

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
GROUNDWATER PUBLIC HEARING/BOARD OF DIRECTORS MEETING

MINUTES OF APRIL 27, 2022
1:30 p.m.

President McDonald called the meeting of the Board of Directors to order at 1:34 p.m. by teleconference and Zoom meeting; all those in attendance stood for the pledge of allegiance led by President McDonald.

ROLL CALL:

BOARD MEMBERS PRESENT:

Melody McDonald, President
Richard Corneille, Vice President
David E. Raley, Director
Robert Stewart, Director

BOARD MEMBERS ABSENT:

John Longville, Director

GENERAL COUNSEL PRESENT:

None

STAFF PRESENT:

Betsy Miller, Assistant General Manager
Milan Mitrovich, Land Resources Manager
Athena Lokelani, Administrative Specialist
Angie Quiroga, Administrative Analyst
Katelyn Scholte, Principal Engineer
Jazmin Serrato, Intern

GUESTS PRESENT:

David E. Smith, East Valley Water District

1. PUBLIC PARTICIPATION

President McDonald announced that any person present, who so desired, may make an oral presentation to the Board of Directors. There being none, the meeting continued with the posted agenda items.

2. ADDITIONS/DELETIONS TO AGENDA

It was moved by Vice President Corneille to add the update for the 90th Anniversary Celebration on to the agenda, seconded by Director Stewart to add Item B: Event Planning, under Informational Items. The motion carried 4-0 with all Board members present voting in the affirmative. Director Longville was noted absent from the vote.

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

3. GUEST RECOGNITION/SELF INTRODUCTION

Ms. Miller introduced staff present and President McDonald introduced Board members present.

4. PUBLIC HEARING RELATED TO THE ADOPTION OF THE GROUNDWATER CHARGE

President McDonald opened the Groundwater Public Hearing. The recommended increase for the groundwater charge is \$0.73, from the current rate of \$14.54 to \$15.27 per acre foot for all groundwater production with the recommended sustainability component of \$18.37 per acre foot to be phased in a five year period, with the incremental increase for this year resulting in a total amount of \$7.35 per acre foot. Staff has not received any oral or written comments on the groundwater rate or sustainability component. President McDonald asked if anyone had comments on Resolution No. 599. She stated that there had been many earlier considerations by the Board of this item, including the Engineering Investigation Report (EI), Groundwater Producers Public Meeting on March 9, and Groundwater Public Meeting on April 13. President McDonald closed the Groundwater Public Hearing.

It was moved to adopt Resolution No. 599 by Vice President Corneille and seconded by Director Raley. The motion carried 4-0, with all Board members present voting in the affirmative. Director Longville was noted absent from the vote.

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

5. CONSENT CALENDAR

It was moved by Director Raley and seconded by Director Stewart to approve the Consent Calendar: Item A: Board Minutes, April 13, 2022. The motion carried 4-0, with all Board members present voting in the affirmative. Director Longville was noted absent from the vote.

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

6. COMMITTEE REPORTS/ACTION ITEMS

A. AGREEMENT AND ELECTION TO PREFUND EMPLOYER CONTRIBUTIONS TO A DEFINED BENEFIT PENSION PLAN WITH THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM INTERNAL REVENUE CODE SECTION 115 CALIFORNIA EMPLOYERS' PENSION PREFUNDING TRUST

Ms. Miller introduced this item for discussion, noting its inclusion in the package on pages 32 to 45. This item was reviewed by the Finance & Administration Committee (Committee). The District currently has a trust for Other Post-Employment Benefits (OPEB) through the California Employers' Retiree Benefit Trust (CERBT), and the District also has the option to invest in a similiar trust for CalPERS payments, California Employers' Pension Prefunding Trust (CEPPT). The returns over the years for the CEPPT have ranged from 4% to 7.6%. Staff is recommending prefunding the CalPERS CEPPT trust for up to two years worth of District CalPERS payments plus an additional \$50,000 for future unfunded liabilities. The proposed agreement and delegation of authority forms are included on package pages 34 to 45. The General Liability Fund Reserve has sufficient funds to cover the set up fees, the first investment of two years worth of salaries, and the additional \$50,000. The contribution amount was discussed. The total amount that staff is asking the Board to invest is \$400,956 for the initial year. Vice President Corneille spoke in support of staffs' and the Committee recommendation to fund for two years. Director Stewart asked if the investment amount calculated factors in the interest earned. He stated that he wants to ensure that the new trust is not overfunded. Discussion ensued. Ms. Miller said that it is best to keep the larger portion of reserves in the actual trust so that the District can earn interest. The Board has discretion to prefund at an amount determined by for the Board. Ms. Miller said that staff can propose the amount needed annually based on annual valuation reports. President McDonald spoke in support of the CEPPT trust. Director Stewart asked if the only way to expend the trust funds is to apply them to OPEB expenses. Staff confirmed that is correct, these funds may only be utilized to pay for OPEB costs.

It was moved by Director Raley and seconded by Vice President Corneille to approve an Agreement and Election to Prefund Employer Contributions to a Defined Benefit PensionPplan, approve the Delegation of Authority to Request Disbursements to the General Manager, authorize the Board President to sign the Agreement and all associated documents, and approve deposit into the California Employers' Pension Prefunding Trust from reserves, recognizing the prefunding up to two years annually, in the amount of \$400,956, which includes the \$50,000 for future unfunded liabilities. The motion carried 4-0, with all Board members present voting in the affirmative. Director Longville was noted absent from the vote.

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

7. INFORMATION ITEMS

A. FUTURE AGENDA ITEMS AND STAFF TASKS

Vice President Corneille discussed the Association of San Bernardino County Special Districts dinner that the District is hosting on June 20. Staff is working to determine the meeting location. Vice President Corneille will present at the meeting. Director Stewart suggested considering use of the Marriott in Loma Linda that the Loma Linda Chamber of Commerce has used for past events. Staff will continue to research venues, and provide update at the May 11 Board meeting.

B. EVENT PLANNING

President McDonald provided a verbal update on the status of the District's 90th Anniversary celebration. She indicated that Kimberli Munkres of ThunderWheel Communications is assisting with this event, along with event planner Wendy Gladney. The event will begin at 6:00 p.m. at a District property near the Cuttle Weir. The budget for the event was reviewed in brief. Director Raley suggested that the next event be presented to the Outreach Committee for review prior to planning. Ms. Miller said that this is a joint event to celebrate both the District's 90th anniversary and Mr. Cozad's retirement. She will be the emcee for the event and reviewed the timeline and menu. The Board requested to receive a copy of the invite list. Staff confirmed that prior staff and Board members have been invited.

8. UPCOMING MEETINGS

There were none discussed.

9. CLOSED SESSION

It was moved by Vice President Corneille and seconded by Director Stewart to enter into Closed Session. The motion carried 4-0, with all Directors present voting in the affirmative. Director Longville was noted absent from the vote.

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

President McDonald announced that the meeting would adjourn to a closed session to discuss all posted agenda items.

At 3:28 p.m. the meeting reconvened into open session. President McDonald noted that there was no reportable action during closed session.

10. ADJOURN MEETING

It was moved by Vice President Corneille and seconded by Director Stewart to adjourn. The motion carried 4-0, with all Directors present voting in the affirmative. Director Longville was noted absent from the vote.

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

At 3:28 p.m., the meeting adjourned to the regular Board of Directors meeting scheduled for 1:30 p.m. on May 11, 2022, via Zoom.



Daniel B. Cozad
General Manager