8/8/2018	Server	MP3	2018	Expired	Original	Ret. Term Ended
Recordings	Finance & Administration Committee	7/25/2018	Server	MP3	2018	Expired	Original	Ret. Term Ended
Recordings	Joint Board Meeting	9/10/2018	Server	MP3	2018	Expired	Original	Ret. Term Ended

Requested by: Athena L. Monge  
Date: 12/19/2018

Approved by:   
Date: 12/19/2018



# San Bernardino Valley Water Conservation District Water Conservation Programs Report: December 2018

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**To:** Daniel Cozad

**Contact Information:** Office: (909) 793-2503 Cell: (909) 747-5240  
[dcozad@sbvwcd.dst.ca.us](mailto:dcozad@sbvwcd.dst.ca.us)

**From:** Jasmine Orozco, Education Coordinator

**Contact Information:** 25864-K, Business Center Drive, Redlands, CA, 92374  
909-283-7780  
[jorozco@iercd.org](mailto:jorozco@iercd.org)  
[www.iercd.org](http://www.iercd.org)

**Report Last Updated:** 12/31/2018

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On behalf of the IERCD Board of Directors, I want to thank you so much for your support of our District and your amazing partnership!

## San Bernardino Valley Water Conservation District General Program Overview

### Total Classroom Programs Contracted: 15

- Number of programs presented: 12
- Number of programs scheduled: 0
- Number of outstanding programs: 3

### Total Gardens Contracted: 2

- Number of gardens implemented: 0
- Number of gardens scheduled: 0
- Number of outstanding gardens: 0

## Schools/Cities

The following programs have been presented in each city:

- Mariposa Elementary, Redlands, 3 prog
- Smiley Elementary, Redlands, 5 prog
- Bryn Mawr Elementary, Redlands 4 prog

## Presentation Links

These links represent the most recent Prezis being presented on behalf of SBVWCD. Please send any feedback concerning elements that should be excluded or are missing from the presentations.

- **Kindergarten:**  
[https://prezi.com/\\_q8rilgz\\_7si/sbvwcd-k-only/](https://prezi.com/_q8rilgz_7si/sbvwcd-k-only/)
- **1<sup>st</sup> grade:**  
<https://prezi.com/kqjzbatubjz5/sbvwcd-1st/>
- **2<sup>nd</sup>-3<sup>rd</sup> grade:**  
[https://prezi.com/4uz\\_gitorz5x/sbvwcd-2nd-3rd/](https://prezi.com/4uz_gitorz5x/sbvwcd-2nd-3rd/)
- **4<sup>th</sup>-5<sup>th</sup> grade:**

<https://prezi.com/1qo3dpcbpkjg/sbvxcd-4th-5th/>

- **Middle School**

[https://prezi.com/3gowntqbx\\_xq/sbvxcd-6th-8th/](https://prezi.com/3gowntqbx_xq/sbvxcd-6th-8th/)

- **High School**

<https://prezi.com/zfobrqx5tghe/sbvxcd-high-school/>

# San Bernardino Valley Water Conservation District

## Monthly Recharge Report

From: 12/1/2018  
To: 12/31/2018



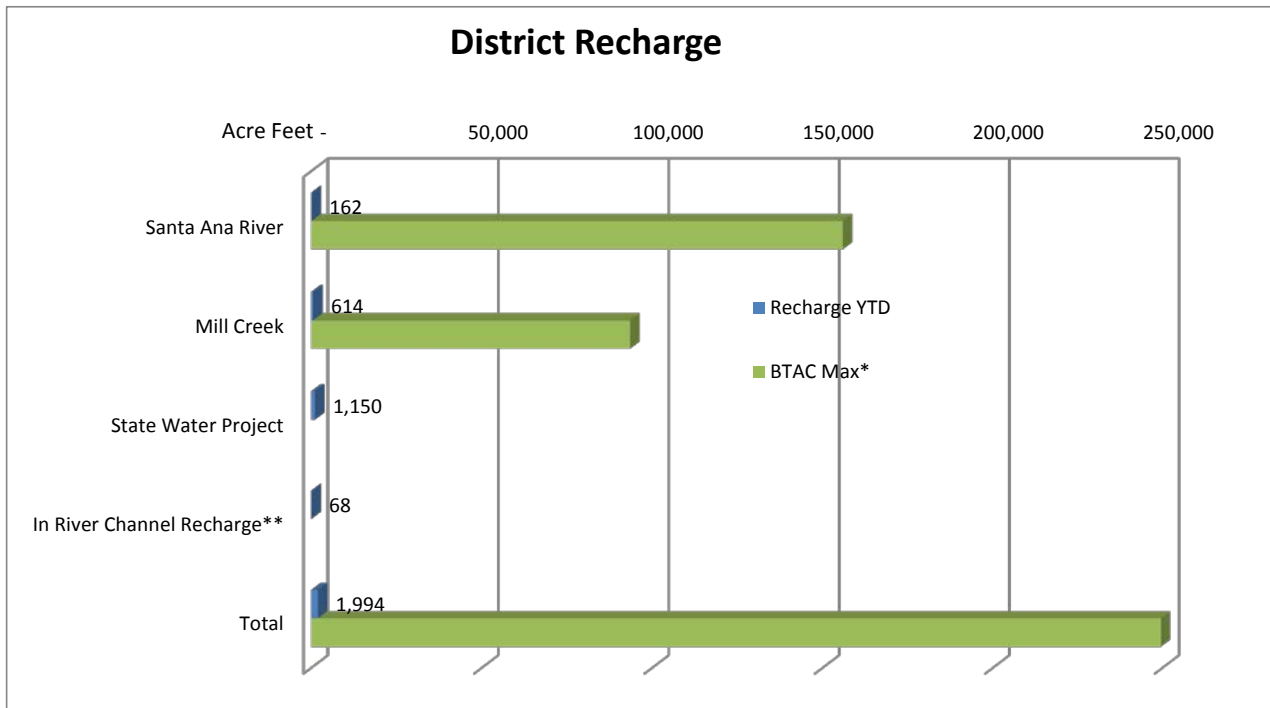
	December				
	Avg Daily Recharge	Monthly Recharge	Recharge YTD	BTAC Max*	% Max
Santa Ana River	4.5	141	162	156,000	0%
Mill Creek	7.3	226	614	93,600	1%
State Water Project	0.1	4	1,150	NA	NA
In River Channel Recharge**	0.0	-	68	NA	NA
<b>Total</b>	<b>12</b>	<b>371</b>	<b>1,994</b>	<b>249,600</b>	<b>1%</b>

Values in Acre Feet

\*BTAC Revised Max in December 2017

\*\*Monitoring began in Mid-April 2011

\*\*\* All Values Based on Water Year Oct-Sep 2018





# 2019 Board Calendar - San Bernardino Valley Water Conservation District

JANUARY						
S	M	T	W	Th	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

Jan. 9 Board Meeting  
 Jan. 23 2<sup>nd</sup> Qtr. Finance & Admin Mtg.

JULY						
S	M	T	W	Th	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

Jul. 10 Board Meeting  
 Jul. 24 4<sup>th</sup> Qtr. Finance & Admin Mtg.

FEBRUARY						
S	M	T	W	Th	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28		

Feb. 13 Board Meeting

AUGUST						
S	M	T	W	Th	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

Aug. 14 Board Meeting

MARCH						
S	M	T	W	Th	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

Mar. 13 Board Meeting  
*Engineering Investigation Report Presentation*

SEPTEMBER						
S	M	T	W	Th	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

Sept. 11 Board Meeting

APRIL						
S	M	T	W	Th	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

Apr. 10 Board Meeting  
*Public Meeting/Groundwater Charge*  
 Apr. 24 Board Meeting  
*Public Hearing/Groundwater Charge*  
 Apr. 26 3<sup>rd</sup> Qtr. Finance & Admin Mtg.

OCTOBER						
S	M	T	W	Th	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

Oct. 9 Board Meeting

MAY						
S	M	T	W	Th	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

May 22 Board Meeting  
 May 22 Budget Workshop (after Board meeting)

NOVEMBER						
S	M	T	W	Th	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

Nov. 13 Board Meeting  
 Nov. 20 1<sup>st</sup> Qtr. Finance & Admin Mtg.

JUNE						
S	M	T	W	Th	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

Jun. 12 Board Meeting

DECEMBER						
S	M	T	W	Th	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

Dec. 11 Board Meeting (@ 9:30 a.m.)  
*Holiday Luncheon*