

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS

MINUTES OF July 10, 2013
1:30 P.M.

President Corneille called the Board Meeting of the Board of Directors to order at 1:30 p.m. All present stood for the pledge of allegiance, led by President Corneille.

ROLL CALL:

BOARD MEMBERS PRESENT:

Richard Corneille, President
Melody McDonald, Vice President
Bob Glaubig, Director
David E. Raley, Director
Manuel Aranda, Director
John Longville, Director (1:34 p.m. arrival)
Clare Henry Day, Director

BOARD MEMBERS ABSENT:

None

GENERAL COUNSEL PRESENT:

David Cosgrove, Rutan & Tucker, LLP

STAFF PRESENT:

Daniel Cozad, General Manager
Jeff Beehler, Land Resource Manager
Athena Medina, Administrative Services Specialist

GUESTS PRESENT:

Charles Roberts, Highland Community News
Don Lee, Tetra Tech

1. PUBLIC PARTICIPATION

This item was taken out of order.

President Corneille announced this as the time for any persons present, who so desire, to make an oral presentation to the Board of Directors. Hearing none, the meeting continued with published agenda items.

2. ADDITIONS/DELETIONS TO AGENDA

There were no additions/deletions to the agenda.

3. CONSENT CALENDAR

President Corneille requested that the Board Minutes be pulled from the consent calendar for discussion.

A. Approval of the Board Minutes from June 12, 2013

President Corneille indicated a correction to be made on page 4 of the minutes.

It was moved by Director Aranda and seconded by Vice President McDonald to approve the Board Minutes with correction noted to page 4. The motion carried 6-0, with Director Day abstaining due to his absence from the meeting.

B. Approval of Check Register, June 2013

It was moved by Vice President McDonald and seconded by Director Aranda to approve the Consent Calendar, Item B. The motion carried 7-0.

4. ACTION ITEMS

A. UNAUDITED FINANCIALS, JUNE 2013

Daniel Cozad, General Manager, reviewed this item beginning on package page 15. He noted that under 4040 Miscellaneous Income, there is \$328,000 more than reported in May because the District received payment for the East Branch Extension Easement Agreement from DWR. The District ended FY 12-13 with the Groundwater Enterprise Revenue at \$810,000; which includes groundwater assessments, spreading agreement reimbursement and the SBVMWD

agreement payment. These numbers are subject to change once accruals are entered. The District was primarily under budget for expenses. In response to a question by President Corneille, Daniel indicated the District received payment for the Exchange Plan, but it was accrued to the prior year.

It was moved by Director Aranda and seconded by Vice President McDonald to approve the Unaudited Financials for June 2013. The motion carried unanimously.

B. ACWA CALL FOR CANDIDATES

Vice President McDonald presented this item for discussion. Resolution No. 498 included in the package is in support of John Coleman for President of the Association of California Water Agencies (ACWA) Board. Vice President McDonald reviewed his qualifications briefly.

It was moved by Vice President McDonald and seconded by Director Longville to approve Resolution No. 498 in support of John Coleman for ACWA President. The motion carried unanimously.

C. CSDA 2013 BOARD ELECTION

The Board discussed the nomination of Kathy Tieg for California Special District's Association (CSDA) Regional Board member and ACWA Vice President simultaneously. Director Aranda indicated that he is in support of her for ACWA Vice President as previously passed by resolution, but does not support candidates running for two simultaneous positions. Vice President McDonald said that in talking to Ms. Tieg, she would resign her position on the CSDA Board if she was elected Vice President of ACWA.

It was moved by Vice President McDonald and seconded by Director Longville to approve the vote for Kathy Tieg for the CSDA Regional Board. The motion carried 6-1 with Director Aranda in opposition.

D. IERCD MOU & OUTREACH PROGRAM UPDATE

Mr. Cozad gave a brief overview of the agreement, referring to package page 29. He indicated that the Inland Empire Resource Conservation District

(IERCD) still has one more outreach program to perform and that will satisfy the previous contract. Mr. Cozad stated that the District is looking to continue working with IERCD and Staff will participate in an additional ten outreach programs as included in the approved FY 13-14 Outreach Budget.

Additionally, Mr. Cozad indicated that Staff would like the District to enter into a Memorandum of Understanding (MOU) with IERCD as they have offered to assist the District, as needed. President Corneille asked if the MOU would constitute a contract. David Cosgrove, Legal Counsel, confirmed that it would and can also be considered an umbrella or cooperative master agreement. He indicated any new projects with IERCD may reference the MOU terms. Director Aranda asked if the expenses for activities associated with the MOU would be drawn from the Outreach Budget. Mr. Cozad stated that there are funds in a holding account 6007 Inter District Costs and the expenses would be drawn from there. He confirmed that when funds are utilized from this account under this MOU the Board will be made aware. President Corneille requested to receive notification once the MOU is ready to be presented to the IERCD Board, so he may attend the meeting. Vice President McDonald asked if the projects and programs that stem from the MOU will be brought before the Board for approval. Mr. Cozad stated the purpose of this agreement is to be able to move forward with programs and projects that are small without the requirement of Board approval; however, the Board will be notified. It does not contract away any authority of the Board or District.

It was moved by Vice President McDonald and seconded by Director Aranda to support and approve the MOU with IERCD supporting any non-substantive changes. The motion carried unanimously.

E. ACCESS PERMIT WITH SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT FOR ROCK STORAGE

Mr. Cozad presented this item for discussion. He indicated that standard access permits are not typically brought before the Board, however since this item includes non-standard terms approval is needed. The two primary differences are: 1. The amount of material being stored and 2. The 18 month storage duration term. The rock storage is to be provided in the Borrow Pit for the aggregate materials removed from both the construction of Crafton Hills Reservoir Expansion and the East Branch Extension II headed up by San Bernardino Valley Municipal Water District (SBVMWD). SBVMWD is working with United States Corps of Engineers (COE) and the COE is estimating the City Creek project will begin in 18 months. The stored rock quantity is estimated to range from 60,000 to 150,000 tons. There is some potential need for the term of the agreement to be extended, but that will be determined. Package page 41 shows a map of current storage and activities within the Borrow Pit.

Mr. Cosgrove has reviewed and approved the changes to the standard access permit. He indicated that SBVMWD is self-insured which seems to be acceptable to the District. Brief discussion ensued. Mr. Cozad indicated that the District would waive charges to SBVMWD for the storage.

It was moved by Vice President McDonald and seconded by Director Aranda to approve the Access Permit for rock storage in the Borrow Pit. The motion carried unanimously.

F. GREENSPOT ROAD AND SANTA ANA BRIDGE PIPELINE CELL

Mr. Cozad presented this item for discussion, indicating that in 2008-2009 the District requested a space or cell inside the bridge be reserved for future use. He stated that previously the cell was held at no cost to the District, but the City of Highland is now requesting that the District provide funding for minimum construction to access the cell. The minimum costs for construction is \$24,500, a second option for pipeline construction is \$83,200 and third option for the largest pipe possible is \$105,000 as indicated on package page 49. The District has not identified a specific potential use for the cell.

President Corneille stated that the Resources Committee envisioned the cell would be used to route a pipe for the Harmony Development to discharge water into the District's spreading basins or for replacement of the Redlands tunnel pipeline. He recommended that the District should pay the minimum cost to reserve the cell for future use to be identified later rather than pay the pipeline costs of \$83,200 to \$105,000 now. Mr. Cozad stated that it would be beneficial to reserve the cell and it may be sold later, if no District use is found. Discussion ensued.

It was moved by President Corneille and seconded by Vice President McDonald to approve the purchase of the minimum infrastructure for future installation in cell at a cost of \$24,500. The motion carried unanimously.

5. INFORMATION ITEMS

A. GENERAL MANAGER'S REPORT

The written General Manager's Report, prepared by Mr. Cozad, is presented on package page 51. Mr. Cozad indicated the District is receiving the lowest outflow

from the Santa Ana River, currently 10 CFS. Additionally, Staff has submitted all LAFCO required documents for the reinstatement of the sphere of influence. The District has been assigned an application number and will advise the Board as the status changes/updates. On package page 56, there is an update on District Priorities which Mr. Cozad reviewed. An update on the potential sale of the 22 acres was requested to be provided by Bruce Cash of USI for this agenda; the update should be available for the next board meeting.

B. WASH PLAN STATUS UPDATE

Mr. Cozad presented a PowerPoint presentation on the status and progress of the Wash Plan. Ms. Medina passed out two handouts: a map of covered activities and a Draft Covered Activities Footprint summary. Mr. Cozad stated there will be a Task Force meeting held on July 16th here at the District office. He stated that Staff is working on updating the covered activities map, preparing those descriptions, and working with United States Fish & Wildlife Services (USFWS) to identify costs. Jeff Beehler, Land Resources Manager, is working on updating the covered activities maps and the requirements related to them. Mr. Cozad indicated that some of the partners are unable to take the Wash Plan Agreement Amendment back to their boards for approval because they are dark in July.

He continued his review of covered activities and identified an area where the San Bernardino County would like to add conservation lands and potentially an easement. They have a levee which requires maintenance and would want credit for other maintenance activities. Mr. Cozad noted the inclusion of the District's diversion and maintenance activities on the covered activities map. Mr. Cozad noted the City of Highland's need to obtain mitigation credit for their already completed "S" Curve Project. Discussion ensued regarding covered activities map. Mr. Cozad reviewed the proposed trails. He noted that the trails cannot be activated until trail plans are clearly laid out and specific requirements are met. Brief discussion ensued pertaining to trails.

Mr. Cozad reviewed the current covered activities footprint with the percentages noted as:

- Mining and Associated Activities, 42%
- Water Conservation, 41%
- Miscellaneous, 15%
- Flood Control, 2%
- Transportation, less than 1%

- Wells and Tanks, less than 1%

Mr. Cozad also reviewed the HCP/EIR completion costs, HCP implementation costs, and land dedication and/or fees. The next step is to seek direction from the Task Force as to whether or not they need more information before approving the budget and amendment to the Task Force Agreement and move forward with the project. The Board would likely need to review this item either at the August or September Board meeting and make a decision on proceeding.

C. MONTHLY RECHARGE REPORT

The written report is included in the package on page 55. There was no discussion.

D. FUTURE AGENDA ITEMS & STAFF TASK REQUEST FROM DIRECTORS

There was no discussion on this item.

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

President Corneille, Directors Day, Longville, and Aranda made no report.

Vice President McDonald attended Special District's Dinner at the Magic Lamp in Rancho Cucamonga where Best, Best and Krieger made a presentation on CEQA legislation. She also attended SBVMWD's Board meeting and the ACWA State Legislative Committee meeting.

Director Raley attended the Western-San Bernardino Watermaster meeting.

Director Glaubig attended the Wash Plan Trails Subcommittee. The items discussed were presented by Staff earlier in this meeting.

President Corneille requested approval to attend the ACWA Regulatory Summit in Oxnard on August 14th at an estimated cost of \$810.55 as itemized on package page 56. He will also be attending the ACWA Groundwater Committee meeting on August 13th, which is held at the same location as the Summit the afternoon before the Summit

It was moved by Director Longville and seconded by Vice President McDonald to approve President Corneille's request to attend the ACWA Regulatory Summit. The motion carried unanimously.

Director Aranda requested approval to attend the ACWA Regulatory Summit as well at the same cost as President Corneille.

It was moved by Vice President McDonald and seconded by Director Glaubig to approve Director Aranda's request to attend the ACWA Regulatory Summit. The motion carried unanimously.

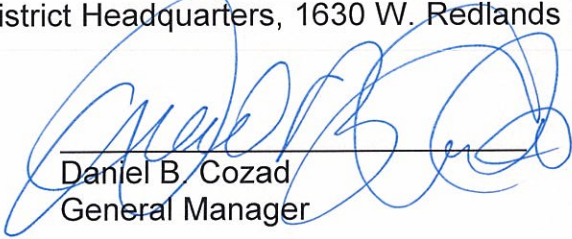
7. UPCOMING MEETINGS

President Corneille noted that the Advisory Commission Meeting is July 11th and that the Ad Hoc Audit Committee meeting is to be held on July 19th. Mr. Cozad requested that a date be selected for the Ad Hoc Sphere of Influence Committee meeting. It was set for July 19th at 11:00 a.m.

8. ADJOURN MEETING

It was moved by Director Aranda and seconded by Vice President McDonald to adjourn to the next scheduled meeting. The motion carried unanimously.

At 3:44 p.m. the meeting adjourned to the next regular Board Meeting scheduled for August 7, 2013 at 1:30 p.m. at District Headquarters, 1630 W. Redlands Blvd., Redlands, CA.



Daniel B. Cozad
General Manager