

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS

MINUTES OF April 29, 2013
1:30 P.M.

President Corneille called the Special Board Meeting of the Board of Directors to order at 1:32 p.m. All present stood for the pledge of allegiance, led by President Corneille.

ROLL CALL:

BOARD MEMBERS PRESENT:

Richard Corneille, President
Melody McDonald, Vice President
Bob Glaubig, Director
David E. Raley, Director
John Longville, Director
Clare Henry Day, Director
Manuel Aranda, Director

BOARD MEMBERS ABSENT:

None

GENERAL COUNSEL PRESENT:

David B. Cosgrove, Rutan & Tucker, LLP

STAFF PRESENT:

Daniel Cozad, General Manager
Angie Quiroga, Administrative Services Specialist

GUESTS PRESENT:

None

1. PUBLIC PARTICIPATION

President Corneille announced no public were present. There being none, the meeting continued with published agenda items.

2. ADDITIONS/DELETIONS TO AGENDA

Daniel Cozad, General Manager, stated staff wishes to present a staff report regarding the recent fuel spill in Angeles Oaks, no action is required.

3. CONSENT CALENDAR

Approval of the Board Minutes from April 24, 2013

Board Minutes were approved with a vote of 6-0 with President Corneille abstaining due to his absence at that meeting.

4. ACTION ITEMS

A. CONSIDER ADOPTION OF RESOLUTION 492

This item was continued from the Public Hearing held on April 24th, 2013. The Board having held the public meeting, public hearing was prepared to consider approval of Resolution 492. President Corneille pointed out that the revenue from the groundwater charge does not fully cover the enterprise costs as shown in the budget. Mr. Cozad explained that other sources of revenue fund the remaining costs for the groundwater enterprise. Legal counsel, David Cosgrove, suggested changing the wording of the resolution under Section 5, paragraph E to read "These revenues do not fully recover expected costs and will not exceed the costs...". He also stated it will be necessary to re-word the last line of Section 5, paragraph D in conjunction with previous change to read "The Groundwater Enterprise Budget includes, but is not limited to, the following:". Director Raley requested clarification as to why it is estimated that the annual change in storage for the ensuing water year is only 6,047 acre feet when the storage in the Bunker Hill Basin went down 89,775 acre feet from Fall 2011-Fall 2012. Mr. Cozad explained that the District follows the Water Code section which requires a consistent approach and that the District assumes average rainfall.

It was moved by Vice President McDonald and seconded by Director Aranda to approve the adoption of Resolution No. 492 with noted changes. The motion carried 7-0.

B. GENERAL MANAGER ANNUAL PERFORMANCE REVIEW AND EMPLOYMENT AGREEMENT

President Corneille stated the Ad Hoc Committee met twice for the General Manager's review and the consensus was that Mr. Cozad is doing an outstanding job. Salary increases were discussed and the committee decided a 5% raise (comprised of 2% COLA and 3% merit) with a potential of up to 5% performance bonus would be best for the upcoming contract of July 1, 2013-June 30, 2014. Discussion ensued. Vice-President McDonald and Director Longville gave great merit to Mr. Cozad's accomplishments. Director Raley noted the lack of a severance package in the agreement due to the uncapped accrual of sick and vacation that can be cashed out at any time. Director Aranda asked about the financial liability that could arise from the long term accrual. President Corneille noted that the contract is only for one fiscal year and the issue can be reviewed in future contracts if it becomes a problem. President Corneille noted the General Manager's role was updated in Resolution 493 in a couple of areas such as raising the allowed amount that the GM can make financial decisions from \$5,000 to \$25,000. Mr. Cozad stated changes were also made to emergency expenditures and the Board's review of the GM's expense reimbursements. Director McDonald noted that Mr. Cozad's salary is less than the area average due to the understanding that Mr. Cozad is able to do consulting work in addition to District work. Director Glaubig requested clarification on Payment of Bills regarding Board of Director approval (paragraph C 9) of Resolution 493. Mr. Cosgrove stated it is not worded correctly in the description of timing but it is appropriate until RAMS reviews the policy as requested by the General Manager and a policy change is needed. President Corneille noted that either he or Vice President McDonald co-signs all checks and two Director's sign off on all warrants.

It was moved by Director Raley and seconded by Director Longville to approve the Employment Agreement that was prepared by General Counsel and Resolution No. 493 which revises the responsibilities and authority of the General Manager. The motion carried unanimously 7-0.

5. INFORMATION ITEMS:

A. STAFF REPORT

Daniel Cozad reported on the fuel spill that occurred Friday, April 26, 2013 about 9:35 a.m. in Angeles Oaks. He stated due to planning after a previous incident, our alerted time of this incident was much quicker; about 2 hours vs. 1 day. The District closed the Cuttle Weir and ceased diversion upon hearing of

the spill and that there was fuel entering the water. The weir gates leak a little or quite a bit depending on sand and silt build up and were leaking about 10 cfs flow. Because of this, field staff pulled the weir steel gates to allow all water to pass and took samples at Cuttle Weir and Recharge Basin 1. We are waiting for other agency analysis results before analyzing our samples but are not expecting them to come back positive for contamination. EVWD has offered to consolidate all agency analysis results. The spill was fairly large and moved down Cold Creek and to south fork of the SAR. Within about 3 hours, Edison's Plant 1 believes fuel had entered in their system and the intake facility was closed. It is unlikely the District has any of that water because it wasn't headed to our facilities. Mr. Cozad does not believe we will need any clean up. It looks like it has been trapped upstream from us.

The Regional Water Quality Control Board's staff has been on spill site since mid-Friday. Edison closed the penstock valve to stop water. No flow is coming past Edison's facilities until the water has been shown to be clean. However, the pipeline is still full of water and they believe it may be contaminated.

The District has done everything possible to prevent contamination of District facilities and water. Mr. Cozad said all surface water users can take water from the SWP if needed.

B. FUTURE AGENDA ITEMS & STAFF TASK REQUESTS FROM DIRECTORS

There was no report on this item.

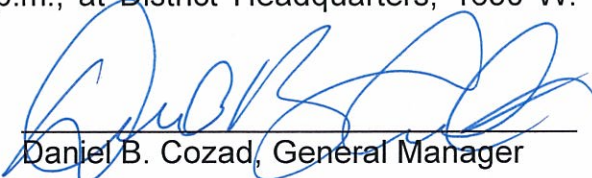
6. MONTHLY BOARD MEMBER COMMITTEE ACTIVITY REPORTS, AND/OR COMMENTS BY BOARD MEMBERS

There were no committee reports or comments at this meeting.

7. ADJOURN MEETING

It was moved by Director Aranda and seconded by Director Longville to adjourn to the next scheduled meeting. The motion carried 7-0.

At 2:19 p.m. the meeting adjourned to the Board of Director's Meeting scheduled for May 15, 2013 at 1:30 p.m., at District Headquarters, 1630 W. Redlands Blvd., Redlands, CA.


Daniel B. Cozad, General Manager