

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS MEETING

MINUTES OF May 23, 2018
1:30 p.m.

President Corneille called the meeting of the Board of Directors to order at 1:39 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
T. Milford Harrison, Director (Departure 2:49 p.m.)
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:

David Smith, East Valley Water District
Peter Klingman, ESRI
Representative of Tetra Tech

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

Mr. Cozad requested that Item D: Annual Enterprise and District Integrated Budget for 2018-2019 be deleted from the agenda since the Board approved this item at yesterday's Budget Workshop. It was the consensus of the Board to remove this item from the agenda.

3. PRESENTATION

Mr. Beehler introduced Peter Klingman of ESRI who performed an analysis on the Santa Ana River Wash. Mr. Klingman presented a PowerPoint presentation on his study named "A GIS Analysis of Land Cover Change and Habitat Suitability in the Santa Ana River Wash, San Bernardino County, CA." The analysis covered approximately 80 years of land cover (use) change and utilized the use of Landsat multispectral imagery. Mr. Klingman presented several maps showing land cover changes throughout the years. He also reviewed the natural flood cycles within the Wash. The conclusion of the analysis was that the Wash Plan area is the most suitable habitat for the five endangered species covered under the Wash Plan project. The Board thanked Mr. Klingman for his presentation.

4. CONSENT CALENDAR

It was moved by Director Longville and seconded by Vice President McDonald to approve the Consent Calendar: Item A: Board Minutes, April 25, 2018, and Item B: Expenditure Report, April 2018. 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 Harrison: Yes**

5. COMMITTEE REPORTS/ACTION ITEMS

A. THIRD QUARTER FINANCIALS FOR 2017-2018

It was the consensus of the Board to receive and file the Third Quarter Financials for 2017-2018.

B. GENERAL MANAGER ANNUAL PERFORMANCE EVALUATION AND EMPLOYMENT AGREEMENT

Vice President McDonald stated that the Ad Hoc General Manager Evaluation Committee of herself and President Corneille (Committee) met and discussed this item in detail on April 19. She handed out the minutes from that meeting. The Committee recommends a 3-year agreement with a 5% merit increase, and a 3.1% COLA increase in salary for the first year of the agreement, and provision for a maximum 5% cash bonus based on each year's performance meeting the Board's Goals. The Committee also determined that Mr. Cozad had met all conditions for the 5% bonus for 2017-2018 and recommended he receive the full bonus. The 3-year agreement would be effective from July 1, 2018 through June 30, 2021. Mr. Cosgrove said that the most significant change to the previous General Manager's Agreements are the proposed three-year term and waiver of the requirement to attain the age of 60 years to receive insurance until Medicare. There were two clarifications to the wording in Sections 5 and 10 of the Agreement requested by President Corneille and noted by Mr. Cosgrove. Director Longville spoke highly of Mr. Cozad's performance; indicating that the District has operated effectively since he became the General Manager. Director Longville said that, having worked with public entities for several years that Mr. Cozad is without exception the best General Manager he has had the pleasure of working with. He spoke highly of the intern program and

its cost efficiency. Vice President McDonald noted Mr. Cozad's successes such as the successful implementation of the Conservation Trust, Groundwater Council and California Public Employee Retirement System (CalPERS) liability payoff to name a few. Afterwards, a motion was made to approve the three-year contract, including salary and future bonus option. Vice President McDonald offered an amendment to the motion suggesting that the bonus be given as a salary increase ' for inclusion to Mr. Cozad's standard pay and CalPERS benefits, rather than a cash payment. After discussion, the motion failed 2-3. Director Raley and President Corneille spoke in opposition due to the unknown financial impacts of CalPERS on the District, and Director Harrison joined them in dissent on the amendment.

It was moved by Vice President McDonald and seconded by Director Harrison to approve the General Manager's Agreement as presented with a three-year term, first year salary, cash bonus provisions, and benefits with minor revisions. 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 Harrison: Yes**

It was moved by Director Longville and seconded by President Corneille to approve Resolution No. 558 establishing the powers and authorities of the General Manager with minor revisions. The motion carried 5-0 with all Directors present voting in the affirmative and Director Harrison noted absent from the vote.

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

C. UNAUDITED FINANCIAL REPORTS, APRIL 2018

It was moved by President Corneille and seconded by Director Longville to approve the Unaudited Financial Reports for April 2018. The motion carried 5-0 with all Directors present voting in the affirmative with Director Harrison noted absent from the vote.

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

D. ANNUAL ENTERPRISE AND DISTRICT INTEGRATED BUDGET FOR 2018-2019

This item was deleted from the agenda.

E. DETERMINE THE DATE OF THE SEPTEMBER BOARD MEETING OR CANCEL THE MEETING

Vice President McDonald stated that the California Joint Powers Insurance Authority meeting is the same day as the September Board meeting and requested consideration for changing the meeting. President Corneille suggested September 19 for the meeting. Mr. Cosgrove has a conflict and is unable to make the 19th. A brief discussion ensued, but no consensus was reached on changing the meeting.

It was moved by Director Longville and seconded by Vice President McDonald to table this item to the next Board meeting. The motion carried 4-0 with all Directors present voting in the affirmative and Director Harrison noted absent from the vote.

President Corneille: Yes

Vice President McDonald: Yes

Director Longville: Yes

Director Raley: Yes

Director Harrison: Absent

6. INFORMATION ITEMS

A. WASH PLAN UPDATE

Mr. Beehler presented a PowerPoint presentation on this item and noted his inclusion of the written report on package page 58. Mr. Beehler reviewed the federal registrar process and presented an updated approval schedule. 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 59 to 61. The Monthly Recharge Report was included on package page 62. This item was received and filed.

C. FUTURE AGENDA ITEMS AND STAFF TASKS

There were none discussed.

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

President Corneille attended the East Valley Water District's Spring Gardening Workshop on April 28 and Association of California Water Agencies (ACWA) Spring Conference May 8 to May 10. He attended the ACWA Groundwater Committee at the conference and had completed his compliance training. President Corneille attended the Highland Area Chamber of Commerce State of the Community Luncheon on May 22 and Wash Plan Task Force on May 1.

Director Longville attended a meeting with the City of Highland on May 22.

Director Raley attended the Wash Plan Task Force on May 1.

Vice President McDonald attended the ACWA Spring Conference on May 6 to May 11. She attended the April 27 Finance & Administration Committee meeting, meeting with the City of Highland on May 22 and ACWA Region 9 meeting at ACWA.

8. UPCOMING MEETINGS

President Corneille noted that the Advisory Commission on Water Policy will be held on June 14.

9. CLOSED SESSION

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

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

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

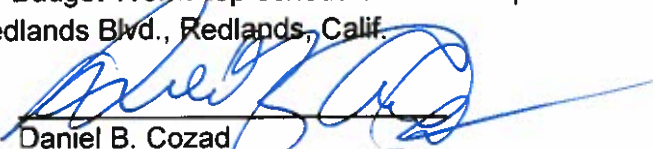
At 3:55 p.m., the meeting reconvened into Open Session. Mr. Cosgrove noted that there was no reportable action.

10. ADJOURN MEETING

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

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

At 3:56 p.m., the meeting adjourned to the Budget Workshop scheduled for 1:30 p.m. June 13, 2018, at District Headquarters, 1630 W. Redlands Blvd., Redlands, Calif.


Daniel B. Cozad
General Manager