

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS MEETING

MINUTES OF July 15, 2015
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
David E. Raley, Director
Manuel Aranda, Director
John Longville, Director

BOARD MEMBERS ABSENT:

None

GENERAL COUNSEL PRESENT:

David Cosgrove, Rutan & Tucker, LLP

STAFF PRESENT:

Daniel Cozad, General Manager
Jeff Beehler, Land Resources Manager
Athena Monge, Administrative Services Specialist

GUESTS PRESENT:

Michelle Diamond, Tetra Tech
Charles Roberts, Highland Community News

1. PUBLIC PARTICIPATION

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 none.

3. CONSENT CALENDAR

It was moved by Director Aranda and seconded by Vice President McDonald to approve Consent Calendar Item A: Board Minutes, June 10, 2015 and Item B: Expenditure Report, June 2015. The motion carried 5-0 with all Directors present voting in the affirmative.

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

4. COMMITTEE REPORTS/ACTION ITEMS

A. UNAUDITED FINANCIAL REPORTS, JUNE 2015

Mr. Cozad introduced this item for discussion noting this item begins on package page 16 of the Board package. This report is expanded slightly because these are the yearend numbers. Mr. Cozad said that most revenue sources are above budget except for interest income for LAIF and CalTrust. This is due to CalTrust bond values decreasing as interest rates rise. Miscellaneous income is below budget because most of this revenue is now being classified under aggregate such as Upland Rock and Spiniello. The Mentone House income is below budget because it is currently vacant as we are making improvements removing grass and adding water saving plants to the landscaping. Mr. Cozad noted that most expenses are in line with original estimates. The cash position at the beginning of this fiscal year was \$3,618,362.02 and the year will end around \$4,328,402.03; an approximate 20% increase.

It was moved by Director Longville and seconded by Vice President McDonald to approve the Unaudited Financials for June 2015. The motion carried 5-0 with all Directors present voting in the affirmative.

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

B. 2015 ENGINEERING INVESTIGATION ADDENDUM

Mr. Cozad presented a PowerPoint on the 2015 Engineering Investigation Report Addendum. He noted that during the process each year San Bernardino Valley Municipal Water District (SBVMWD) uses a model to assess change in storage and their number came out larger than the Districts change in storage calculation. Previous years change in storage values have been closer. Katelyn Scholte, Engineering Intern prepared the addendum with assistance and review from Steve Mains, Watermaster Services and Mr. Cozad.

Mr. Cozad gave an overview of some of the differences between the Districts EI and SBVMWD's calculations. Two different methods are used for the calculation using two different datasets. SBVMWD uses a wider date range for water levels readings which pick up some lower water level values. Also, included in the addendum are well level readings from the City of Redlands, who provided additional and revised data to the District. Fontana Water Company has not provided data in several years due to litigation; the District estimated their well levels with the assistance of Steve Mains. The annual change in storage increased from -85,368 to -91,555 AF. Mr. Cozad indicated that storativity numbers are still being reviewed and staff may recommend additional changes to improve the EI process for next year.

Director Raley asked if basin production has increased. Mr. Cozad stated that it has increased somewhat, but some of the increased production is outside of the District boundaries. Mr. Cozad reviewed the Water Elevations Maps and the various changes with the Board. There were no other significant changes to the EI and once the addendum is approved it will be posted to the District website.

It was moved by Director Aranda and seconded by Vice President McDonald to approve the 2015 Engineering Investigation Report Addendum. The motion carried 5-0 with all Directors present voting in the affirmative.

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

C. CSDA 2015 BOARD ELECTIONS

President Corneille introduced this item for discussion. Vice President McDonald noted that previously the District provided a concurring nomination resolution for Jo McKenzie of Vista Irrigation District for this position and is in support of submitting a vote for same candidate.

It was moved by Vice President McDonald and seconded by Director Aranda to submit vote for Jo McKenzie of Vista Irrigation District for CSDA Board of Directors, Southern Network, Seat A. The motion carried 5-0 with all Directors present voting in the affirmative.

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

D. ACWA CALL FOR CANDIDATE NOMINATIONS FOR THE 2016-2017 TERM

President Corneille asked if any member of the Board wanted to be considered for a nomination for the ACWA Vice President or President position. There being none; no action was required by the Board.

5. INFORMATION ITEMS

A. BOARD COMMITTEE REPORTS-WITHOUT ACTION

There were no committee meetings held during the past month.

B. TRAILS PLAN UPDATE

This item was taken out of order.

Mr. Beehler introduced this item for discussion. Staff has received comment back and they have been incorporated. The Trails Plan is anticipated to be presented at the August Board meeting for consideration of adoption. Recreational use is conditionally compatible with the HCP and all the limitations and conditions are included in the EIR and HCP so there are no additional processes required. Staff has begun working on the river crossing and conceptual designs. This item was received and filed.

C. WASH PLAN REPORT

This item was taken out of order.

Mr. Beehler introduced this item for discussion. The written Wash Plan Report is included in the Board package on page 47 along with Wash Plan financial spreadsheet. The Habitat Conservation Plan (HCP) along with other environmental documents were distributed in May to the resource agencies. There will be a meeting later this month to discuss these items. A screen check version of the Environmental Impact Report (EIR) and Environmental Impact Statement (EIS) were distributed to lead agencies. The Bureau of Land Management (BLM) and the District provided comments. BLM requested additional cultural resources be done and the surveys for those are being performed now. Mr. Beehler stated that the resources they are working are the Native American Tribal Resources and Historic Resources are the cultural items being completed. National Environmental Protection Act (NEPA) changed the requirements so these need to be updated. California Department of Fish and Wildlife (CAFWS) will be meeting with the District to discuss and review the federal documents. Staff is not anticipating any significant changes to environmental documents. Legislation is still in Washington and is ready to go. Staff is working on complete property descriptions to include the additional mining not previously covered. Preliminary title reports need to be pulled; an RFP was sent out. Mr. Beehler met with counsel to review and provide revisions for the next versio of the Implementation Agreement. President Corneille requested that Director Raley review the Implementation Agreement before it goes to the Task Force. Mr. Beehler said that the HCP is on track for November. He will discuss schedule with FWS to review comments. This item was received and filed.

D. FIRE IMPACTS UPDATE

This item was taken out of order.

Mr. Cozad presented a brief PowerPoint on the impacts of the Lake Fire in the San Bernardino Mountains. The Lake Fire began June 17, 2015 and burned over 31,000 acres. It is still burning and is 98% contained. The estimated damage is over \$38 million. The cause of the fire is suspected to be human and is still under investigation. Mr. Cozad presented a PowerPoint and reviewed the soil burn severity map. It indicates that approximately 50% of the burned area is in Santa Ana River Watershed including a very small are in the Mill Creek Wash. Water quality impacts include 1) increased debris flows, 2) increased sediment (30-50 times the normal levels), 3) increased levels of contaminants (nitrates, phosphates, TOC, uranium and heavy metals) 4) increased total dissolved solids (TDS) and salts and 5) increased peak storms flows. Mr. Cozad reviewed facilities impacts and said that the Operations Committee will discuss how to deal with residual issues from the Lake Fire. This item was received and filed.

E. LAFCO UPDATE

This item was taken out of order.

Staff reviewed potential maps with Board last month and has since provided comment letter to LAFCO. Maps were sent out to other water agencies potentially affected by consolidation and no comments were received. The District reiterated its interest in keeping boundaries the same as original request. Staff requested that LAFCO make our application a priority. The District asked to have our application on the August agenda; staff was advised that it will be either August or October. Staff will bring back additional information as it becomes available. This item was received and filed.

F. GENERAL MANAGER'S REPORT AND MONTHLY RECHARGE REPORT

This item was taken out of order.

Mr. Cozad indicated that the written General Manager's Report is included in the Board package on page 49. He reported that the District has recharged 3,863 AF to date for this water year; this is a reasonable amount for a dry year. The Plunge Creek consultants did infiltration work and staff met with them out in the field. There was high level participation from FCD related to Plunge Creek and the combined Plunge Creek projects will work well together. FCD is considering assisting with the Districts' Plunge Creek project. Mr. Cozad noted that included in the GM report are a few pictures related to the Mentone House landscaping improvements. Over 12,000 square feet of sod were removed from the Mentone property. He noted that Mill Creek design is ongoing and that the Mill Creek Redesign and Plunge Creek projects progress to date will be presented to the Operations Committee in August. Mr. Cozad briefly discussed the press conference and USAWRA Legislative Platform. President Corneille requested a summary of the Legislative Platform and that the Board is kept up to date on future USAWRA meetings. These items were received and filed.

G. FUTURE AGENDA ITEMS & STAFF TASKS

There were none discussed.

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

Vice President McDonald attended the SBVMWD Board Meeting on July 7th where they considered new fiscal year budget and contract for G & G Environmental Compliance for the Brine line. She also attended the SBVMWD Debt Service Fund Budget Workshop on July 14th where they reviewed history of debt service amongst other items. Additional written reports are included in Board Package.

Director Longville made no report.

Director Raley attended the General Fund Budget Workshop on June 25th where \$22 million was allocated to capital improvements and the Board of Directors Workshop on July 13th. At the July 13th Workshop they discussed turf removal and options for disadvantaged communities.

Director Aranda attended the SBVMWD Board Meetings. He attended the USAWRA Legislative Platform held on June 26th and provided handout to the Board. Director Aranda said that the initial Legislative Platform meeting was held by EVWD, the second was conducted by the District and the third will be held at a later date to be determined on habitat conservation plans. Additional written reports are included in Board Package.

President Corneille attended Inland Empire Conservation Fair held on June 27th at the University of Redlands. He also attended the Mentone Area Chamber of Commerce meeting on July 14th where they discussed the Conservation Garden.

7. UPCOMING MEETINGS

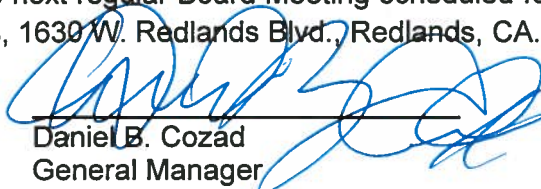
Director Longville, President Corneille, Director Aranda and Vice President McDonald requested to be registered for the upcoming SBC Water Conference. President Corneille noted that the next Advisory Commission on Water Policy will be held on September 10th at Valley District, 6:30 p.m.

8. ADJOURN MEETING

It was moved by Director Aranda and seconded by Vice President McDonald to adjourn. The motion carried 5-0 with all Directors present voting in the affirmative.

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

At 3:17 p.m. the meeting adjourned to the next regular Board Meeting scheduled for August 12, 2015 at 1:30 p.m. at District Headquarters, 1630 W. Redlands Blvd., Redlands, CA.


Daniel B. Cozad
General Manager