



BOARD OF DIRECTORS MEETING AGENDA

Wednesday, May 23, 2018 – 1:30 p.m.

Location--1630 West Redlands Boulevard, Suite A, Redlands, California

Note: Copies of staff reports and other documents relating to the items on this agenda are on file at the District office and are available for public review during normal District business hours. New information relating to agenda topics listed, received, or generated by the District after the posting of this agenda, but before the meeting, will be made available upon request at the District office and in the Agenda Package on the Districts website. It is the intention of the San Bernardino Valley Water Conservation District to comply with the Americans with Disabilities Act (ADA) in all respects. If you need special assistance with respect to the agenda or other written materials forwarded to the members of the Board for consideration at the public meeting, or if as an attendee or a participant at this meeting you will need special assistance, the District will attempt to accommodate you in every reasonable manner. Please contact Athena Monge at (909) 793-2503 at least 48 hours prior to the meeting to inform her of your particular needs and to determine if accommodation is feasible. Please advise us at that time if you will need accommodations to attend or participate in meetings on a regular basis.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

1. PUBLIC PARTICIPATION

Members of the public may address the Board of Directors on any item that is within the jurisdiction of the Board; however, no action may be taken on any item not appearing on the agenda unless the action is otherwise authorized by Subdivision (b) Section 54954.2 of the Government Code.

2. ADDITIONS/DELETIONS TO AGENDA

Section 54954.2 provides that a legislative body may take action on items of business not appearing on the posted agenda under the following conditions: (1) an emergency situation exists, as defined in Section 54956.5; (2) a need to take immediate action and the need for action came to the attention of the District subsequent to the agenda being posted; and (3) the item was posted for a prior meeting occurring not more than five calendar days prior to the date action is taken on the item, and at the prior meeting the item was continued to the meeting at which action is being taken.

3. PRESENTATION

A. A GIS Analysis of Land Cover Change in the Santa Ana River Wash by Peter Klingman, Masters Project Johns Hopkins University

4. CONSENT CALENDAR

A. Approval of Board Minutes April 25, 2018..... 4
B. Approval of Expenditure Report, April 2018 8

5. COMMITTEE REPORTS /ACTION ITEMS

Committee Reports

- A. THIRD QUARTER FINANCIALS FOR 2017-2018 – 5 minutes(M#1574) 17
Presenter: Daniel Cozad
Recommendation: The Finance and Administration Committee recommends the Board review and receive and file the third quarter financial report for 2017-2018.

- B. GENERAL MANAGER ANNUAL PERFORMANCE EVALUATION AND EMPLOYMENT AGREEMENT– 10 minutes (M#1575)..... 21
Presenter: Daniel Cozad
Recommendation: The Ad Hoc General Manager Evaluation Committee recommends that the Board review and discuss the Employment Agreement for the General Manager including a three year term, with an eight and one percent salary increase, and a discretionary merit performance bonus of up to five percent.

Action Items

- C. UNAUDITED FINANCIAL REPORTS, APRIL 2018 – 15 minutes (M#1576) 37
Presenter: Daniel Cozad
Recommendation: Review and approve the unaudited financials for April 2018.

- D. ANNUAL ENTERPRISE AND DISTRICT INTEGRATED BUDGET FOR 2018-2019-5 minutes (M#1573)..... 43
 Presenter: Daniel Cozad
 Recommendation: The Finance and Administration Committee recommends the Board approve 2018-2019 Enterprise and District Integrated Budget, as presented by staff and incorporating any changes from the Budget Workshop on May 22, 2018.

- E. DETERMINE THE DATE OF THE SEPTEMBER BOARD MEETING OR CANCEL THE MEETING– 5 minutes (M#1577) 56
Presenter: Daniel Cozad
Recommendation: Consider a Board Member request to set a new date for September Board of Directors meeting, cancel the meeting or make no change to the date.

6. INFORMATION ITEMS:

- A. Wash Plan Update – 5 Minutes 58
- B. General Manager’s Report and Monthly Recharge Report – 5 Minutes 59
- C. Future Agenda Items & Staff Tasks

7. MONTHLY BOARD MEMBER MEETING REPORTS, AND/OR BOARD MEMBER COMMENTS

- A. Board Member Meeting Reports – 15 minutes

8. **UPCOMING MEETINGS:**

- | | |
|------------------|---|
| A. May 28, 2018 | Office Closed for Memorial Day |
| B. June 5, 2018 | San Bernardino Valley Municipal Board of Directors Meeting, 2:30 p.m. at Valley Municipal |
| C. June 13, 2018 | Board of Directors Meeting, 1:30 p.m. at Conservation District |
| D. June 14, 2018 | Advisory Commission on Water Policy, 6:30 p.m. at Valley Municipal |

9. **CLOSED SESSION**

1. The Board will meet in Closed Session under authority of Government Code §54956.9 (a), in order to discuss existing litigation, Endangered Habitats League et al. vs. U.S. Army Corps of Engineers, Central District Court Case no. Case No.: 2:16-cv-09178-MWF-E.

2. The Board will meet in closed session under authority of Government Code §54956.8 regarding the potential renewal of lease of various properties located within section 11 and 12 more specifically described in “Mineral Lease for Extraction of Sand and Gravel Materials” dated November 1, 2011. The discussion will concern the price and terms of a potential renewal of the lease. The district’s negotiators are Daniel Cozad and David Cosgrove. The party with whom the District will negotiate is Cemex Materials Pacific, LLC, and its negotiators are Brian Forgey and Christine Jones.

10. **ADJOURN MEETING.** The next regularly scheduled Board of Directors Meeting/Public Meeting on Groundwater Charge will be on June 13, 2018 at 1:30 p.m., at District Headquarters, 1630 W. Redlands Blvd., Redlands, CA.

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS MEETING

MINUTES OF April 25, 2018
1:30 p.m.

President Corneille called the 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
T. Milford Harrison, Director

BOARD MEMBERS ABSENT:

John Longville, Director

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:

None

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

There were none.

3. PUBLIC HEARING RELATED TO ADOPTION OF GROUNDWATER CHARGE

President Corneille opened the public hearing to invite members of the public to comment on the Engineering Investigation Report and groundwater charge. He asked if any written comments were received by staff. Mr. Cosgrove indicated that there were no written comments

received. The Engineering Investigation Report was presented to the Basin Technical Advisory Commission on April 2. There being no public present wishing to address the Board, President Corneille closed the public hearing.

It was moved by Vice President McDonald and seconded by Director Raley to approve Resolution No. 557 with minor revisions. The motion carried 4-0 with all Directors present voting in the affirmative and Director Longville noted absent from the vote.

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

4. CONSENT CALENDAR

The Board was provided a handout of revised minutes.

It was moved by President Corneille and seconded by Director Raley to approve the Consent Calendar: Item A: Board Minutes, April 11, 2018, with revisions handed out. The motion carried 4-0 with all Directors present voting in the affirmative and Director Longville noted absent from the vote.

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

5. COMMITTEE REPORTS/ACTION ITEMS

A. UPLAND ROCK MATERIAL PROCESSING LICENSE UPDATE

Mr. Cozad presented an update on the Upland Rock Material Processing operations using Google Earth to show historical and current conditions at the Borrow Pit. He reviewed the progression over the years of the aggregate management and other Borrow Pit operations. He indicated that on package Page 18 is the memo and Page 20 is an overview of total royalties received from Upland Rock from January 2017 to February 2018; total royalties received are \$57,028.23. This item was received and filed.

6. INFORMATION ITEMS

A. FUTURE AGENDA ITEMS AND STAFF TASKS

Mr. Beehler handed out a map of an area where a fire occurred on April_23 on the old shooting range off of Orange Avenue. He pointed out an old concrete structure, which appears to be the source of the fire, believed to be a homeless encampment.

Vice President McDonald asked that the Board consider changing the September Board meeting to another date since it is in conflict with an Association of California Water Agencies/Joint Powers Insurance Authority meeting. This will be added to the next Board agenda for review and consideration.

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

President Corneille and Director Raley made a presentation to the Redlands City Council on April 17. He also attended General Manager Evaluation meetings on April 18 and April 19 with Vice President McDonald.

Director Raley attended the Valley Municipal Water Use Efficiency Committee Workshop on April 18 and met with the Board President to discuss a response to the Redlands City Manager's request for the District's reserve levels on April 19.

Director Harrison met with the General Manager of West Valley Water District regarding the Groundwater Council on April 12. He attended the Association of San Bernardino County Special Districts Board meeting and dinner on April 16. Director Harrison attended the Highland Area Chamber of Commerce Luncheon on April 24.

Vice President McDonald attended the Association of San Bernardino County Special Districts on April 16 and Valley Municipal Board Meeting on April 17. She attended the General Manager Evaluation meetings on April 18 and April 19.

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

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

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

At 2:39 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 Raley and seconded by Director Harrison to adjourn. The motion carried 4-0 with all Directors present voting in the affirmative and Director Longville noted absent from the vote.

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

At 2:40 p.m., the meeting adjourned to the Budget Workshop scheduled for 2:00 p.m. May 22, 2018, at District Headquarters, 1630 W. Redlands Blvd., Redlands, Calif.

Daniel B. Cozad
General Manager

San Bernardino Valley Water Conservation District
Expenditure Report
April 2018

Num	Date	Name	Account	Class	Original Amount
PC 04.11.18	04/11/2018	Paychex	1012 · Citizens Busine...		-94.27
			6042 · Payroll Processing	4-General Fund Ent.	94.27
TOTAL					94.27
PC 4.25.18	04/25/2018	Paychex	1012 · Citizens Busine...		-80.28
			6042 · Payroll Processing	4-General Fund Ent.	80.28
TOTAL					80.28
ACH 0139	04/19/2018	T. Milford Harrison	1012 · Citizens Busine...		-39.24
			6410 · Mileage	4-General Fund Ent.	39.24
TOTAL					39.24
ACH 0140	04/19/2018	Raley, David	1012 · Citizens Busine...		-27.80
			6410 · Mileage	4-General Fund Ent.	27.80
TOTAL					27.80
ACH 0141	04/26/2018	T. Milford Harrison	1012 · Citizens Busine...		-39.24
			6410 · Mileage	4-General Fund Ent.	39.24
TOTAL					39.24
21152	04/03/2018	AAA Alarm Systems, Inc.	1012 · Citizens Busine...		-129.00
	04/01/2018		5410 · Alarm Service	4-General Fund Ent.	64.50
			5410 · Alarm Service	1-Groundwater Ent.	64.50
TOTAL					129.00
21153	04/03/2018	Aaron Pederson	1012 · Citizens Busine...		-35.00
	03/31/2018		6018 · Janitorial Services	4-General Fund Ent.	35.00
TOTAL					35.00
21154	04/03/2018	ACWA/JPIA	1012 · Citizens Busine...		-3,242.00
	03/21/2018		6310 · Property/ Auto In...	4-General Fund Ent.	162.10
			6310 · Property/ Auto In...	1-Groundwater Ent.	2,431.50
			6310 · Property/ Auto In...	2-Redlands Plaza/...	486.30
			6310 · Property/ Auto In...	3-Land Resources	162.10
TOTAL					3,242.00
21155	04/03/2018	Assoc. San Bernardino...	1012 · Citizens Busine...		-34.00
	03/28/2018		6425 · Meals	4-General Fund Ent.	34.00
TOTAL					34.00

San Bernardino Valley Water Conservation District Expenditure Report April 2018

Num	Date	Name	Account	Class	Original Amount
21156	04/03/2018	Burgeson's Heating & ...	1012 · Citizens Busine...		-630.00
	03/19/2018		6026 · Redlands Plaza ...	2-Redlands Plaza/...	630.00
TOTAL					630.00
21157	04/03/2018	Castro Landscaping Se...	1012 · Citizens Busine...		-250.00
	03/30/2018		6026 · Redlands Plaza ...	2-Redlands Plaza/...	250.00
TOTAL					250.00
21158	04/03/2018	Citizens Business Bank	1012 · Citizens Busine...		-2,358.08
	03/14/2018		5210 · Equipment Maint...	1-Groundwater Ent.	21.71
			6002 · Website Adminis...	4-General Fund Ent.	225.00
			6004 · Meeting Expenses	4-General Fund Ent.	7.12
			6004 · Meeting Expenses	3-Land Resources	7.12
			6030 · Office Supplies	4-General Fund Ent.	4.84
			6039 · Postage and Ov...	4-General Fund Ent.	170.37
			6039 · Postage and Ov...	1-Groundwater Ent.	77.44
			6039 · Postage and Ov...	2-Redlands Plaza/...	30.98
			6039 · Postage and Ov...	3-Land Resources	30.98
			6051 · Uniforms	4-General Fund Ent.	33.99
			6051 · Uniforms	1-Groundwater Ent.	79.32
			6425 · Meals	4-General Fund Ent.	105.00
			6435 · Conf/Seminar R...	4-General Fund Ent.	799.00
			6535 · Conf/Seminar R...	4-General Fund Ent.	314.55
			6535 · Conf/Seminar R...	1-Groundwater Ent.	244.65
			6535 · Conf/Seminar R...	3-Land Resources	139.80
			6525 · Meals	4-General Fund Ent.	29.80
			6525 · Meals	1-Groundwater Ent.	23.17
			6525 · Meals	3-Land Resources	13.24
TOTAL					2,358.08
21159	04/03/2018	Daily Journal Corporati...	1012 · Citizens Busine...		-1,168.20
	03/16/2018		6091 · Public Notices	4-General Fund Ent.	233.64
			6091 · Public Notices	1-Groundwater Ent.	934.56
TOTAL					1,168.20
21160	04/03/2018	Frontier-4860	1012 · Citizens Busine...		-484.19
	03/28/2018		5440 · Telephone	4-General Fund Ent.	237.44
			5440 · Telephone	1-Groundwater Ent.	101.76
			5470 · Internet Services	4-General Fund Ent.	72.50
			5470 · Internet Services	1-Groundwater Ent.	43.50
			5470 · Internet Services	2-Redlands Plaza/...	7.25
			5470 · Internet Services	3-Land Resources	21.74
TOTAL					484.19

San Bernardino Valley Water Conservation District
Expenditure Report
April 2018

05/02/18

Num	Date	Name	Account	Class	Original Amount
21161	04/03/2018	Frontier-7275	1012 · Citizens Busine...		-145.88
	03/19/2018		5440 · Telephone	4-General Fund Ent.	49.62
			5440 · Telephone	1-Groundwater Ent.	21.27
			5470 · Internet Services	4-General Fund Ent.	37.50
			5470 · Internet Services	1-Groundwater Ent.	22.50
			5470 · Internet Services	2-Redlands Plaza/...	3.75
			5470 · Internet Services	3-Land Resources	11.24
TOTAL					145.88
21162	04/03/2018	Highland Area Chambe...	1012 · Citizens Busine...		-600.00
	03/21/2018		6093 · Memberships	4-General Fund Ent.	600.00
TOTAL					600.00
21163	04/03/2018	Home Depot Credit Ser...	1012 · Citizens Busine...		-141.91
	03/28/2018		5210 · Equipment Maint...	1-Groundwater Ent.	110.22
			5215 · Property Mainte...	1-Groundwater Ent.	18.48
			5215 · Property Mainte...	3-Land Resources	4.62
			6016 · Redlands Plaza ...	2-Redlands Plaza/...	8.59
TOTAL					141.91
21164	04/03/2018	Inland Valley Therapy ...	1012 · Citizens Busine...		-988.00
	03/28/2018		2210 · Security Deposit...	2-Redlands Plaza/...	988.00
TOTAL					988.00
21165	04/03/2018	Lowe's Companies, Inc.	1012 · Citizens Busine...		-116.66
	03/25/2018		5210 · Equipment Maint...	1-Groundwater Ent.	116.66
TOTAL					116.66
21166	04/03/2018	Parts Authority	1012 · Citizens Busine...		-8.39
	03/22/2018		5310 · Vehicle Mainten...	1-Groundwater Ent.	8.39
TOTAL					8.39
21167	04/03/2018	ReadyRefresh by Nestle	1012 · Citizens Busine...		-9.69
	03/24/2018		5460 · Water / Trash / ...	1-Groundwater Ent.	9.69
TOTAL					9.69
21168	04/03/2018	Redlands Chamber of ...	1012 · Citizens Busine...		-175.00
	03/16/2018		6093 · Memberships	4-General Fund Ent.	175.00
TOTAL					175.00
21169	04/03/2018	Schubert Landscaping,...	1012 · Citizens Busine...		-295.00
	03/20/2018		6015 · Mentone House ...	2-Redlands Plaza/...	295.00
TOTAL					295.00

San Bernardino Valley Water Conservation District
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Num	Date	Name	Account	Class	Original Amount
21170	04/03/2018	Smart & Final	1012 · Citizens Busine...		-149.22
	03/22/2018		6019 · Janitorial Supplies	4-General Fund Ent.	30.03
			6019 · Janitorial Supplies	1-Groundwater Ent.	20.03
			6004 · Meeting Expenses	4-General Fund Ent.	49.58
			6004 · Meeting Expenses	3-Land Resources	49.58
TOTAL					149.22
21171	04/03/2018	Valero Marketing & Su...	1012 · Citizens Busine...		-600.02
	03/28/2018		5320 · Fuel	1-Groundwater Ent.	600.02
TOTAL					600.02
21172	04/16/2018	Ryan Edwards, Notary	1012 · Citizens Busine...		-35.00
	04/16/2018		5120 · Misc. Profession...	4-General Fund Ent.	10.21
			5120 · Misc. Profession...	1-Groundwater Ent.	7.29
			5120 · Misc. Profession...	3-Land Resources	17.50
TOTAL					35.00
21173	04/17/2018	AAA Alarm Systems, Inc.	1012 · Citizens Busine...		-416.00
	04/03/2018		5410 · Alarm Service	4-General Fund Ent.	208.00
			5410 · Alarm Service	1-Groundwater Ent.	208.00
TOTAL					416.00
21174	04/17/2018	ACWA JPIA - Workers ...	1012 · Citizens Busine...		-2,505.46
	04/02/2018		6120 · Workers' Comp. ...	4-General Fund Ent.	402.38
			6120 · Workers' Comp. ...	1-Groundwater Ent.	1,274.53
			6120 · Workers' Comp. ...	2-Redlands Plaza/...	127.78
			6120 · Workers' Comp. ...	3-Land Resources	423.42
			6120 · Workers' Comp. ...	5-Wash Plan	277.35
TOTAL					2,505.46
21175	04/17/2018	ACWA/JPIA-Health	1012 · Citizens Busine...		-13,657.84
	04/04/2018		6110 · Vision Insurance	4-General Fund Ent.	26.60
			6110 · Vision Insurance	1-Groundwater Ent.	84.25
			6110 · Vision Insurance	2-Redlands Plaza/...	8.45
			6110 · Vision Insurance	3-Land Resources	27.99
			6110 · Vision Insurance	5-Wash Plan	18.33
			6130 · Dental Insurance	4-General Fund Ent.	112.73
			6130 · Dental Insurance	1-Groundwater Ent.	357.07
			6130 · Dental Insurance	2-Redlands Plaza/...	35.80
			6130 · Dental Insurance	3-Land Resources	118.62
			6130 · Dental Insurance	5-Wash Plan	77.70
			6150 · Medical Insurance	4-General Fund Ent.	2,054.12
			6150 · Medical Insurance	1-Groundwater Ent.	6,506.42
			6150 · Medical Insurance	2-Redlands Plaza/...	652.31
			6150 · Medical Insurance	3-Land Resources	2,161.56
			6150 · Medical Insurance	5-Wash Plan	1,415.89
TOTAL					13,657.84

San Bernardino Valley Water Conservation District
Expenditure Report
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Num	Date	Name	Account	Class	Original Amount
21176	04/17/2018	American Power Security	1012 · Citizens Busine...		-520.00
	04/01/2018		6026 · Redlands Plaza ...	2-Redlands Plaza/...	520.00
TOTAL					520.00
21177	04/17/2018	Assoc. San Bernardino...	1012 · Citizens Busine...		-67.00
	04/11/2018		6425 · Meals	4-General Fund Ent.	33.00
			6425 · Meals	4-General Fund Ent.	34.00
TOTAL					67.00
21178	04/17/2018	Bob's Plumbing	1012 · Citizens Busine...		-105.00
	04/04/2018		6015 · Mentone House ...	2-Redlands Plaza/...	105.00
TOTAL					105.00
21179	04/17/2018	City of Redlands -Muni...	1012 · Citizens Busine...		-2,060.87
	04/12/2018		6026 · Redlands Plaza ...	2-Redlands Plaza/...	2,060.87
TOTAL					2,060.87
21180	04/17/2018	Clerk of the Board of S...	1012 · Citizens Busine...		-50.00
	04/16/2018		6006 · Permits	4-General Fund Ent.	10.00
			6006 · Permits	1-Groundwater Ent.	25.00
			6006 · Permits	3-Land Resources	15.00
TOTAL					50.00
21181	04/17/2018	Corneille, Richard	1012 · Citizens Busine...		-8.72
	04/17/2018		6410 · Mileage	4-General Fund Ent.	8.72
TOTAL					8.72
21182	04/17/2018	Day Lite Maintenance, I...	1012 · Citizens Busine...		-63.79
	03/29/2018		6026 · Redlands Plaza ...	2-Redlands Plaza/...	63.79
TOTAL					63.79
21183	04/17/2018	Edison - 7241	1012 · Citizens Busine...		-51.10
	04/12/2018		5420 · Electricity	4-General Fund Ent.	14.31
			5420 · Electricity	1-Groundwater Ent.	10.22
			5420 · Electricity	2-Redlands Plaza/...	26.57
TOTAL					51.10
21184	04/17/2018	Edison - 8812	1012 · Citizens Busine...		-142.89
	04/03/2018		5420 · Electricity	4-General Fund Ent.	40.01
			5420 · Electricity	1-Groundwater Ent.	28.58
			5420 · Electricity	2-Redlands Plaza/...	74.30
TOTAL					142.89

San Bernardino Valley Water Conservation District
Expenditure Report
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Num	Date	Name	Account	Class	Original Amount
21185	04/17/2018	Edison - Redlands Plaza	1012 · Citizens Busine...		-222.64
	04/03/2018		6026 · Redlands Plaza ...	2-Redlands Plaza/...	222.64
TOTAL					222.64
21186	04/17/2018	Edison -5552	1012 · Citizens Busine...		-341.95
	04/11/2018		5420 · Electricity	4-General Fund Ent.	87.91
			5420 · Electricity	1-Groundwater Ent.	62.79
			5420 · Electricity	2-Redlands Plaza/...	163.25
			6020 · Vacancy Marketi...	2-Redlands Plaza/...	28.00
TOTAL					341.95
21187	04/17/2018	Highland Community N...	1012 · Citizens Busine...		-1,170.00
	03/31/2018		6091 · Public Notices	4-General Fund Ent.	234.00
			6091 · Public Notices	1-Groundwater Ent.	936.00
TOTAL					1,170.00
21188	04/17/2018	Joseph E. Bonadiman ...	1012 · Citizens Busine...		-1,100.00
	04/01/2018		1700 · Work in Progress	1-Groundwater Ent.	1,100.00
TOTAL					1,100.00
21189	04/17/2018	Katelyn Scholte	1012 · Citizens Busine...		-4,165.00
	04/13/2018		6087 · Educational Rei...	4-General Fund Ent.	833.00
			6087 · Educational Rei...	4-General Fund Ent.	3,332.00
TOTAL					4,165.00
21190	04/17/2018	Michael Baker Internati...	1012 · Citizens Busine...		-17,200.50
	03/29/2018		5122 · Wash Plan Profe...	5-Wash Plan	17,200.50
TOTAL					17,200.50
21191	04/17/2018	Netsteller	1012 · Citizens Busine...		-450.00
	04/01/2018		5160 · IT Support	4-General Fund Ent.	180.00
			5160 · IT Support	1-Groundwater Ent.	225.00
			5160 · IT Support	3-Land Resources	45.00
TOTAL					450.00
21192	04/17/2018	Nossaman LLP	1012 · Citizens Busine...		-1,274.00
	04/04/2018		5120 · Misc. Profession...	4-General Fund Ent.	371.63
			5120 · Misc. Profession...	1-Groundwater Ent.	265.37
			5120 · Misc. Profession...	3-Land Resources	637.00
TOTAL					1,274.00

San Bernardino Valley Water Conservation District
Expenditure Report
April 2018

Num	Date	Name	Account	Class	Original Amount
21193	04/17/2018	Press Enterprise	1012 · Citizens Busine...		-113.00
	04/01/2018		6090 · Subscriptions/Pu...	4-General Fund Ent.	113.00
TOTAL					113.00
21194	04/17/2018	Quill Corporation	1012 · Citizens Busine...		-111.04
	04/05/2018		6030 · Office Supplies	4-General Fund Ent.	88.84
			6030 · Office Supplies	1-Groundwater Ent.	5.55
			6030 · Office Supplies	2-Redlands Plaza/...	11.10
			6030 · Office Supplies	3-Land Resources	5.55
TOTAL					111.04
21195	04/17/2018	Stanley Convergent Se...	1012 · Citizens Busine...		-357.12
	04/02/2018		6026 · Redlands Plaza ...	2-Redlands Plaza/...	357.12
TOTAL					357.12
21196	04/17/2018	Terminix	1012 · Citizens Busine...		-66.00
	03/29/2018		6026 · Redlands Plaza ...	2-Redlands Plaza/...	66.00
TOTAL					66.00
21197	04/17/2018	The Gas Company	1012 · Citizens Busine...		-66.97
	04/13/2018		5450 · Natural Gas	4-General Fund Ent.	40.18
			5450 · Natural Gas	1-Groundwater Ent.	26.79
TOTAL					66.97
21198	04/17/2018	U.S. Bank Equipment F...	1012 · Citizens Busine...		-336.18
	04/10/2018		6033 · Office Equipmen...	4-General Fund Ent.	252.13
			6033 · Office Equipmen...	1-Groundwater Ent.	16.81
			6033 · Office Equipmen...	2-Redlands Plaza/...	50.43
			6033 · Office Equipmen...	3-Land Resources	16.81
TOTAL					336.18
21199	04/17/2018	Wilbur's	1012 · Citizens Busine...		-17.23
	04/09/2018		5210 · Equipment Maint...	1-Groundwater Ent.	17.23
TOTAL					17.23
100191N	04/13/2018	PERS	1012 · Citizens Busine...		-5,695.37
			6170 · PERS Retirement	4-General Fund Ent.	914.69
			6170 · PERS Retirement	1-Groundwater Ent.	2,897.23
			6170 · PERS Retirement	2-Redlands Plaza/...	290.46
			6170 · PERS Retirement	3-Land Resources	848.61
			6170 · PERS Retirement	5-Wash Plan	744.38
TOTAL					5,695.37

San Bernardino Valley Water Conservation District
Expenditure Report
April 2018

Num	Date	Name	Account	Class	Original Amount
100192N	04/24/2018	PERS	1012 · Citizens Busine...		-5,679.77
			6170 · PERS Retirement	4-General Fund Ent.	912.17
			6170 · PERS Retirement	1-Groundwater Ent.	2,889.29
			6170 · PERS Retirement	2-Redlands Plaza/...	289.67
			6170 · PERS Retirement	3-Land Resources	846.29
			6170 · PERS Retirement	5-Wash Plan	742.35
TOTAL					5,679.77

San Bernardino Valley Water Conservation District

Director Fees Expenditure Payroll Report

April 2018

Pay Date	Name	For Period	Director Fees	Taxes Withheld	Check Amt
4/11/2018	Corneille, D	Mar-18	\$ 648.00	\$ 56.06	\$ 591.94
4/11/2018	Harrison, T.M.	Mar-Apr 18	\$ 864.00	\$ 125.17	\$ 738.83
4/11/2018	McDonald, M	Mar-18	\$ 1,512.00	\$ 130.79	\$ 1,381.21
4/11/2018	Raley, D	Mar-18	\$ 1,512.00	\$ 366.54	\$ 1,145.46
4/25/2018	Harrison, T.M.	Apr-18	\$ 1,080.00	\$ 170.22	\$ 909.78



SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT

Established 1932

1630 West Redlands Boulevard, Suite A
Redlands, CA 92373-8032
(909) 793-2503
Fax: (909) 793-0188

Email: info@sbvwcd.org
www.sbvwcd.org

Memorandum No. 1574

To: Board of Directors

From: Finance & Administration Committee/General Manager, Daniel Cozad

Date: May 23, 2018

Subject: Third Quarter Financials for 2017-2018

RECOMMENDATION

The Finance & Administration Committee (Committee) recommend the Board review the Quarterly Financial Reports and receive and file the reports as presented at the April 27 Committee meeting.

BACKGROUND

Each quarter the Committee is presented with a quarterly financial report as well as a quarterly investment report. The current reports are through third quarter ending March 31, 2018.

DISCUSSION

Groundwater income is above budget due to a drier year. All costs remain below budget and as expected. Total investments have increased .50% and cash has increased 57%.

FISCAL IMPACT

There is no fiscal impact from reporting the financial status of the District.

POTENTIAL MOTIONS

1. Move approval of the Third Quarter Financials as presented.
2. Move to request this item be table and referred back to Finance & Administration Committee for reconsideration of specific issues discussed.

ATTACHMENTS OR MATERIALS

Third Quarter Budget Worksheet
Quarterly Investment Report

BOARD
OF
DIRECTORS

Division 1:
Richard Corneille
Division 2: David E.
Raley

Division 3:
T. Milford Harrison
Division 4:
John Longville

Division 5:
Melody McDonald

GENERAL
MANAGER

Daniel B. Cozad

3RD QUARTER GL ACCT: GL DESCRIPTION:		2017-2018 Budget	Expended/ Received to Date as of 3/31/2018	Actual Over/Under Budget	Projected Annual Costs (7/1/17- 6/30/18)	Notes	GENERAL FUND			GROUNDWATER RECHARGE ENTERPRISE		REDLANDS PLAZA & LEASED PROPERTY- MENTONE HOUSE		LAND RESOURCE		WASH PLAN		BASIS:
2017-2018 Budget							2016 BUDGET:	% BUDGET	BASIS:	2016 BUDGET:	% BUDGET	2016 BUDGET:	% BUDGET	2016 BUDGET:	% BUDGET	2016 BUDGET:	% BUDGET	
INCOME:																		
4012-15	INTEREST INCOME	64,300.00	60,245.43	-4,054.57	77,200.00			increased due to rates	0.00		0.00		0.00		0.00			
4021-23	GROUNDWATER	752,621.64	905,330.31	-152,708.67	905,330.31				752,621.64		0.00		0.00		0.00			
4021	GROUNDWATER CHARGE-AG	38,921.24	37,019.88	-1,901.36	37,019.88	Decreased actual	0.00		38,921.24	100.00%	0.00		0.00		0.00			
4023	GROUNDWATER CHARGE-NON AG	713,700.40	868,310.43	-154,610.03	868,310.43	Increased actual	0.00	Board Direction for production	713,700.40	100.00%	0.00		0.00		0.00			
4031-34	MINING	634,000.00	426,666.64	-207,333.36	634,000.00	Delayed Pmt.	0.00		0.00		0.00		634,000.00		0.00			
4032	CEMEX - ROYALTY/LEASE	586,000.00	390,666.64	-195,333.36	586,000.00		0.00		0.00		0.00		586,000.00	100.00%	0.00			
4036,40,8	MISCELLANEOUS	95,000.00	37,395.54	-57,604.46	70,000.00		7,500.00		30,000.00		0.00		57,500.00		0.00			
4036	AGGREGATE MAINTENANCE	55,000.00	34,292.54	-20,707.46	30,000.00	Decreased actual	0.00		0.00		0.00		55,000.00	100.00%	0.00			
4050	PROPERTY TAX	81,800.00	92,219.36	10,419.36	100,000.00	Increased actual	81,800.00	100.00% +5%	0.00		0.00		0.00		0.00			
4055	SBVMWD LEASE AGREEMENT	376,066.70	380,371.00	4,304.30	380,371.00	Paid	188,033.35	50.00% +1.4% CPI	188,033.35	50.00%	0.00		0.00	0.00%	0.00			
4062-66	RENTALS	219,422.65	171,944.28	-47,478.37	219,922.65	Vacancies	0.00		0.00		219,422.65		0.00		0.00			
	TOTAL INCOME:	2,478,210.99	2,170,704.66	-307,506.33	2,611,823.96		341,633.35		1,005,654.99		219,422.65		841,500.00		70,000.00			
EXPENSES:																		
5000	MISCELLANEOUS	400.00	2,152.67	1,752.67	2,500.00	Increased LAFCO	400.00	100.00%	0.00		0.00		0.00		0.00			
5100	PROFESSIONAL SERVICES	597,177.00	249,180.89	-347,996.11	547,687.69	Lower costs	108,977.00		152,232.10		17,370.25		327,597.65		10,000.00			
5120	MISC. PROFESSIONAL SERVICES	150,000.00	51,079.86	-98,920.14	100,000.00		43,750.00	29.17%	31,250.00	20.83%	0.00	0.00%	75,000.00	50.00%	0.00			
5122	WASH PLAN PROFESSIONAL SERVICES	50,000.00	27,583.15	-22,416.85	50,000.00		0.00		0.00		0.00		0.00		50,000.00	100.00%	Per Wash Plan Budget	
52-53	FIELD OPERATIONS	135,250.00	30,244.46	-105,005.54	135,250.00	Limited cleaning	0.00		124,250.00	100.00%	0.00		0.00		0.00			
5400	UTILITIES	28,110.00	17,590.56	-10,519.44	28,160.00		12,590.00		9,686.50		5,065.00		768.50		0.00			
6000	GENERAL ADMINISTRATION	278,682.66	144,804.05	-133,878.61	278,447.66		90,986.07		41,445.18		113,406.97		32,844.43		0.00			
6100	BENEFITS:	299,605.19	212,138.55	-87,466.64	299,605.19		48,116.59		187,798.17		18,827.81		62,390.19		40,867.42			
6160	PAYROLL TAXES - EMPLOYER	55,002.19	35,905.27	-19,096.92	55,002.19		8,833.35	16.06%	33,575.54	50.87%	3,366.13	5.10%	11,154.44	16.90%	7,306.49	11.07%		
6170	PERS RETIREMENT	127,279.45	101,638.22	-25,641.23	127,279.45		20,441.08	16.06%	77,696.47	50.87%	7,789.50	5.10%	25,812.27	16.90%	16,907.80	11.07%		
	SALARIES:																	
6200	SALARIES	752,712.27	533,698.46	-219,013.81	752,712.27		119,971.12		445,522.58		40,377.41		221,336.61		52,052.78			
6300	INSURANCE	39,500.00	36,439.95	-3,060.05	39,500.00		1,975.00	5.00%	29,625.00	75.00%	5,925.00	15.00%	1,975.00	5.00%	0.00			
6400	DIRECTOR'S EXPENSES	196,218.78	66,483.00	-129,735.78	96,218.78		196,218.78	100.00%	0.00		0.00		0.00		0.00			
6500	ADMINISTRATIVE/STAFF EXPENSES	13,700.00	8,593.43	-5,106.57	13,700.00		6,075.00	40.00%	4,725.00	50.00%	0.00		2,900.00	10.00%	0.00			
9999	Contribution toward Capital Maint.	280,500.00	0.00	-280,500.00	280,500.00	Per Budget	0.00		10,500.00		70,000.00		200,000.00		0.00			
8010	Capital Reserve GWE/Rate Stabilization	0.00	0.00	0.00	0.00		0.00	0.00%	0.00	100.00%	0.00		0.00		0.00			
	TOTAL EXPENSES:	2,671,855.90	1,328,909.17	-1,342,946.73	2,524,281.59		585,309.57		1,005,784.53		270,972.44		860,812.39		152,920.20			
	Operating Revenue	2,478,210.99	2,170,704.66	-307,506.33	2,611,823.96		341,633.35		1,005,654.99		219,422.65		841,500.00		70,000.00			
	NET OPERATING REVENUE	-193,644.91	1,035,440.40				-243,676.22		-129.54		-51,549.79		-19,312.39		-82,920.20			Significant Carryover From Prior year
	OVERHEAD						184,943.23											
	NET GENERAL FUND ANNUAL						-58,732.99											
Multiyear Capital projects						Cost-To-Date												
7010	MATERIALS	8,000.00	0.00	-8,000.00	8,000.00		0.00		8,000.00	100.00%	0.00		0.00		0.00			
7055	PLUNGE CREEK PROJECT CIP #2	500,000.00	0.00	-500,000.00	500,000.00		0.00		100,000.00	20.00%	0.00		400,000.00	80.00%	0.00			
	LAND & BUILDINGS																	
7100	CAPITAL REPAIRS	525,000.00	99,800.00	-425,200.00	555,000.00		0.00		190,000.00	60.00%	0.00	0.00%	265,000.00	40.00%	0.00			
7110	PROPERTY - CAPITAL REPAIRS	260,000.00	99,800.00	-160,200.00	260,000.00	\$110K Parking lot	0.00		140,000.00		70,000.00		50,000.00		0.00			
7130	MENTONE PROPERTY (HOUSE) CAPITAL R	0.00	0.00	0.00	0.00		0.00		0.00		0.00	100.00%	0.00		0.00			
7140	MENTONE PROPERTY (SHOP) CIP #3	50,000.00	0.00	-50,000.00	80,000.00	Per Ops. Comm	0.00		50,000.00	100.00%	0.00		0.00		0.00			
	EQUIPMENT & VEHICLES																	
7200	EQUIPMENT & VEHICLES	169,000.00	44,862.68	-124,137.32	169,000.00		7,750.00	8.30%	155,000.00	91.70%	0.00		5,000.00		1,250.00			
7150	MILL CREEK DIVERSION PROJECT CIP #1	577,000.00	0.00	-577,000.00	577,000.00		0.00		577,000.00	100.00%	0.00		0.00	0.00%	0.00			
7438	ENGINEERING SERVICES-OTHER	135,000.00	0.00	-135,000.00	135,000.00		0.00		40,500.00	30.00%	0.00		94,500.00	70.00%	0.00			
	CAPITAL EXPENSE	1,914,000.00	144,662.68	-1,769,337.32	1,944,000.00		7,750.00		1,070,500.00		70,000.00		764,500.00		1,250.00			
	CAPITAL REVENUE	280,500.00					0.00		10,500.00		70,000.00		200,000.00		0.00			
	CAPITAL SUBTOTAL ANNUAL NET	-1,633,500.00					-7,750.00		-1,060,000.00		0.00		-564,500.00		-1,250.00			
	RESERVE CONTRIBUTION OR (-)USE	-1,827,144.91		-1,846,145	TOTAL		-66,482.99		-1,060,129.54	io Capital Pr	-51,549.79		-583,812.39		-84,170.20			

Description	NAV	Annual Yield	Average Maturity	Shares
LAIF	\$0.998	1.15%	.51 years (186.15 days)	
CalTrust Short-Term Fund	\$10.00	1.28%	.74 years (270.1 days)	303,081.657
CERBT	\$15.71			4,031.165
Cal Credit Union-Money Market	\$1.00	0.75%		
Cal Credit Union-CD	\$1.00	1.35%		
UBS-CD's	see below			

UBS Investments

Certificates of Deposit (CDs)	Price	Annual Yield	Maturity	Shares	Purchase Price	Market Value as of 03/31/18	CD Length
1. Ally Bank UT US RT fixed rate CD (ZBCBO)	\$0.994	1.16%	12/10/2018	245,000	\$244,855.45	\$243,647.60	2.5 yr
2. JPMorgan Chase Bank OH US RT fixed rate CD (ZBCFK)	\$0.990	1.36%	6/17/2019	245,000	\$244,767.25	\$242,077.15	3 yr
3. Wells Fargo Bank SD US RT fixed rate CD (ZBCCA)	\$0.998	1.20%	6/18/2018	245,000	\$244,872.60	\$244,691.30	2 yr
4. Capital One NA VA US fixed rate CD (Cusip: 14042RKF7)	\$0.995	2.01%	11/16/2020	200,000	\$200,000.00	\$196,904.00	3 yr
5. Comenity Bank DE US RT fixed rate jumbo CD (ZBABI)	\$0.997	1.20%	6/22/2018	200,000	\$200,000.00	\$199,128.00	2 yr
6. Discover BK GREENW DE US fixed rate CD (Cusip: 254673JS6)	\$1.0000	2.20%	12/28/2020	245,000	\$245,000.00	\$242,251.10	3 yr
7. Goldman Sachs Bank NY US fixed rate CD (Cusip: 38148PLJ4)	\$0.994	1.86%	7/13/2020	245,000	\$245,000.00	\$241,070.20	3 yr
8. Comenity Cap Bk Salt Lake City RT	\$0.993	1.11%	2/28/2019	245,000	\$245,014.26	\$243,025.30	2.5 yr
						\$5,195.65	accrued interest
			Total Cash Withdrawals	\$6,679.59			
				TOTAL	\$1,869,509.56	\$1,857,990.30	

California Credit Union

Money Market account	Price	Annual Yield				
	\$1.00	0.75%			\$ 3,000,000.00	\$ 3,028,684.47

Certificate of Deposit (CD)	Price	Annual Yield	Maturity	Shares	Market Value	CD Length
CCU Share Certificate	\$1.00	1.35%	7/1/2018	250,000	\$250,000.00	\$ 255,102.20 2 yr



SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT

Established 1932

1630 West Redlands Boulevard, Suite A
Redlands, CA 92373-8032
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Email: info@sbvwcd.org
www.sbvwcd.org

Memorandum No. 1575

To: Board of Directors
From: Ad Hoc General Manager Evaluation Committee
Date: May 23, 2018
Subject: General Manager Performance Evaluation and Employment Agreement

RECOMMENDATION

The Ad Hoc General Manager Evaluation Committee recommends that the Board review and discuss the Employment Agreement for the General Manager for a three year Agreement, with a five percent salary increase, and a discretionary merit performance bonus of five percent.

BACKGROUND

At the Board’s April meeting the President appointed Vice President McDonald and President Corneille as the Ad Hoc General Manager Evaluation Committee. The committee met on April 18 and April 19 to review the performance of the General Manager, evaluate performance criteria for merit bonus considerations, and recommend terms for a new three year employment agreement with the General Manager.

DISCUSSION

Throughout the course of its discussions, the Ad Hoc Committee unanimously commended the General Manager on the accomplishments of the District and the General Manager’s overall progress in achieving defined goals and objectives. The General Manager provided his own salary history (attached) and salary information of other positions in the region, budget information, and an analysis of progress on accomplishments, and progress on defined District priorities.

The Committee reviewed the accomplishments and performance on issues of priority to the Board as well as areas for improvement. The Ad Hoc Committee unanimously supported recommending that the Board award the General Manager the full five (5%) percent merit bonus for which he was eligible in 2017-2018, which amounts to Eleven Thousand Four Hundred Twenty Six (\$11,426.00) Dollars. This amount is provided for in the General Manager’s existing contract as a discretionary measure of current year performance compensation, but is not counted as additional base salary for determining future retirement benefits or discretionary merit bonus amounts.

The Ad Hoc Committee also discussed succession planning and Employment Agreement duration and decided on a three year contract, in lieu of the customary single-year contract the District has had with the General Manager.

BOARD
OF
DIRECTORS

Division 1:
Richard Corneille
Division 2:
David E. Raley

Division 3:
T. Milford Harrison
Division 4:
John Longville

Division 5:
Melody McDonald

GENERAL
MANAGER

Daniel B. Cozad

The Ad Hoc Committee recommends minor changes to the Resolution describing powers and authorities of the General Manager.

CONSIDERATIONS

The Board has utilized a one year contract without severance or other protections and employs the General Manager in an At Will Agreement serving at the pleasure of the Board. The Ad Hoc Committee recognizing Mr. Cozad's exceptional performance and considering numerous positive comments and achievements throughout the year--recommends that Mr. Cozad receive his full available merit bonus. Mr. Cozad has met all defined and measurable Board priorities set in July 1, 2017-June 30, 2018 fiscal year (noting a few weeks are still remaining), and the Ad Hoc Committee recommends that the full 5% cash bonus of total salary for his performance of \$11,426 be paid for 2017-2018.

As for the 2018-2019 year, the Ad Hoc Committee recommends Mr. Cozad be given the COLA increase of three and one half (3.1%) paid to all District employees, as well as an additional five (5%) percent salary increase, for a total increase of Eighteen Thousand Five Hundred Sixteen (\$18,516.00) dollars. This sets his total base salary figure for 2018-2019 at \$247,029.

The proposed Employment Agreement includes these recommendations.

ALTERNATIVES

Potential Board Actions include:

- Approve the award of a discretionary merit bonus of five (5%) to the General Manager under his 2017-2018 contract, or alternatively, any amount between 0% and 5%.
- Approve the proposed Employment Agreement for a three year term, with a 3.1% COLA, 5% salary increase, and a merit performance bonus eligibility of up to 5%
- Table the issue and refer to Ad Hoc Committee to be addressed in a future meeting of the Board.

FISCAL IMPACT

The proposed salary and bonus for 2018-2019 are within the existing budget for 2017-2018, and the proposed salary and discretionary merit bonus figures are consistent with the proposed salaries budget for 2018-2019.

POTENTIAL MOTIONS

1. Move to Approve the discretionary bonus component of the 2017-2018 contract performance at the full five (5%), or some alternative lesser amount.
2. Move to approve the proposed Employment Agreement for a three year term, with a 3.1% COLA, 5% salary increase, and a merit performance bonus eligibility of up to 5%.
3. Move to approve an alternative proposed Employment Agreement with specific changes or direction to District Counsel
4. Move to not extend the employment agreement and provide other direction
5. Move to table the item to a future meeting the Board.

ATTACHMENTS OR MATERIALS

- Employment Agreement Draft for consideration
- 2017 Board priorities
- 2017 Accomplishments

APPROVALS

Prepared for and finalized by the Ad Hoc General Manager Evaluation Committee

Reviewed by District Counsel

AGREEMENT FOR EMPLOYMENT OF GENERAL MANAGER

This AGREEMENT FOR EMPLOYMENT OF GENERAL MANAGER (“Agreement”) is entered into effective on the 1st day of July, 2018 (“Effective Date”) by and between the SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT, a public agency and water conservation district duly formed and existing under the Water Conservation Act, California Water Code sections 74000 *et seq.* (“District”) and Daniel B. Cozad (“Employee”) on the terms and conditions stated herein.

1. Duties of Employee

A. District hereby agrees to employ Employee, and Employee hereby accepts employment with District, as District’s General Manager. Employee shall perform all of the managerial duties of the District, including, but not limited to, all of those duties set forth in Resolution No. 558, a copy of which is attached hereto as Exhibit A, and incorporated herein by reference, and as may be amended. Employee shall perform such other legally permissible and proper duties as may be necessary or beneficial to manage and conduct the District’s business and operations, as the District’s Board of Directors may assign or require. Employee agrees to fulfill and abide by the terms of Resolution No. 558 and by all of the other District’s adopted policies and procedures. Employee specifically will work to implement the Board of Director’s approved Strategic Plan, Policies and the Priorities established each January, including any additions or changes to the priorities made by the Board from time to time.

B. It is expressly understood that Employee shall be required to devote requisite time and effort to the business of the District during the term of this Agreement, but may also continue to pursue existing and future professional consulting clients during his tenure as General Manager of District, provided, however, District consents in advance to such third party retention or employment. Employee shall not, either as an employee, employer, consultant, agent, principal, planner, stockholder, corporate officer, director, or any other individual or representative capacity, engage or participate in any business that is in competition with, or in conflict in any manner whatsoever with, the business, projects, or official positions of the District. During the effective term of this Agreement, Employee shall provide written notice to the Board President of any prospective client or other business for whom Employee proposes to contract or otherwise perform work, at least five (5) business days prior to accepting such contract or employment. The Board President shall determine, in the exercise of reasonable discretion, whether a conflict of interest exists or is likely to arise from the Employee’s prospective third-party contract or employment and the work that Employee is or may reasonably be expected to provide for the District. In the event the Board President determines no such conflict exists, the General Manager may accept such contract or employment. In the event the Board President determines such a conflict exists, the General Manager shall either decline to accept such contract or employment, or defer such acceptance until the question of the existence of a conflict of interest can be referred to the full Board of Directors for determination. The Board’s determination on this matter shall be final, and binding on both parties. This Agreement shall not be interpreted to prohibit Employee from making personal investments, conducting private business affairs, or pursuing personal political activities, so long as such

activities do not materially interfere with the duties and services Employee is required to perform under this Agreement.

C. It is the duty of the Employee acting as General Manager to serve also as the Executive Director and Chief Financial Officer of the San Bernardino Valley Conservation Trust (“SBVCT”), unless removed or replaced by a majority vote of the Board of Directors of SBVCT. In so doing, Employee shall exercise reasonably prudent business judgment and administrative discretion in the oversight of the collection and application of funds deposited in the SBVCT non-wasting endowment, shall observe and comply with investment strategies and policies promulgated by SBVCT, shall report regularly to the SBVCT Board of Directors on the status of SBVCT activities and funds, and shall explore potential opportunities for SBVCT to fulfill or expand its mission, as may be directed or approved by the SBVCT Board of Directors. In such capacity, Employee may exercise such other powers as may be delegated to him or her from time to time by action of the Board of Directors. Employee shall not receive additional compensation, apart from that otherwise provided for in this Agreement, for the performance of such SBVCT duties.

2. Term of Agreement and At-Will Status

A. Employee shall serve at the pleasure of the District’s Board of Directors and is specifically employed on an “at-will” basis. Employee’s employment hereunder may be terminated at any time by a majority vote of the District’s Board of Directors, with or without cause.

B. This Agreement shall commence as of July 1, 2018, and shall remain in effect until June 30, 2021, unless terminated earlier in accordance with the provisions of this Agreement.

3. Termination

This Agreement may be terminated by District at any time, with or without cause, consistent with Employee’s at will status. This Agreement may be terminated by Employee upon no less than 30 days written notice to the President of the Board of Directors of the intent to resign, retire, or otherwise separate from employment with the District. In the event Employee is continuously employed with District under the terms and conditions hereunder through at least June 30, 2021, the retiree benefit covering the premium for Medical insurance for the retiree and spouse between retirement and Medicare eligibility for retiree medical benefits shall be as provided in Section 10 below. In the event of termination by Employee, Employee’s employment shall be terminated at the end of the 30-day period, unless District’s Board of Directors determines, in its sole discretion, to designate the operative date of the termination at an earlier date. Employee and District may, by mutual agreement, extend Employee’s termination date beyond the 30-day notice period.

Upon termination or other separation from employment with the District, Employee shall be paid all accrued salary and benefits, including a pro rata monthly amount for any partial year, and for all accrued, unused vacation and sick leave. Upon termination or separation, Employee

shall turn over to the District all District's property, including, but not limited to, any credit cards, computer hardware or software, and all files, reports, or presentation materials.

4. Disability

In the event Employee becomes permanently disabled or is otherwise unable to perform his duties, as determined by a licensed physician designated by the District's Board of Directors, because of sickness, accident, injury, mental incapacity or other medical condition ("qualifying event") for a period of twelve (12) weeks in any one (1) year period measured from the first date of absence for such reason, this absence shall be defined as "FMLA/CFRA Leave" for a qualifying event. During the Employee's FMLA/CFRA Leave, Employee shall be required to utilize all accrued and unused paid leave concurrently during this time period. Employee, in his capacity as General Manager, is deemed a key employee under the FMLA/CFRA. Employee is therefore not entitled to reinstatement to his former position of General Manager at the expiration of the FMLA/CFRA Leave of twelve (12) weeks in a one (1) year period measured from the first day of Employee's absence for a qualifying event, and such inability to return to work constitutes just cause for Employee's termination. In the event Employee elects voluntarily to retire any time after six consecutive weeks of absence from his duties due to, or as a result of, a "qualifying event," District shall continue to pay the premiums for Employee's group health plans for Employee until Employee becomes eligible for Medicare or pay an equivalent amount to the Employee to be used toward provision of health care.

5. Salary

Employee shall be paid as determined by the Board of Directors, in accordance with District's standard payroll procedures. Employee's base salary for the first year of the term of this three year contract shall be increased from the formerly applicable salary rate of two hundred twenty eight thousand five hundred and nineteen (\$228,519) dollars, by 3.1% for COLA as approved in the annual budget, applied to the last year's base salary, and by a merit increase of 5%, also applied to the last year's base salary for a total 8.1% increase, resulting in a new base salary applicable through the first year of the term of this Agreement of two hundred forty seven thousand and twenty nine dollars (\$247,029.00) annually, effective from the Effective Date.

Employee's performance shall be subject to review by the District's Board of Directors, or any committee of the Board to which such responsibility has been delegated, and shall occur at least once before the first anniversary of the Effective Date. Such review shall serve as the basis for any salary adjustment or benefits adjustment during the term of this agreement, and consideration of extension of this Agreement at the end of its term. Such review shall also serve as the basis for any determination of a discretionary merit performance bonus, as provided below.

Employee shall be eligible for a merit performance bonus, in addition to the salary provided for herein, in an amount up to five percent (5%) of Employee's base salary. Such merit performance bonus may be awarded by the Board of Directors in its sole and absolute discretion, in any amount up to five percent (5%) of Employee's base salary, or no amount at all, or any figure in between. The merit performance bonus shall be determined based upon Employee's perceived progress in successfully implementing the District Strategic Plan, Policies, and

Priorities as referenced in paragraph 1(A) above. Employee's job performance may be evaluated by the Board of Directors at any time, but Board consideration of salary adjustment, benefits adjustment, or merit performance bonus shall be made only one time per year. The merit performance bonus shall be in addition to the base salary provided for hereunder, but shall not be included as salary for determination of Employee's base salary for any future extension of this Agreement to subsequent employment terms, nor for any other retirement or other benefits. Any salary increase or Cost of Living increase that may be made to Employee's salary in subsequent years shall be credited as additional salary for consideration of any future base year salary for Employee, however, to the effect that only the merit performance bonus shall be excluded from Employee's future base salary determination. It shall be the responsibility of Employee to work with the Board President to place Employee's reviews and consideration of salary adjustments on a meeting agenda for consideration by the Board of Directors in a timely fashion.

6. Uniqueness of Services

Employee represents and agrees that the services to be performed by this Agreement are special, unique, unusual, extraordinary, and of an intellectual character, that gives him a peculiar value to the District, the loss of which cannot be reasonably or adequately compensated for monetary damages.

7. Vacation

As of April 6, 2018, Employee has accrued approximately 56 days of unused vacation. Employee shall accrue additional vacation at a rate of 1.67 days per month of completed employment as stipulated in the Personnel Manual for all employees, except the Manager may accrue vacation without limitation during the term of employment and may at any time elect to cash out some or all of currently accrued vacation. Any unused vacation or sick leave shall be compensated at the base salary rate in effect when paid.

8. Sick Leave

Sick leave is a protection to Employee granted by District to assist Employee in times or circumstances of illness, incapacity, or physical adversity, and is intended to serve as a protection for Employee's health and welfare; it is not an earned right to time off of work. Employee shall accrue sick leave at a rate of one (1) day per month of completed employment as stipulated in the Personnel Manual for all employees, except the Manager may accrue sick time without limitation during the term of employment and may at any time elect to cash out for compensation some or all of currently accrued sick time. As of the period ending April 6, 2018, Employee has accrued approximately 80 days of unused sick leave.

Except as otherwise specifically provided for herein, any sick leave which has accrued but is unused and not cashed out by Employee at the time of termination of Employee's employment shall be treated in the same manner as sick leave upon termination for District's employees, as provided for in the District's Employee Handbook in effect at the time of Employee's termination of employment.

9. Mileage Reimbursement

Employee shall be reimbursed for actual mileage travelled in Employee's own automobile, for such meetings and other events as District reasonably requires Employee to attend. Mileage for commuting to and from employee's residence to the District offices shall not be eligible for reimbursement. Reimbursement shall be at the IRS forced mileage rate then in effect. Employee shall maintain collision and liability insurance on any automobile Employee uses for any District business, at Employee's own expense, with coverage no less than \$100,000 per occurrence, \$300,000 per incident.

10. Retirement and Other Benefits

Employee shall be provided medical, dental, and vision benefits under District's medical and health insurance policies in effect as of the Effective Date, at District's expense, and as such medical and health insurance benefits may change through action of the District's Board of Directors, over the course of Employee's employment. In addition, Employee shall be provided with retirement benefit contributions covering both the employer and percentage of the employee cost in accordance with District Policy applicable to District's employees, at District's expense under District's PERS retirement plan participation, at the 2.5% at 55 rate in effect on the Effective Date, and as may be thereafter amended or further defined by District's Board of Directors. Notwithstanding any District policy generally applicable to its employees to the contrary, and provided Employee fulfills the terms of this Agreement through the date of June 30 2021, or beyond, upon retirement Employee shall be entitled to payment by the District of a retiree benefit covering the premium for Medical insurance for the Employee and his spouse for the time period between the effective date of the retirement, and the date Employee becomes eligible for Medicare retiree medical benefits. Such benefit shall not apply to Employee if Employee terminates this agreement prior to June 30, 2021, or is dismissed for cause at any time prior to retirement.

11. Expense Reimbursements

Employee may receive reimbursement for expenses incurred by Employee in the direct prosecution of the District's business, as may be approved by the District's Board of Directors. Such expenses may be reimbursed regularly as they are incurred, and submitted to the Board monthly for ratification, or otherwise processed in compliance with any policies or procedures the District's Board of Directors has adopted or may adopt, which are applicable to the General Manager. Employee shall be provided with cellular phone reimbursement allowance in accordance with District Policy applicable to District's employees. In all cases, final approval of all such expenses rests with the District's President or Vice President.

12. Integration

This Agreement contains the entire agreement between the District and Employee, and supersedes any and all prior negotiations, representations, or agreements, oral or written or otherwise. This Agreement may only be modified by an instrument in writing signed by both parties, and approved by District's Board of Directors.

13. Waiver

The failure of either party to insist on strict compliance with any of the terms, covenants, or conditions of this Agreement by any other party shall not be deemed the waiver of that term, covenant, or condition, nor shall waiver or relinquishment of any right or power at any one time or times be deemed a waiver or relinquishment of that right or power for all or any other times.

14. Governing Law

This Agreement is entered into, and is to be governed by, the laws of the State of California.

15. Severance

If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, unconstitutional or unenforceable, the remaining provision shall continue in full force and effect without being impaired or invalidated in any way.

Dated: _____, 2018

SAN BERNARDINO VALLEY WATER
CONSERVATION DISTRICT

By: _____
Richard Corneille, President
"District"

Dated: _____, 2018

Daniel B. Cozad
"Manager"

ATTACHMENT

Exhibit A Resolution 558

RESOLUTION NO. 558

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT SUPERSEDING RESOLUTIONS NO. 347, 441, 459 AND 493, 537, 544 AND DEFINING THE RESPONSIBILITIES AND AUTHORITY OF THE GENERAL MANAGER

WHEREAS, the General Manager (Manager) of the San Bernardino Valley Water Conservation District (“District”) is employed by the Board to serve as the Chief Executive of the District and is responsible for: implementing the decisions of the Board; determining and executing administrative policies through subordinate Managers; supervising the operations and staffing of the District as prescribed by the Board; managing all engineering, planning, design and inspection for construction activities; and supervising and controlling the administrative, operational and financial affairs of the District, including all administrative, executive and ministerial powers not specifically reserved by law for the Board of Directors, General Counsel or District Auditor.

NOW THEREFORE, BE IT RESOLVED that the responsibilities and authority of the Manager shall be as follows:

A. Director-Manager Relations. The Board of Directors will deal with the administrative services of the District only through the Manager. Neither the Board of Directors nor any Director will give orders or direct subordinates of the Manager. The Manager shall take his or her orders and instructions from the Board of Directors, and only in a duly held meeting of the Board of Directors, and no individual Director will give any orders or instructions to the Manager, except the officers of the District acting within the scope of their respective offices, Board committee chair authorized by the Board of Directors to so direct the General Manager on items within their purview or as otherwise permitted under provisions of the Board’s Policy Manual.

B. Authority Over Employees. The Manager will have the authority to control and give directions to all employees and to consultants. The Manager will also hire, remove, promote, and demote any and all employees of the District, consistent with the District’s Personnel Manual. The Manager will coordinate with District’s General Counsel and District Auditor, but General Counsel and District Auditor will be hired, supervised, or removed only by the Board of Directors.

C. Manager’s Power and Duties. The Manager is the administrative head of the San Bernardino Valley Water Conservation District, under policy direction and control of the Board of Directors. He or she is responsible for the administration of all the affairs of the District under his or her control. In addition to general administrative powers, the Manager’s powers and duties shall include, but not be limited to the following:

1. Employee Positions and Job Classifications. It shall be the duty of the Manager to propose District employee positions and job classifications, subject to approval or amendment by the Board of Directors.

2. Attendance at Board Meetings. It is the duty of the Manager to attend all regular and special meetings of the Board of Directors, unless excused. The Manager is expected to be available to respond to emergency situations outside of normal business hours, and it shall be understood that no overtime or compensatory time will be allowed for such service.

3. Financial Reports. It is the duty of the Manager to keep the Board of Directors fully advised as to the financial condition and needs of the District. The Manager shall be responsible for maintaining the District’s books of accounts, and will arrange to have said books audited at the end of each fiscal period by an independent auditor. It is the duty of the Manager to prepare the monthly accounting reports of the District’s revenues, expenditures, and comparisons of both to yearly budgets, for presentation to the Board in connection with the Board’s regular meetings.

4. Budget. It is the duty of the Manager to prepare the annual budget and submit it to the Board of Directors no later than the Board's regular meeting in May of the fiscal year preceding the year for which the budget is prepared. The Manager shall contain expenditures to the limit of the budget unless otherwise directed by the Board, and shall utilize the system of accounting for expenditures. The Manager shall regularly review the status of the budget with the Board, and propose appropriate corrective action if revenues or expenditures vary materially from the approved budget.

5. Purchasing. It is the duty of the Manager to be responsible for the purchase of all supplies and equipment for the District. The General Manager's discretionary expenditure authority, without the requirement of prior Board of Directors' approval, is Twenty Five Thousand Dollars (\$25,000.00): for capital assets, professional services, maintenance, equipment vehicles and supplies subject to budget limitations. In cases of emergency, the General Manager may contract for construction work, services, or the purchase of materials without competitive bidding or prior Board approval. If possible, the General Manager will attempt to seek the concurrence of the Board President or Vice President prior to awarding any emergency contract. If the Board President and Vice-President are unavailable, the General Manager will attempt to seek the concurrence of another member of the Board of Directors. For purposes of this paragraph, "emergency" is defined as those circumstances requiring immediate work, services, equipment, materials, supplies, or construction to prevent the immediate interruption or cessation of necessary District services or to safeguard life, property or the public health and welfare. The General Manager must report on the award of any such contract for emergency work, services, or materials at the next meeting of the Board of Directors.

i) Any expenditures in excess of Twenty Five Thousand Dollars (\$25,000.00) shall be submitted to the Board of Directors for approval.

Except as may relate to emergency expenditures under subparagraph (ii) above, no such expenditures shall be made by the Manager unless consistent with the budget adopted for the fiscal year in which the expenditures are made. The Manager shall report to the Board of Directors an itemized listing of all expenditures, made pursuant to any of the authorizations stated above, in the monthly check register at each regular meeting of Board, specifying the amount, the payee, and the budget category of expenditure.

6. Public Complaints. It is the duty of the Manager to investigate all complaints concerning the administration and operations of the District and report his findings to the Board of Directors. In the event the complaint concerns the Manager, the manager shall immediately refer the complaint to the Board President and General Counsel.

7. Public Property. It is the duty of the Manager to exercise general supervision over all property belonging to the San Bernardino Valley Water Conservation District, including administrative offices, field offices, storage facilities, spreading grounds, and all other properties and facilities. The Manager shall regularly review the status, condition, capacity, and efficiency of the District's property, and shall report to the Board any recommendations for new facilities, maintenance or repair of existing facilities, upgrades or modifications, to same, and all other matter s pertaining to District property. It is the duty of the Manager to accept, on behalf of the District, easements, and other real property rights and interests required for performance of the District's legitimate functions. By way of this resolution, the manager is delegated the authority to execute the form of District's formal acceptances of all instruments, deeds, easements, conveyances, etc. whose transfer is otherwise approved by the Board.

8. Hours of Employment. It shall be the duty of the Manager to devote his or her, full time efforts to the duties of the office. Any outside employment shall be set out in the terms of the Employment Contract of the General Manager and approved by the Board of Directors. The Manager shall see that the office is open to the public regularly in accordance with the posted hours or as needed.

9. Payment of Bills. Salaries of employees of the District will be paid when due, and may be paid without Board approval. All other bills will be paid with the approval or ratification of the Board of Directors.

10. Preparations for Board Meetings. It is the duty of the Manager to see that notice of all meetings, agendas, and staff reports or other agenda-related materials are timely delivered to the individual members of the Board, to the District's General Counsel, and to all persons who have requested such notice in writing. The Manager will be responsible for providing the services of a recording secretary at all Board Meetings and he or she will supervise the preparation of the agenda, minutes and resolutions of all regular and special meetings.

11. Correspondence. It is the duty of the Manager to reply to all correspondence to the District, except letters addressed to the Board of Directors requiring a Board President or Vice-President's signature, unless such authority is delegated to the Manager. The Manager will keep the members of the Board of Directors informed by furnishing copies or memoranda of appropriate replies or notices.

12. Reports to the Board.

i) It is the duty of the Manager to provide a monthly report of District and Managers activities at the regular Board Meetings.

ii) It is the duty of the Manager to prepare such reports or information as is required by approved agreements or plans, to which the District is a party, as to water conservation and water spreading operations of the District, including daily flow reports, water rights license filings, and similar information.

iii) It is the duty of the Manager to oversee the planning, data collection, compilation and calculations for the District's Annual Engineering Investigation, Report prepared in connection with the District's annual Groundwater Charge, and to provide revenue and expense reports as well as a proposed budget and backup for a full accounting of the charge collection, application, and justification of any rate adjustment activities in connection with the Groundwater Charge.

13. Filing. It is the duty of the Manager to see that the District's files are kept up to date.

14. Committee Meetings. It is the duty of the Manager to attend all Board of Directors' committee meetings, unless otherwise instructed or excused.

15. Urgent Issues. It is the duty of the Manager to call to the attention of the President urgent problems or situations not under the authority of the Manager, which must be resolved prior to the next regular Board meeting and assist as appropriate with resolution such issues.

16. News Media. It is the duty of the Manager to prepare and dispense such press releases as may be directed by the Board or as Manager in his or her discretion determines is in the best interest of the District and that depict the activities of the District.

17. District's Website. It is the duty of the Manager to ensure that the District's website contains current and relevant information about District activities consistent with the District's Communications Plan and legal posting requirements.

18. Response to Pending Legislation or Policy Matters. The General Manager may, from time to time, communicate District responses to proposed statutes, regulations, or other legislative or quasi-legislative acts, or other items of policy facing or affecting the District or its operations, when such acts directly impact the District and its functions. Communications shall conform to the District Strategic Plan, Legislative Platform, and Annual Board Priorities. If there is any question about the position of the District and to the extent of the response without sufficient time for the General Manager to consult the Board President or Vice-President, or Board of Directors, the General Manager may respond to the legislative or quasi-legislative body considering them, or the persons, institutions, corporations, or agency or agencies implicated in the policy matter, on District letterhead, consistent with what the General Manager perceives to be in the District's best interest. No such response shall reflect that the General Manager's position is the position of the Board of Directors, unless the Board of Directors has so authorized the General Manager. In the event the General Manager undertakes to comment on such acts in the manner provided herein, a copy of any and all communications so made shall be provided to the Board of Directors at its next regularly scheduled meeting.

19. San Bernardino Valley Conservation Trust, Executive Director. It is the duty of the General Manager to serve as the Executive Director and Chief Financial Officer of the Conservation Trust and exercise such other powers as may be delegated to him or her from time to time by action of the Board of Directors.

20. Additional Duties. It is the duty of the Manager to perform such other duties and exercise such other powers as may be delegated to him or her from time to time by resolution or other action of the Board of Directors.

D. Removal of Manager. The removal of the Manager shall be only upon a vote by a majority of the then-sitting members of the Board, taken at a meeting held in compliance with Government Code Sections 54950 et seq.

E. Title of General Manager. The Manager is authorized to use the title “General Manager and Board Secretary” of the San Bernardino Valley Water Conservation District.

F. Reimbursement for Expenses. The Manager will be reimbursed for all reasonable sums incurred by him or her in the performance of his or her duties, in a manner consistent with, and following the same procedures specified for, reimbursement of Directors in the Board Policy Manual. Reimbursement will be made when an itemized expense report is approved by the President or Vice President of the Board. The District will reimburse the Manager for the use of his or her personal automobile at the established rate per mile while on District business.

PASSED, APPROVED AND ADOPTED at a regular meeting of the Board of Directors of the San Bernardino Valley Water Conservation District this 23rd day of May, 2018, by the following vote:

YES:

NO:

ABSTAIN:

ABSENT:

Richard Corneille, President

ATTEST:

Daniel B. Cozad,
General Manager/Board Secretary

SBVWCD Board Priorities for 2017

Priorities are special efforts or emphasis items for the General Manager and staff. These are in addition to core mission elements such as water spreading, conservation, and policy principals such as collaboration, transparency, sustainability and safety.*

No.	Area or Item	Status	Board Priority	Target Completion	Estimated Completion	Resource Needs	Links to	Plan Goal #
1	Regional Groundwater Sustainability Council Formed	Completed	1	Jun-17	Completed	👏👏👏 \$\$\$	➡	1/7
2	Wash Plan - Federal Register Publication	NOA Drafted	1	Apr-17	Jun-18	👏👏 \$\$	➡	2
3	Wash Plan - All Members Sign MOU	8 of 9 Signed (89%)	1	May-17	TBD	👏👏👏 \$\$	➡	2
4	Wash Plan - Land Exchange HR-497 Committee Hearing	Approved, in Senate	1	May-17	Completed	👏👏 \$\$	➡	2
5	Wash Plan Implementation and Trust development	Completed	1	Jul-17	Completed	👏👏👏 \$\$	➡	2
6	Plunge Creek Conservation Project Permits	Field Meeting January	1	Jul-17	Jul-18	👏👏👏 \$\$	➡	1/2/4
7	Mill Creek Diversion Permitted (408, 404, 1600, ESA)	CEQA MND in June	1	Jan-18	TBD	👏👏👏 \$\$\$	➡	1
8	Updated Mining Agreement - CEMEX	Audit ongoing	1	Ongoing	Aug-18	👏👏 \$\$	➡	2/3
9	ESA Permitting for O&M at Mill Creek	Separate Permit	2	Ongoing	TBD	👏👏 \$\$	➡	1/2
10	Enhanced/Active Recharge Support Phase II	Phase 1 A1 complete	2	Ongoing	Ongoing	👏 \$	➡	1
11	Trails Governance Agreement Development	MOU Deal Points	2	Feb-17	Jul-18	👏👏 \$\$	➡	5
12	Support Outreach/Conservation QWEL Training	Ongoing	3	Ongoing	Ongoing	👏👏 \$\$	➡	4/7
13	Update Strategic Plan based on workshop	Final Completed	3	Sep-17	Completed	👏👏👏👏	➡	6
14	Update Operations and Maintenance Manuals	Completed	3	Nov-17	Completed	👏👏👏	➡	6

1	Must do in 2017 <i>as noted</i>
2	Do based on resources
3	If possible, as needed

On Schedule	Groundwater
Watch	Land/Wash Plan
Caution	District/GFE

* District Mission and Policy Principals are shown on the District website, boardroom and offices.

San Bernardino Valley Water Conservation District

Major Accomplishments for 2017-18

REGIONAL AGREEMENTS/COOPERATION

- Coordinating construction of first phase of enhanced recharge project and our canal (SBVMWD & WMWD)
- Completed services contract with San Bernardino Conservation Trust
- Assisted cities of Highland and Redlands in mitigation planning for development projects adjacent to the Wash
- Submitted Plunge Creek Conservation Project permit applications and pre-construction surveys, completed woolly star seed collection
- Awarded new three-year Materials Processing License for aggregate management
- Completed auditing and verification of mining agreements
- Supported settlement negotiations and litigation related to Seven Oaks Dam operations and mitigation
- Initiated development of a single Wash Area natural resource (habitat) database with San Bernardino County Flood Control

GOVERNANCE

- Completed many drafts of Groundwater Council Agreement, now approved by all but two agencies
- Serving as Budget Committee Chair for GC
- Provided support by Katelyn Scholte for GC Equitable Allocation Model
- Initiated Wash Plan Implementation and Community Mitigation planning
- Initiating Community Mitigation through the Conservation Trust on District lands and Endowed care for lands
- Board developed and approved five year Strategic Plan Update with General Manager providing facilitation and plan writing

FINANCE

- District received a clean financial audit for Fiscal 2017 (the fifth year with no management recommendations)
- Performed first-year accounting, including financial statements and IRS Form 990 for the Conservation Trust and arrangements for auditing
- Initiated investments for the Conservation Trust with initial \$2.5 M
- Contributed operations savings and aggregate management funding to reserves
- Fully funded annual OPEB (Retiree Health Benefit) Trust
- Funded CalPERS actuarial liability for District pensions
- Increased interest and reduced yield risk with SBVWCD investment changes

OPERATIONS

- Accomplished record groundwater recharge (49,000 acre feet), pushing facilities to their limits with first ever mid-season cleaning

- Performed aggressive recharge operations of State Project Water to reduce algae and record recharge of 23,181 AF of SPW
- Submitted significant comments on State Board Dredge and Fill regulations that would impact the District recharge operations
- In-house staff and interns designed and installed flow improvements for Mill Creek North Canal
- Field staff Manufactured and installed new access gates to facilities
- Completed Mill Creek Diversion Design, permit applications, and initiated USACOE 408 Permit with San Bernardino County
- Assisted SB Public Works in planning for construction of Santa Ana River Trail along the Wash
- Worked with SB Flood to use abandoned facilities on the WSPA to increase recharge and refresh habitat Completed acquisition of Mendoza property and developed a preliminary land and recharge plan for the area

WASH PLAN

- Implementing Agreement, Habitat Conservation Plan, and EIS/EIR are ready for Federal Register publication, staff drafts for Notice of Availability drafted
- Approved Memorandum of Agreement with eight out of nine partners
- Implemented cooperative MOU with County Flood Control for parallel HCP implementation
- Coordinated Regional Trails Plan with Redlands General Plan and City of Highland for governance development
- Completed Tribal consultations for CEQA
- Initiated field studies to confirm land management costs in the Wash Plan budget
- Submitted Testimony for the Santa Ana Wash Plan Land Exchange Act HR 497 (Cook and Aguilar), which was unanimously approved by the US House of Representatives
- Supported companion bill S 357 by Senator Feinstein in the Senate
- Successfully sought and negotiated amendments to SB 50, a Federal Land transfer bill to exempt preserve lands such as the Wash Plan HCP from the transfer prohibition

STAFF

- Appreciated exceptional work by interns Gilbert Chavez and Jennifer Zhou
- Manuel and Tommy completed pesticide applicator recertification
- Supported professional development education for Katelyn Scholte

OUTREACH

- Continued conservation and outreach efforts
 - Participated in three Qualified Water Efficient Landscaper QWEL Program Training classes for IE region
 - Continued participation in iEfficient outreach efforts
- Performed outreach to cities for Trails Plan implementation planning
- Committee, staff, and consultants developed and implemented outreach plan for 2018 with a significant increase in public exposure and targeted information



SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT

Established 1932

1630 West Redlands Boulevard, Suite A
Redlands, CA 92373-8032
(909) 793-2503
Fax: (909) 793-0188

Email: info@sbvwcd.org
www.sbvwcd.org

Memorandum No. 1576

To: Board of Directors

From: General Manager, Daniel Cozad

Date: May 23, 2018

Subject: Unaudited Financials, April 2018

RECOMMENDATION

Review and approve the unaudited financials for April 2018.

BACKGROUND

Each month staff presents the unaudited financials for the District. The reports presented under this Board Letter are as of April 30, 2018.

DISCUSSION

Costs remain below budget and as expected. Cash is increased in part due to higher than expected groundwater revenue, property tax income and interest income from investments.

FISCAL IMPACT

There is no fiscal impact from reporting the financial status of the District.

POTENTIAL MOTIONS

1. Move approval of the Unaudited Financials for April 2018 as presented.
2. Move to request this item be tabled and referred to Finance & Administration Committee for reconsideration of specific issues discussed.

ATTACHMENTS OR MATERIALS

Graph Financials for April 2018
Profit & Loss to Date vs. Annual Budget

BOARD
OF
DIRECTORS

Division 1:
Richard Corneille
Division 2:
David E. Raley

Division 3:
T. Milford Harrison
Division 4:
John Longville

Division 5:
Melody McDonald

GENERAL
MANAGER

Daniel B. Cozad

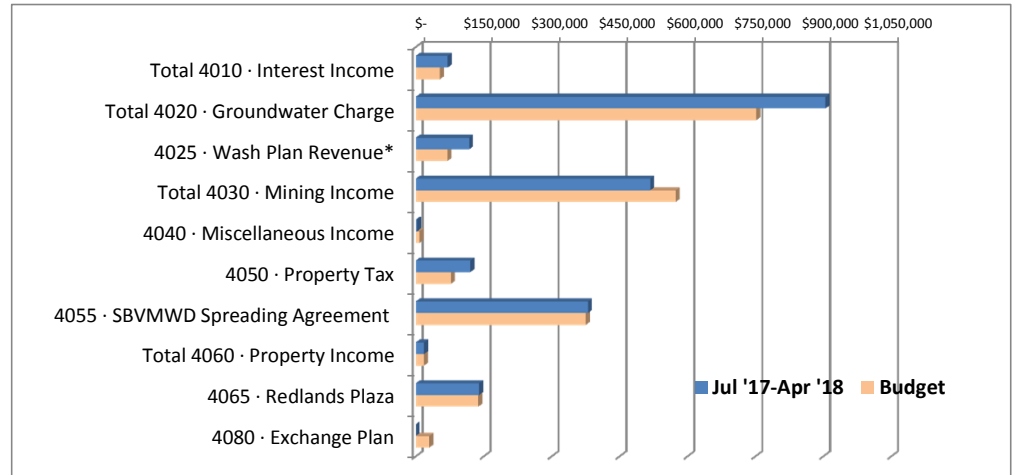
SBVWCD - All Enterprises Budget and Actual

April 2018

REVENUE

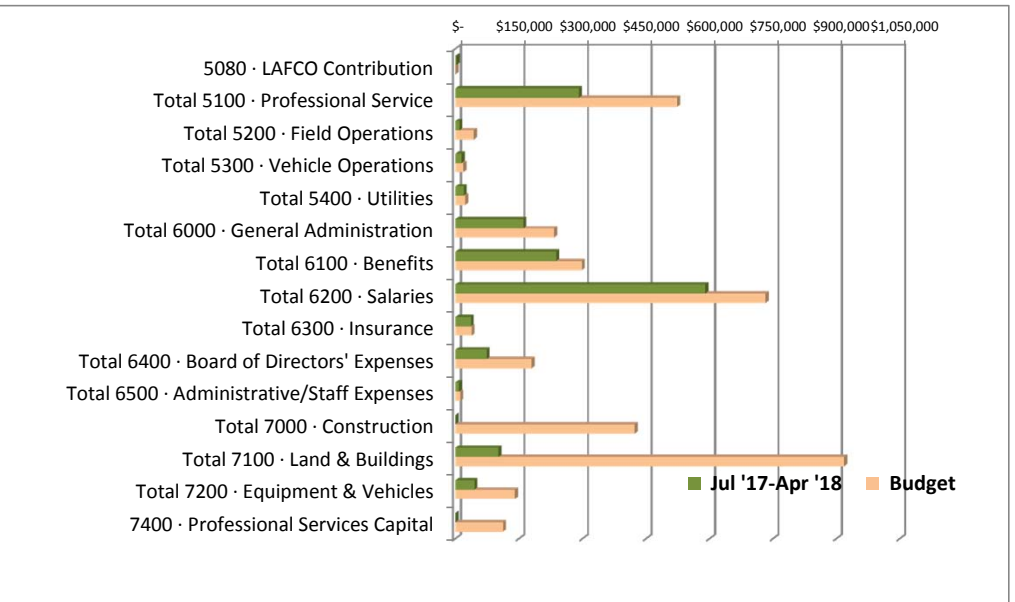
	Jul '17-Apr '18	Budget
Total 4010 · Interest Income	\$ 70,783	\$ 53,583
Total 4020 · Groundwater Charge	\$ 905,330	\$ 752,622
4025 · Wash Plan Revenue*	\$ 117,935	\$ 70,000
Total 4030 · Mining Income	\$ 517,947	\$ 574,167
4040 · Miscellaneous Income	\$ 3,003	\$ 8,333
4050 · Property Tax	\$ 120,609	\$ 77,767
4055 · SBVMWD Spreading Agreement	\$ 380,371	\$ 376,067
Total 4060 · Property Income	\$ 18,400	\$ 18,000
4065 · Redlands Plaza	\$ 140,068	\$ 138,186
4080 · Exchange Plan	\$ -	\$ 30,000
Total Revenue	\$ 2,274,446	\$ 2,098,723

*District loans to the WP

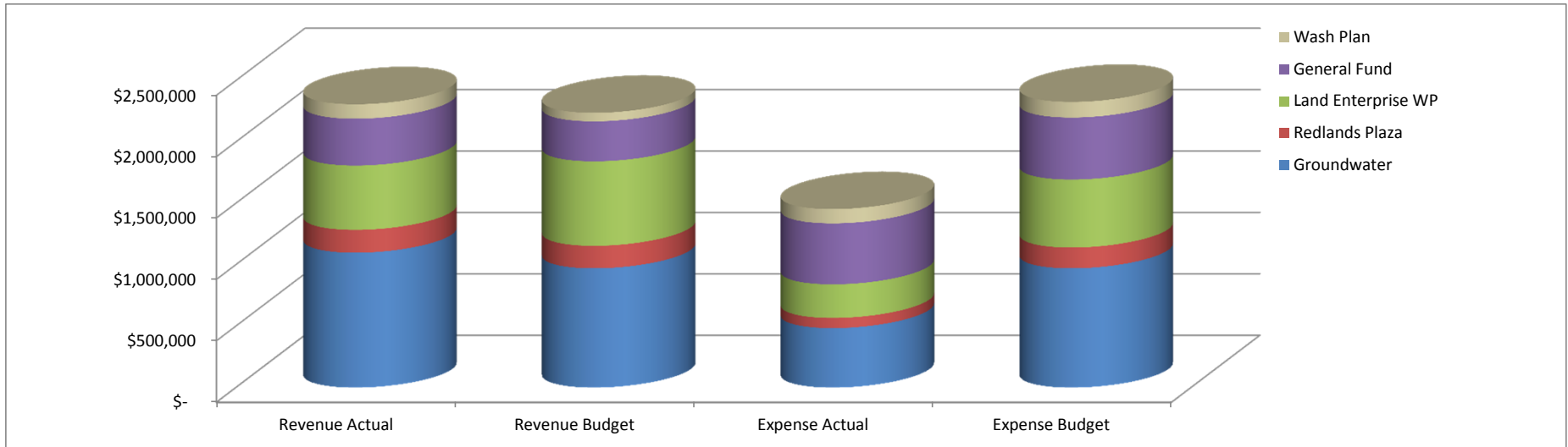


EXPENSES Operating and Capital

	Jul '17-Apr '18	Budget
5080 · LAFCO Contribution	\$ 2,153	\$ 400
Total 5100 · Professional Service	\$ 291,673	\$ 523,134
Total 5200 · Field Operations	\$ 9,495	\$ 43,332
Total 5300 · Vehicle Operations	\$ 14,832	\$ 18,542
Total 5400 · Utilities	\$ 19,657	\$ 23,425
Total 6000 · General Administration	\$ 160,226	\$ 232,825
Total 6100 · Benefits	\$ 238,033	\$ 298,333
Total 6200 · Salaries	\$ 589,597	\$ 732,717
Total 6300 · Insurance	\$ 36,440	\$ 38,333
Total 6400 · Board of Directors' Expenses	\$ 73,741	\$ 180,182
Total 6500 · Administrative/Staff Expenses	\$ 8,840	\$ 11,416
Total 7000 · Construction	\$ -	\$ 423,333
Total 7100 · Land & Buildings	\$ 101,827	\$ 918,331
Total 7200 · Equipment & Vehicles	\$ 44,863	\$ 140,833
7400 · Professional Services Capital	\$ -	\$ 112,500
Total Expense	\$ 1,591,375	\$ 3,697,638



Enterprises to Date (April 2018)



Enterprise	Actual	Budget	% of Budget
Groundwater Revenue	\$ 1,097,589	\$ 970,655	113%
Groundwater Expense	\$ 484,091	\$ 840,764	58%
Revenue -Expense	\$ 613,498	\$ 129,891	
Redlands Plaza Revenue	\$ 185,864	\$ 182,852	102%
Redlands Plaza Expense	\$ 82,562	\$ 168,968	49%
Revenue -Expense	\$ 103,301	\$ 13,884	
Land Enterprise Revenue	\$ 524,249	\$ 688,750	76%
Land Enterprise Expense	\$ 273,597	\$ 553,956	49%
Revenue -Expense	\$ 250,652	\$ 134,794	
General Fund Revenue *	\$ 381,857	\$ 325,633	117%
General Fund Expense	\$ 496,294	\$ 505,721	98%
Revenue -Expense	\$ (114,437)	\$ (180,089)	
Wash Plan Revenue	\$ 117,935	\$ 70,000	168%
Wash Plan Expense	\$ 116,395	\$ 127,433	91%
Revenue-Expense	1,540	(57,433)	
Total All Revenue - Expense	\$ 854,554	\$ 41,048	2082%

Cash Status	As of 7/1/2017	As of 4/30/2018
LAIF	\$ 450,847.82	\$ 456,175.70
Cal Trust	\$ 3,003,802.30	\$ 3,038,278.21
Citizens Bank	\$ 425,411.04	\$ 922,327.61
UBS Financial Services	\$ 1,868,928.62	\$ 1,859,936.39
Cal Credit Union	\$ 3,276,349.50	\$ 3,298,131.94
Total Cash	\$ 9,025,339.28	\$ 9,574,849.85
Less Prepaid Royalty	\$ (5,000,000.00)	\$ (5,000,000.00)
Cash Position	\$ 4,025,339.28	\$ 4,574,849.85

Increase (decrease) of
Percent Increase \$ 549,510.57
13.7%

* General Fund Revenue shown here does not include overhead

San Bernardino Valley Water Conservation District
Profit & Loss To Date vs. Annual Budget

	<u>Jul '17 - Apr 18</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
4010 · Interest Income				
4012 · LAIF	5,327.88	1,800.00	3,527.88	295.99%
4013 · Caltrust Investment Income	34,475.91	20,000.00	14,475.91	172.38%
4014 · CalCredit Union Interest Income	21,782.44	25,000.00	-3,217.56	87.13%
4015 · UBS Interest Income	9,196.40	17,500.00	-8,303.60	52.55%
Total 4010 · Interest Income	<u>70,782.63</u>	<u>64,300.00</u>	<u>6,482.63</u>	<u>110.08%</u>
4020 · Groundwater Charge				
4021 · Assessments - Ag	37,019.88	38,921.24	-1,901.36	95.12%
4023 · Assessments - Non-Ag	868,310.43	713,700.40	154,610.03	121.66%
Total 4020 · Groundwater Charge	<u>905,330.31</u>	<u>752,621.64</u>	<u>152,708.67</u>	<u>120.29%</u>
4025 · Wash Plan Revenue	117,935.36	70,000.00	47,935.36	168.48%
4030 · Mining Income				
4031 · Plant Site - CEMEX	40,000.00	48,000.00	-8,000.00	83.33%
4032 · Cemex - Royalty / Lease	439,499.97	586,000.00	-146,500.03	75.0%
4034 · Redlands Aggregate 5% Royalty	0.00	0.00	0.00	0.0%
4036 · Aggregate Maintenance	38,447.04	55,000.00	-16,552.96	69.9%
4030 · Mining Income - Other	0.00	0.00	0.00	0.0%
Total 4030 · Mining Income	<u>517,947.01</u>	<u>689,000.00</u>	<u>-171,052.99</u>	<u>75.17%</u>
4040 · Miscellaneous Income				
4041 · Reimbursed Expenses	0.00	0.00	0.00	0.0%
4040 · Miscellaneous Income - Other	3,003.00	10,000.00	-6,997.00	30.03%
Total 4040 · Miscellaneous Income	<u>3,003.00</u>	<u>10,000.00</u>	<u>-6,997.00</u>	<u>30.03%</u>
4050 · Property Tax	120,608.68	81,800.00	38,808.68	147.44%
4055 · SBVMWD Spreading Agreement Reim	380,371.00	376,066.70	4,304.30	101.15%
4060 · Property Income				
4062 · Mentone Property	18,400.00	21,600.00	-3,200.00	85.19%
Total 4060 · Property Income	<u>18,400.00</u>	<u>21,600.00</u>	<u>-3,200.00</u>	<u>85.19%</u>
4065 · Redlands Plaza	140,067.89	165,822.65	-25,754.76	84.47%
4066 · Redlands Plaza CAM	27,395.74	32,000.00	-4,604.26	85.61%
4080 · Exchange Plan	0.00	30,000.00	-30,000.00	0.0%
4086 · Plunge Creek IRWMP	5,651.92	150,000.00	-144,348.08	3.77%
4998 · Rate Stabilization From Reserve	0.00	35,000.00	-35,000.00	0.0%
Total Income	<u>2,307,493.54</u>	<u>2,478,210.99</u>	<u>-170,717.45</u>	<u>93.11%</u>
Gross Profit	2,307,493.54	2,478,210.99	-170,717.45	93.11%
Expense				
5040 · Regional Programs				
5080 · LAFCO Contribution	2,152.67	400.00	1,752.67	538.17%
Total 5040 · Regional Programs	<u>2,152.67</u>	<u>400.00</u>	<u>1,752.67</u>	<u>538.17%</u>
5050 · Basin Cleaning	6,655.00	50,000.00	-43,345.00	13.31%
5100 · Professional Service				
5120 · Misc. Professional Services	54,536.36	150,000.00	-95,463.64	36.36%
5122 · Wash Plan Professional Services				
5122.01 · Professional Services-Wash Plan	-251.80			
5122 · Wash Plan Professional Services - Other	27,834.95	50,000.00	-22,165.05	55.67%
Total 5122 · Wash Plan Professional Services	<u>27,583.15</u>	<u>50,000.00</u>	<u>-22,416.85</u>	<u>55.17%</u>
5124 · Plunge Creek Prof Services	59,576.59	150,000.00	-90,423.41	39.72%
5125 · Engineering Services	0.00	18,000.00	-18,000.00	0.0%
5130 · Aerial Photography & Surveying	0.00	1,000.00	-1,000.00	0.0%
5145 · Environmental Services (WP)	510.69	0.00	510.69	100.0%
5160 · IT Support	4,050.00	7,000.00	-2,950.00	57.86%
5170 · Audit	23,500.00	27,135.00	-3,635.00	86.6%
5175 · Legal - Wash Plan	2,265.00	10,000.00	-7,735.00	22.65%
5180 · Legal	119,650.83	209,000.00	-89,349.17	57.25%
Total 5100 · Professional Service	<u>291,672.62</u>	<u>622,135.00</u>	<u>-330,462.38</u>	<u>46.88%</u>
5123 · Temp. Field Labor	1,598.80	11,000.00	-9,401.20	14.54%
5133 · Regional River HCP Contribution	0.00	40,000.00	-40,000.00	0.0%
5143 · SBVCT District Contribution	0.00	4,042.00	-4,042.00	0.0%
5200 · Field Operations				
5210 · Equipment Maintenance	4,189.10	6,000.00	-1,810.90	69.82%
5215 · Property Maintenance	5,305.49	40,000.00	-34,694.51	13.26%
5220 · Maintenance Materials/Shop/Flid	0.00	3,000.00	-3,000.00	0.0%
5225 · Field Clean Up-Illegal dumping	0.00	3,000.00	-3,000.00	0.0%
Total 5200 · Field Operations	<u>9,494.59</u>	<u>52,000.00</u>	<u>-42,505.41</u>	<u>18.26%</u>
5300 · Vehicle Operations				
5310 · Vehicle Maintenance	7,842.92	10,000.00	-2,157.08	78.43%
5320 · Fuel	6,989.39	12,250.00	-5,260.61	57.06%
Total 5300 · Vehicle Operations	<u>14,832.31</u>	<u>22,250.00</u>	<u>-7,417.69</u>	<u>66.66%</u>
5400 · Utilities				

San Bernardino Valley Water Conservation District
Profit & Loss To Date vs. Annual Budget

	Jul '17 - Apr 18	Budget	\$ Over Budget	% of Budget
5410 · Alarm Service	2,004.50	1,500.00	504.50	133.63%
5420 · Electricity	6,135.39	9,500.00	-3,364.61	64.58%
5430 · Mobile Phone	2,835.00	3,550.00	-715.00	79.86%
5440 · Telephone	4,406.30	8,000.00	-3,593.70	55.08%
5450 · Natural Gas	570.92	900.00	-329.08	63.44%
5460 · Water / Trash / Sewer	1,359.68	2,160.00	-800.32	62.95%
5470 · Internet Services	2,344.79	2,500.00	-155.21	93.79%
Total 5400 · Utilities	19,656.58	28,110.00	-8,453.42	69.93%
6000 · General Administration				
6001 · General Administration - Other	1,125.94	5,500.00	-4,374.06	20.47%
6002 · Website Administration	2,442.93	3,100.00	-657.07	78.8%
6003 · Property Tax	0.00	235.10	-235.10	0.0%
6004 · Meeting Expenses	919.63	2,000.00	-1,080.37	45.98%
6006 · Permits	2,366.25	10,000.00	-7,633.75	23.66%
6007 · Inter District Costs	0.00	10,000.00	-10,000.00	0.0%
6009 · Licenses	1,014.90	1,639.00	-624.10	61.92%
6010 · Surety Bond	3,025.00	1,900.00	1,125.00	159.21%
6012 · Office Maintenance	748.53	3,180.00	-2,431.47	23.54%
6013 · Office Lease Payment	50,000.00	60,000.00	-10,000.00	83.33%
6015 · Mentone House Maintenance	3,058.58	5,000.00	-1,941.42	61.17%
6016 · Redlands Plaza Maintenance	8,707.17	65,000.00	-56,292.83	13.4%
6018 · Janitorial Services	5,772.00	9,108.89	-3,336.89	63.37%
6019 · Janitorial Supplies	251.66	500.00	-248.34	50.33%
6020 · Vacancy Marketing-Redlands Plaz	265.71	5,050.00	-4,784.29	5.26%
6024 · Computer Equip Maint.	0.00	0.00	0.00	0.0%
6026 · Redlands Plaza CAM expenses	23,456.92	28,500.00	-5,043.08	82.31%
6027 · Computer Supplies	0.00	689.00	-689.00	0.0%
6030 · Office Supplies	1,952.80	4,250.67	-2,297.87	45.94%
6033 · Office Equipment Rental	6,255.04	8,900.00	-2,644.96	70.28%
6036 · Printing	210.31	980.00	-769.69	21.46%
6039 · Postage and Overnight Delivery	663.12	1,200.00	-536.88	55.26%
6042 · Payroll Processing	2,241.47	2,450.00	-208.53	91.49%
6045 · Bank Service Charges	1,496.23	2,500.00	-1,003.77	59.85%
6051 · Uniforms	1,522.16	2,000.00	-477.84	76.11%
6060 · Outreach	16,760.78	20,000.00	-3,239.22	83.8%
6087 · Educational Reimbursement	4,165.00	2,500.00	1,665.00	166.6%
6090 · Subscriptions/Publications	1,283.89	1,000.00	283.89	128.39%
6091 · Public Notices	2,745.20	3,000.00	-254.80	91.51%
6093 · Memberships	17,775.00	18,500.00	-725.00	96.08%
Total 6000 · General Administration	160,226.22	278,682.66	-118,456.44	57.49%
6100 · Benefits				
6110 · Vision Insurance	1,656.20	2,355.91	-699.71	70.3%
6120 · Workers' Comp. Insurance	7,909.69	13,265.35	-5,355.66	59.63%
6130 · Dental Insurance	7,019.20	10,566.73	-3,547.53	66.43%
6150 · Medical Insurance				
6150.01 · Medical Employee Contribution	-17,464.03	-22,217.51	4,753.48	78.61%
6150 · Medical Insurance - Other	122,790.95	167,161.64	-44,370.69	73.46%
Total 6150 · Medical Insurance	105,326.92	144,944.13	-39,617.21	72.67%
6160 · Payroll Taxes-Employer	40,080.36	64,235.94	-24,155.58	62.4%
6170 · PERS Retirement				
6170.01 · PERS Employee Contributions	-36,972.66	-26,015.02	-10,957.64	142.12%
6170 · PERS Retirement - Other	113,013.36	148,647.12	-35,633.76	76.03%
Total 6170 · PERS Retirement	76,040.70	122,632.10	-46,591.40	62.01%
Total 6100 · Benefits	238,033.07	358,000.16	-119,967.09	66.49%
6200 · Salaries				
6220 · Contingency/Temporary	0.00	0.00	0.00	0.0%
6230 · Regular Salaries	589,596.56	879,260.46	-289,663.90	67.06%
Total 6200 · Salaries	589,596.56	879,260.46	-289,663.90	67.06%
6300 · Insurance				
6310 · Property/ Auto Insurance	3,242.00	7,000.00	-3,758.00	46.31%
6320 · General Liability Insurance	33,197.95	32,500.00	697.95	102.15%
Total 6300 · Insurance	36,439.95	39,500.00	-3,060.05	92.25%
6400 · Board of Directors' Expenses				
6401 · Directors' Fees				
6401.5 · Payroll Taxes-Directors	4,794.78	0.00	4,794.78	100.0%
6401 · Directors' Fees - Other	57,188.00	78,718.78	-21,530.78	72.65%
Total 6401 · Directors' Fees	61,982.78	78,718.78	-16,736.00	78.74%
6410 · Mileage	2,598.04	4,000.00	-1,401.96	64.95%
6415 · Air Fare	0.00	2,500.00	-2,500.00	0.0%
6420 · Other Travel	122.00	500.00	-378.00	24.4%

San Bernardino Valley Water Conservation District
Profit & Loss To Date vs. Annual Budget

	<u>Jul '17 - Apr 18</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
6425 · Meals	2,335.63	2,500.00	-164.37	93.43%
6430 · Lodging	1,790.19	3,000.00	-1,209.81	59.67%
6435 · Conf/Seminar Registrations	4,912.00	5,000.00	-88.00	98.24%
6440 · Election Fees / Re-Districting	0.00	100,000.00	-100,000.00	0.0%
Total 6400 · Board of Directors' Expenses	73,740.64	196,218.78	-122,478.14	37.58%
6500 · Administrative/Staff Expenses				
6510 · Mileage	874.23	1,800.00	-925.77	48.57%
6515 · Air Fare	1,050.03	2,000.00	-949.97	52.5%
6520 · Travel, Other (rental car, taxi)	101.31	1,400.00	-1,298.69	7.24%
6525 · Meals	1,419.24	1,500.00	-80.76	94.62%
6530 · Lodging	2,090.58	3,000.00	-909.42	69.69%
6535 · Conf/Seminar Registrations	3,305.00	4,000.00	-695.00	82.63%
Total 6500 · Administrative/Staff Expenses	8,840.39	13,700.00	-4,859.61	64.53%
9999 · Contribution to Capital Maint.	0.00	280,500.00	-280,500.00	0.0%
Total Expense	1,452,939.40	2,875,799.06	-1,422,859.66	50.52%
Net Ordinary Income	854,554.14	-397,588.07	1,252,142.21	-214.94%
Other Income/Expense				
Other Expense				
7000 · Construction				
7010 · Materials	0.00	8,000.00	-8,000.00	0.0%
7050 · Basins- Capital Annual Repair	0.00	0.00	0.00	0.0%
7053 · HCP Endowment	0.00	0.00	0.00	0.0%
7055 · Plunge Creek Expansion	0.00	500,000.00	-500,000.00	0.0%
Total 7000 · Construction	0.00	508,000.00	-508,000.00	0.0%
7100 · Land & Buildings				
7110 · Property Capital Repairs	101,827.00	260,000.00	-158,173.00	39.16%
7130 · Mentone Property (House)-CapRep	0.00	0.00	0.00	0.0%
7140 · Mentone Property (Shop)-CapRep	0.00	50,000.00	-50,000.00	0.0%
7150 · Mill Creek Diversion	0.00	577,000.00	-577,000.00	0.0%
7160 · Mendoza Property	0.00	215,000.00	-215,000.00	0.0%
Total 7100 · Land & Buildings	101,827.00	1,102,000.00	-1,000,173.00	9.24%
7200 · Equipment & Vehicles				
7210 · Computer Hardware-Capital Purch	0.00	5,000.00	-5,000.00	0.0%
7220 · Computer Software	7,271.38	12,500.00	-5,228.62	58.17%
7230 · Field Equipment / Vehicles	32,009.42	150,000.00	-117,990.58	21.34%
7240 · Office Equipment	5,581.88	1,500.00	4,081.88	372.13%
Total 7200 · Equipment & Vehicles	44,862.68	169,000.00	-124,137.32	26.55%
7400 · Professional Services Capital				
7438 · Engineering Services-Other	0.00	135,000.00	-135,000.00	0.0%
Total 7400 · Professional Services Capital	0.00	135,000.00	-135,000.00	0.0%
Total Other Expense	146,689.68	1,914,000.00	-1,767,310.32	7.66%
Net Other Income	-146,689.68	-1,914,000.00	1,767,310.32	7.66%
Net Income	707,864.46	-2,311,588.07	3,019,452.53	-30.62%



SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT

Established 1932

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Memorandum No. 1573

To: Board of Directors

From: Finance & Administration Committee/General Manager, Daniel Cozad

Date: May 22, 2018 Budget Workshop/May 23, 2018 Board Action

Subject: District and Enterprise Budget for Fiscal Year 2018-2019

RECOMMENDATION

The Finance & Administration Committee recommends the Board review in a workshop format, provide any feedback and consider approval of the 2018-2019 District and Enterprise Budget on May 23 or if needed approval at the June Board meeting.

BACKGROUND

Staff prepared, and the Board approved the development plan for the Groundwater budget in February 2018. The Board also approved the Groundwater Council (GC) agreement and Equitable Allocation as replacement payment of the groundwater charge for members of the GC. These changes modify the manner and payment revenue to the District but not the total revenue. The Board also approved a 4% groundwater charge increase as it forecast last year at the April 25, 2018, public hearing. The rate resolution finalized the transition to a unitary Groundwater Charge rate with a three-year phase-in for non-municipal agricultural users by using the Rate Stabilization Reserve. In accordance with the approved budget plan staff developed budgets for the other Enterprises and the consolidated District budget. Staff followed the plan and updated the budget from actual and projected costs for 2017-2018. The Finance & Administration Committee reviewed a preliminary budget at their April 27 meeting and provided feedback to staff. With the Board feedback from the Workshop on May 22; staff will finalize any changes to allow Board approval on May 23 or if needed approval at the June Board meeting.

DISCUSSION

The District has managed costs to stay within or below the available revenue in significant areas. Staff revised and updated the Capital Equipment and Improvement Plan with the Operation Committee earlier this year. This plan includes requirements and improvements that should be completed to maintain and secure our facilities such as the following:

- Mill Creek Diversion improvements, engineering, and construction (capital expense)
- Environmental evaluation and permitting of Mill Creek and Santa Ana Spreading Grounds for California Department of Fish and Wildlife permit, monitoring and documentation
- Mentone Shop sheds replacement and storage and/or restroom facilities

BOARD
OF
DIRECTORS

Division 1:
Richard Corneille
Division 2: David E.
Raley

Division 3:
T. Milford Harrison
Division 4:
John Longville

Division 5:
Melody McDonald

GENERAL
MANAGER

Daniel B. Cozad

- Dump Truck and other Capital Equipment
- Continued Security repairs – fencing, gates, etc.: Mendoza property
- Plunge Creek Restoration Implementation
- Concrete Repair and Flume with new Gate/Current Meter Mill Creek
- Habitat Equipment Herbicide Sprayer and ATV
- Capital Maintenance SAR Main canal connection

These projects and CIP efforts raise the annual budget but are mostly funded from reserves established for this purpose with a small amount coming from current year operation funding. Significantly, new elements include environmental permitting and continued efforts related to facility security, fencing gates and capital equipment and Projects. These are offset by lower estimated costs for fuel and vehicle maintenance as well as a reduction in part-time field staffing.

The budget approach followed by staff includes the following elements and activities:

- Develop and review the draft budget with groundwater partners
- Vet the draft budget with the Groundwater Council's members
- Utilize the Groundwater Enterprise Budget to develop the proposed groundwater charge
- Review other budgets with appropriate partners and stakeholders
- Review the Capital Equipment Improvement Plan with the Operations Committee
- Review the preliminary budget with the Finance & Administration Committee
- Review the budget in a Board Workshop before requesting approval
- Utilize feedback from all of the above in the development of the budget for approval

Assumptions from the Budget Plan

The budget uses the following assumptions and basis for the 2018-2019 budget where known:

Revenue

- Groundwater revenue based on maintenance and operation charges of GC members and actual charges paid with a review from groundwater partners
- Mining revenue will be estimated based on lease guaranteed annual minimum
- Conservation Trust Reimbursement for Management costs in Wash Plan implementation

Expenses

- Expenses are estimated on the zero basis or actual costs/estimates modified based on specific needs and actual 2016/2017 costs.
- COLA increases based on Bureau of Labor Statistics CPI-U All-West at 3.1%
- Salary forecast includes raise pool at 5% of total salaries
- Utilities increase at approximately 4-10% based on sector CPI or rates
- Miscellaneous expenses were generally increased where no other basis is available at 3%.

Significant Budget Changes

Based on the District's "Pay-as-you-go" policy for facility development and capital improvement and maintenance, the 2018-19 budget proposes to fund substantial improvements from the retained earnings in the groundwater recharge and capital improvement reserves. In the 2017-2018 budget, the full cost of remaining capital projects and equipment were documented in the Capital Budget. This

effort is continued with this budget, and this budget separates capital costs from the Operating Budget. This change results in the need for cash management review but is a more transparent and understandable format in the document. Previously, the Operations Committee requested a shift in budgeting for the annual and wet year cleaning to include it in the annual operating budget. That request continues in this budget. Another change implementation in the budget for the Wash Plan Implementation included fractional staffing envisioned near the end of the year in accordance with the District staffing plan. The draft implementation budget is included, and estimated reimbursement to the District is estimated at \$100,000 for the 2018-2019 budget.

District staff also made some requested changes to the Reserve Policy to clarify and update the Policy as the Board reviews it each year when considering the budget. Changes proposed in this revision include:

- Updates related to Little Hoover Commission Report #239 and CSDA Guidelines
- Revisions to clarify the Groundwater Recharge Enterprise Reserve and reference the Capital Project and Equipment Reserve
- References to the Groundwater Council and revenue as well as minor changes to the Rate Stabilization reserve
- Reorganization and updates to the General Fund Reserves and components such as Operating, Absence, PERS/OPEB, and Self Insurance Reserves

POLICY CONSIDERATIONS

The Board developed a sound budget process and reserve policy which it has consistently implemented over the past seven years. This process and policy are integrated to provide budget planning direction and comprehensive multi-committee and multi-party review of the Groundwater Charge and Groundwater Enterprise budget as well as the District comprehensive Budget. The Board's policies direct the development of the budget and the elements to be funded in the budget. The Board may reconsider their direction and provide other policy changes or staff direction in the workshop. The review and approval of the budget are consistent with the Boards Community Strategic Plan, Priorities and other policies.

ALTERNATIVES

Potential Board Actions include:

- Accept and approve the draft budget and reserve policy for 2018-2019
- Provide general policy changes for June approval
- Provide specific changes to the budget document
- Table the issue and refer to the Finance & Administration Committee prior to the next meeting of the Board in June 2018.

FISCAL IMPACT

Staff time for planning is included in the approved budget. Overall budgeted operating revenue increased by about \$370,000 primarily related to groundwater charge revenue and Trust Reimbursement of management and the Wash Plan loan from the District.

POTENTIAL MOTIONS

1. Move to accept the budget as recommended by the Finance & Administration Committee.
2. Move to accept the budget with general or specific changes.
3. Move to table the item to the Finance & Administration Committee prior to the next meeting of the Board in June 2018.

ATTACHMENTS OR MATERIALS

Budget Spreadsheets and reserve process

APPROVALS

Reviewed by the Finance & Administration Committee

Reviewed by Operations Committee

Reviewed by General Manager

Reviewed by District Counsel

Reviewed in Budget Workshop

San Bernardino Valley Water Conservation District Policy

Policy Number 0001

Date: Revised **DRAFT 5/22/2018**

Policy Name: District and Enterprise Reserve Policy

History: **Adopted** 1/2011 revised 4/15/2013, 9/11/13, 11/19/14, 4/22/15, 5/31/17, and 5/22/18

Application: All SBVWCD Employees, Board Members, Enterprises, Partners and Financial Advisors

GENERAL POLICY:

SBVWCD desires to better document and communicate its prudent reserve policy to identify the necessity, purpose, development, and use of District General and Enterprise reserves.

Additionally, the District needs to: 1) document a calculation methodology and/or maintained level of reserves for all existing and future needs within the agency where reserve funds are required and/or necessary; 2) allocate and separate fund excess for similar use, restrict transfer without Board Approval. The policy addresses the following:

Consideration of the establishment and development/continuation of a reserve fund will be decided based on the following criteria:

- Purpose and need for the reserve fund;
- Availability and source of funds to continue, replenish or establish the reserve;
- Operating expenditures approved by annual budgets or Groundwater Charge process;
- Current and future emergency repairs, capital expenditures and debt service requirements;
- Board approval or changes to the reserve policy.

SBVWCD recognizes the importance of operating an agency or company with prudent reserve levels in place that provides for unanticipated/emergency costs, should they arise within a budgeted fiscal year. These reserves are developed with enterprise fund balances and charges none of the District's minimal property tax allocation is included in these reserves. This policy was established in conformance with the California Special District Association "Special District Reserve Guidelines" and the Little Hoover Commission Report on reserves in 2000 and Report #239 in 2017. Reserve revenue would be set aside to avoid requesting significantly increased funding from year to year from groundwater charge entities or other revenue sources and to ensure that the District can perform required critical tasks and respond to emergencies. The reserves developed and managed as part of this policy are specific to water conservation and recharge needs that are not supported by regional or statewide infrastructure plans.

SCOPE:

The development of the enterprise model was approved and implemented based on the review of the District's operation and performance in prior fiscal years. The enterprise model requires a policy and process for transferring reserves. It is appropriate to identify and build a General Fund operating reserve to provide funding for both District particular contingencies and annual budget shortfalls. Not covered by this policy is the investment of reserve funds. This is contained in a separate detailed Statement of Investment Policy.

This policy will provide direction to staff in the following areas:

- Sources of funds and segregation of the accounts and reserves
- Level and/or target for a reserve;
- Limits placed on the use of reserves;
- Requirements for reporting trends for reserves
- Limitation of transfers without Board Approval;

SPECIFIC RESERVE PROVISIONS:

A. Groundwater Recharge Enterprise Reserve

The Groundwater Recharge Enterprise Reserve (GRER) shall be developed to fund general operating cash flow needs relative to the operation of the enterprise. Through the Groundwater Charge rate-setting process, Staff will informally coordinate with Groundwater Charge payees and Groundwater Council on the level rates and the reserve in accordance with this policy. Initially, it is proposed that the reserve level is set at an amount equal to 100% of the GRE operating budget or a target of \$1,250,000. Transfer of funds from the GRER will occur to cover the implementation of Groundwater related capital project. These funds will be held in the Capital Project and Equipment reserve to offset work in progress and obligated implementation funding. The accumulation of one-year's operating budget to cover substantial emergency repairs or revenue shortfalls, as needed. The District's cost is higher during and in the year after a wet year, and the District's revenue is most elevated in drought years. This countercyclical relationship requires a higher reserve and prudent planning. The primary source of these funds is the District Groundwater Charge. Regular maintenance on basins is performed annually on some many basins and included in the operating budget but, the most expensive maintenance of basins is planned five-year, or longer cycles come from reserves. This results in higher costs after wet years when the long-term maintenance is completed. Since 2011 the District has proportioned funding for exceptional wet year repairs and cleaning into GRER to have the funds available after wet year operations and avoid large swings in the Groundwater Charge.

An agreement with SBVMWD and WMWD provides separate funding for Enhanced Recharge operation and maintenance. This funding is distinct from funding received from the Groundwater Charge the uses of funds are very similar. A specific allocation of a portion of Enhanced Recharge funds annually to fund exceptional water year event costs is recommended. Assignment of a maximum of \$50,000 per year up to \$250,000 may be included in the GRER. The GW Emergency Repair target is considered fully funded at \$250,000.

B. Groundwater Assessment Rate Stabilization Reserve

This reserve is recommended to assist the District in providing stability and predictability in the Groundwater Assessment Fee. The reserve budget and excess funds will allow multi-year stability and support when costs increase or revenues decrease due to adverse weather, legal or other changes. This reserve will accumulate 10% of any net retained earnings of the Groundwater Enterprise from 2014 will be budgeted at up to 5% of the total rate. This 5% may be phased in over time. The reserve shall no longer be budgeted when it reaches \$200,000.

C. Redlands Plaza Reserve

The District's offices are in Redlands Plaza, and it manages the building for itself and its tenants. Also, other real property owned by the District that is leased is also operated by this enterprise. The Redlands Plaza Reserve (RPR) shall be developed solely of lease payments of the property leased up to an amount not to exceed greater of 150% of the average annual maintenance costs or 50% of yearly rental proceeds plus any capital improvement needed. For 2018 the target level is set at \$81,418. The purpose of the RPR is to accumulate funding to pay for major maintenance, upgrades, marketing, or emergency repairs such as paving completed in 2017.

D. Land Resources Reserve

The Land Resources Reserve (LRR) shall be developed to fund general operating cash flow needs and emergency situations supporting land management, planning, habitat, Wash Plan needs, and other costs related to the Districts held lands. Through the payment of Aggregate royalties and other revenue, the LRR will accumulate capital to be able to fund the management needs and establish security against future unexpected expenses related to the District’s land holdings or capital projects including acquisition or amenities such as access or trails. The Little Hoover Report #239 in 2017 recommended reserves should be accumulated to climate change needs. Staff has not thoroughly evaluated potential impacts of climate change, but capital project or acquisition of lands related to climate change will be funded from this reserve if possible. Staff coordinates with Land Resource Partners on likely income for each fiscal year and plans for contributions or uses of this reserve fund.

Initially, in 2011, this reserve did not have funding contribution due to limited mining activities. Costs to the Land Resources Enterprise are funded primarily by mining royalties. For 2017, the reserve is increased to \$816,743. Future levels may be set by modifications or in the Annual Budget.

E. Prepaid Royalties Reserve

The District holds a \$5 Million prepaid royalty from Robertson’s. This reserve is subject to call provisions in the contract with Robertson’s and is invested in 1 year or shorter investments. This Prepaid Royalties Reserve (PRR) is intended to assure the District from Robertson’s for the long-term lease of District property and the payment of future royalties. District revenue from interest may be used in the General Fund or fund the PRR if identified in the Annual Budget.

General Fund Reserves

1. General Liability Fund Reserve

This reserve is to secure funding to the General Fund for District operations in time of temporary deficit and to balance the large swings in District cash flow. The sources of funding to the District are ephemeral and tend toward moving together so when one revenue source is down; others are as well. Thus, the District needs to have long-term reserves and short-term operating funds and capital.

Because there will be urgent needs and possible unforeseen costs after the District sets rates and or costs which are over budget the District will use the General Fund Reserve (GFR). This reserve accumulates funds for anticipated general fund liabilities and allows the District flexibility to operate even in down economic cycles. Because general fund itself does not generate funding, it is often in need of Board approved transfers.

This reserve will be budgeted each year to increase and/or decrease based on annual operating expenditures of the General Fund and annual decisions made by the Board. It is envisioned that this reserve level balance once achieved, will be maintained at a level equal to approximately two years of General Fund operating expenses, currently roughly \$1,250,000. However, this level is ambitious given existing revenue sources to the General Fund. The general fund has several components described below for specific purposes, uses and limitations.

a. Operating Fund Levels

The Board has established an “Operating Fund” as a subset of the General Fund Reserve. This fund, not to exceed \$300,000, is determined as a limit to what may be withdrawn by the General Manager, from investments to meet the projected operating cash flow needs of the District within the budget year. Because revenue and expense timing, as well as contract reimbursements, do not align with expenses,

San Bernardino Valley Water Conservation District Policy

this Operating Funding is essential. Costs vary from year to year; therefore the Operating Fund level should be reviewed and may be modified by the Board as part of the Annual Budget process. The General Manager shall not transfer operating funds from investments beyond the level of the Operating Fund without Board approval.

Additionally, specific projects (such as the Wash Plan and Plunge Creek) will have project funding that must be explained in the District Annual Budget, but such funds are not received or expended with regard for the fiscal year. Planned spending of these project funds will be identified in the budget to the extent possible and will be subject to the segregation requirements of the Reserve Policy, as fiduciary funds but are not technically reserves for other purposes.

b. Compensated Absences Reserve

The Board established this reserve to reflect the set aside of earned but unpaid annual leave, sick time and vacation. The purpose of the reserve is to ensure the District can pay for sick or vacation at employee separation.

c. PERS Employer Contribution and Post Employment Expense Reserve

The District has limited post-employment liabilities due to its prudent management of benefits. The District shall review the actuarial report provided by CALPERS or OPEB Report to provide reserve funding adequate to fund projected post-employment expenses. In May 2014 the Board allocated the total of the Post Employment Reserve to the CalPERS OPEB Trust to hold funds for the OPEB liability. No funding is included in this reserve due to the Trust.

This reserve also provides funding for the District to protect against future fluctuations in the employer contribution as witnessed over the past several years. SBVWCD, like most agencies, was not obligated to contribute to the PERS retirement program as interest rates and earnings exceeded the projected liabilities of the retirement fund. Over the past few years, the SBVWCD Employer Contribution has increased, and additional increases forecast for the future. This reserve will be created to set aside funds at 7% of payroll even when the requested contribution from PERS falls below this level. No contribution and/or set aside will be required at this time, however, if the Board determines it may develop funding to offset future CalPERS Rate increase risk.

d. Self-Insurance Reserve

This reserve is to provide insurance protection to the District for losses that could arise from the property, general liability, and worker's compensation claims. The reserve should be maintained at a level that together with SBVWCD's existing insurance policies would adequately protect the District. The Self-Insurance Reserve (SIR) will accumulate funds at an annual rate of \$5,000 earning interest allocated on balances maintained. The fund shall be utilized to cover insurance losses experienced by the agency that may or may not be awaiting insurance claim reimbursement or deductibles. The agency shall cease to contribute set-aside funds upon reaching a \$50,000 balance.

F. Capital Improvement Project and Equipment Reserve

This reserve is to provide multi-year funding to support current ongoing work in progress future capital projects and equipment identified and approved by the Board in the District plans and budgets. Costly equipment or vehicles are budgeted, and reserves maintained as an alternative to funding depreciation in the budget process. The District has reviewed its capital improvement and equipment reserve based on capital repairs and equipment. This reserve target was initially set to \$400,000 in 2015 and has been increased to \$750,000 to accommodate near-term capital needs primarily for Mill and Plunge Creek projects and should be increased as these project come to construction.

CLARIFICATIONS:

Restricted Reserves

The only funds classified as restricted are those which are specifically governed by a written contract with the agency or outlined within the “bond covenants” of a bond issue. The District currently holds no restricted reserves but does hold fiduciary funds contributed by others for the Wash Plan HCP.

Unrestricted Reserves

Reserve levels classified as unrestricted are set by SBVWCD Board Policy. The Board may modify or transfer funds between reserves by Board action.

Reserve and Enterprise Transfers, Loans and Approval

The District Board has authority over all transfers and loans among enterprises and their Reserve accounts. The Board delegates day to day management of the funds of the enterprises to the General Manager. Under this authority, the General Manager may approve the transfer/loan of funds from one enterprise/reserve to/from another within the fiscal year in an amount not to exceed \$50,000. Such transfers/loans must be repaid within the same fiscal year, and accrued interest (at the LAIF rate) is due to the lending enterprise reserve from the borrowing enterprise reserve. Invested funds are pooled, and interest is allocated to the general fund unless specifically identified. Transactions above this limit or which will extend past the end of the fiscal year shall be disclosed and approved by the Board unless included in the annual budget.

SBVWCD Capital Projects and Needs
Existing Facilities Capital Repair and Improvement Projects

Version 13 4/26/18

Continue in Budget Discuss in workshop

CIP No.	Capital Equipment or Project	Budget				Status	Running Total
		Cost Est.	Cost to Date	Remaining	FY		
1	Mill Creek	\$750,000	\$270,800	\$479,200	2016-2017	Ongoing	\$479,200
	Mill Creek Diversion Improvement Design/Permitting	\$100,000				Ongoing	
	Mill Creek Diversion Improvement Implementation	\$500,000				New Start	
2	Plunge Creek Grant Funds \$500,000	\$710,000	\$247,772	\$462,228	2016-2017	Ongoing	\$941,428
	Plunge Creek Restoration (Water and Habitat) Design/Permitting	\$50,000				Ongoing	
	Plunge Creek Restoration (Water and Habitat) Implementation	\$560,000				Planning	
3a	Independent Concrete Restroom/Septic Tank Mentone Shop	\$80,000	\$0	\$80,000	2016-2017	New Start	\$1,021,428
3b	Sheds Replacement and Storage for Mentone Shop, with Bath facilities	\$200,000	\$0	\$200,000	2018-2019	New Start	\$1,221,428
4	Trails Planning Design and Coordination	\$45,000	\$45,000	\$0	2016-2017	Complete	\$1,421,428
5	Redlands Plaza Parking Lot	\$70,000	\$100,000	\$0	2016-2018	Complete	\$1,391,428
6	Wash Plan HCP Endowment	\$55,000	\$55,000	\$0	2016-2017	Complete	\$1,391,428
7	Mill Creek/ River HCP Permitting	\$120,000	\$95,000	\$25,000	2016-2020	Ongoing	\$1,416,428
8	Dump Truck and other Capital Equipment	\$150,000	\$35,000	\$115,000	2016-2018	Ongoing	\$1,531,428
9	Fencing, gates, survey, topo, preliminary plans, etc. Mendoza	\$45,000	\$0	\$45,000	2018-2018	Planning	\$1,576,428
10	Capital Maintenance - Mill Creek - Basin #6 to #12 capacity improve	\$30,000	\$0	\$30,000	2017-2018	DELETED	\$1,606,428
11	Mill Creek North Canal Flume SB-88 Compliance	\$50,000	\$0	\$50,000	2017-2019	Replacement	\$1,656,428
12	Habitat and Water Recharge planning or permitting for Mendoza	\$120,000	\$0	\$120,000	2018-2020	Opportunity	\$1,776,428
13	Habitat Equipment Herbicide Sprayer and ATV and equipment	\$30,000	\$0	\$30,000	2018-2019	New Start	\$1,806,428
14	Canyon house demolition and cleanup	\$20,000	0	\$20,000	2018	New Start	\$1,826,428
15	Canyon shop lead abatement maintenance and drainage grading	\$30,000	0	\$30,000	2018	New Start	\$1,856,428
16	Capital Maintenance SAR Main canal to #11 Service Ramp Dike D	\$75,000	\$0	\$75,000	2018	New Start	\$1,931,428
Potential or Opportunity							
17	Buffer Land Acquisitions and Security improvements	\$500,000	\$318,000	\$182,000	2016-2020	Opportunity	\$2,113,428
18	Water Recharge Mendoza Design	\$50,000	\$0	\$50,000	2017-2020	Opportunity	\$2,163,428
19	Water Recharge Mendoza Implementation	\$300,000	\$0	\$300,000	2017-2020	Conceptual	\$2,463,428
25	Community (Distributed) Recharge Planning	\$200,000	\$0	\$200,000	2017-2021	Conceptual	\$2,663,428
23	Aggressive Recharge Planning/Permitting - Mill	\$100,000	\$0	\$100,000	2017-2021	Conceptual	\$2,763,428
24	Borrow Pit basins bypass to pit SAR	\$75,000	\$0	\$75,000	2018	Conceptual	\$2,838,428
25	D9 Bulldozer/long reach excavator permitted cleaning D6T \$400K	\$500,000	\$0	\$500,000	2019	Potential	\$3,338,428
23	Aggressive Recharge Planning/Permitting	\$100,000	\$0	\$100,000	2017-2021	Conceptual	\$3,438,428
24	Aggressive Recharge Implementation	\$1,000,000	\$0	\$1,000,000	2019-2025	Conceptual	\$4,438,428
26	Community (Distributed) Recharge Implementation	\$2,000,000	\$0	\$2,000,000	2018-2030	Conceptual	\$6,438,428
27	Greenspot and Cone camp parking/staging and trailheads planning	\$50,000	\$0	\$50,000	2018-2026	Conceptual	\$6,488,428
28	Mining Area Multi-use Planning	\$100,000	\$0	\$100,000	2020-2025	Conceptual	\$6,588,428
29	Treatment Wetlands Planning	\$150,000	\$0	\$150,000	2020-2026	Conceptual	\$6,738,428
30	Greenspot/Cone camp parking/staging and trailheads	\$350,000	\$0	\$350,000	2018-2027	Conceptual	\$6,938,428
Total Budgeted Capital Cost		\$8,665,000	\$1,166,572	\$6,918,428			
Net of Grant		\$8,165,000		\$6,418,428			

Prior FYS	Enterprises	
	GW	Land
	\$77000	
\$150,000		
	\$500,000	
\$100,000		\$50,000
		\$560,000
	\$80,000	
	\$200,000	
\$45,000		\$45,000
\$100,000		\$70,000
\$55,000		
\$80,000	\$20,000	\$5,000
\$35,000	\$115,000	
		\$45,000
	\$30,000	
	\$50,000	
		\$120,000
		\$30,000
		\$20,000
	\$30,000	
	\$75,000	
		\$500,000
	\$50,000	
	\$300,000	
		\$200,000
		\$100,000
	\$75,000	
	\$500,000	
		\$100,000
	\$1,000,000	
		\$2,000,000
		\$50,000
		\$100,000
	\$50,000	\$100,000
		\$350,000
\$565,000	\$3,652,000	\$4,445,000

GL ACCT:	GL DESCRIPTION:	Approved 2017-2018 Budget	Expended/ Received to Date as of 12/31/17	Projected Annual Costs (7/1/17- 6/30/18)	Increase/ Decrease	Draft 2018- 2019 Budget	GENERAL FUND			GROUNDWATER RECHARGE ENTERPRISE			REDLANDS PLAZA & LEASED PROPERTY- MENTONE HOUSE			LAND RESOURCE			WASH PLAN and TRUST SUPPORT				
							2018 BUDGET:	% BUDGET	BASIS:	2018 BUDGET:	% BUDGET	BASIS:	2018 BUDGET:	% BUDGET	BASIS:	2018 BUDGET:	% BUDGET	BASIS:	2018 BUDGET:	% BUDGET	BASIS:		
2018-2019 Budget																							
INCOME:																							
4012	INTEREST INCOME-LAIF	1,800.00	2,261.30	4,700.00	2,700.00	4,500.00	4,500.00	100.00%		0.00			0.00			0.00			0.00				
4013	INTEREST INCOME-CALTRUST	20,000.00	18,482.77	30,000.00	12,500.00	32,500.00	32,500.00	100.00%		0.00			0.00			0.00			0.00				
4014	INTEREST INCOME-CA CREDIT UNION	25,000.00	13,166.24	25,000.00	1,000.00	26,000.00	1,000.00	100.00%					0.00			0.00			0.00				
4015	INTEREST INCOME-UBS	17,500.00	8,309.98	17,500.00	4,500.00	22,000.00	22,000.00	100.00%					0.00			0.00			0.00				
4021	GROUNDWATER CHARGE-AG	38,921.24	16,145.43	37,019.88	-14,995.04	23,926.20	0.00		23,926.20	100.00%	4% rate increase		0.00			0.00			0.00				
4023	GROUNDWATER CHARGE-NON AG	713,700.40	364,109.26	868,310.43	-672,706.68	40,993.72	0.00	Adjusted Ag Non-Ag per schedule	40,993.72	100.00%	Adjusted Ag Non-Ag per sche		0.00			0.00			0.00				
4025	GROUNDWATER COUNCIL REVENUE	0.00	0.00	0.00	893,577.00	893,577.00	0.00		893,577.00	100.00%			0.00			0.00			0.00				
4031	PLANT SITE CEMEX	48,000.00	24,000.00	48,000.00	0.00	48,000.00	0.00		0.00				0.00			48,000.00	100.00%	PER LEASE MIN	0.00				
4032	CEMEX - ROYALTY/LEASE	586,000.00	244,166.65	586,000.00	0.00	586,000.00	0.00		0.00				0.00			586,000.00	100.00%	Per Lease Agreement	0.00				
4036	AGGREGATE MAINTENANCE	55,000.00	19,654.37	30,000.00	-15,000.00	40,000.00	0.00		0.00				0.00			40,000.00	100.00%	EST FROM 2010	0.00				
4040	MISCELLANEOUS INCOME	10,000.00	3,003.00	10,000.00	0.00	10,000.00	7,500.00	75.00%	ESTIMATE	0.00			0.00			2,500.00	25.00%	ESTIMATE	0.00				
4050	PROPERTY TAX	81,800.00	82,736.74	100,000.00	22,335.47	104,135.47	104,135.47	100.00%	+5%	0.00			0.00			0.00			0.00				
4055	SBVMWD LEASE AGREEMENT	376,066.70	380,371.00	380,371.00	9,629.49	385,696.19	192,848.10	50.00%	+1.4% CPI	192,848.10	50.00%	0.6% EST. CPI-U CUURA421S		0.00		0.00	0.00%	Land Lease Cost	0.00				
4062	MENTONE PROPERTY INCOME	21,600.00	11,000.00	22,100.00	1,200.00	22,800.00	0.00		Actual Rent	0.00			22,800.00	100.00%	PER LEASE	0.00			0.00				
4065	REDLANDS PLAZA	165,822.65	86,847.19	165,822.65	4,975.53	170,798.18	0.00		Vacancy likely	0.00			170,798.18	100.00%	Est. via revised leases	0.00			0.00				
4066	REDLANDS PLAZA CAM	32,000.00	17,093.72	32,000.00	3,000.00	35,000.00	0.00		Vacancy likely	0.00			35,000.00	100.00%	Est. via revised leases	0.00			0.00				
4080	EXCHANGE PLAN	30,000.00	0.00	30,000.00	0.00	30,000.00	0.00			30,000.00	100.00%	HISTORIC				0.00			0.00				
4025	WASH PLAN REVENUE * from Reserves	70,000.00	54,819.37	90,000.00	30,000.00	100,000.00	0.00		Processing Complete	0.00			0.00			0.00			0.00		100,000.00	100.00%	
4086	PLUNGE CREEK IRWMP Grant	150,000.00	5,651.92	100,000.00	0.00	150,000.00	0.00		Per Plunge Creek Budget/schedule	0.00			0.00			150,000.00	100.00%		0.00				
4998	RATE STABILIZATION *From Reserves	35,000.00	0.00	35,000.00	-12,777.00	22,223.00	0.00			22,223.00	100%		0.00			0.00			0.00				
4999	TRUST REIMBURSEMENT WASH PLAN	0.00	0.00	0.00	100,000.00	100,000.00	0.00			0.00			0.00			0.00			0.00		100,000.00	100.00%	From Trust proceeds
TOTAL INCOME:		2,478,210.99	1,351,818.94	2,611,823.96	369,938.77	2,848,149.76	364,483.57			1,203,568.02			228,598.18			826,500.00			200,000.00				
EXPENSES:																							
5080	LAFCO CONTRIBUTION/FEES	400.00	2,152.67	2,500.00	2,600.00	3,000.00	3,000.00	100.00%	LAFCO Charges	0.00			0.00			0.00			0.00				
5120	MISC. PROFESSIONAL SERVICES	150,000.00	36,093.86	100,000.00	-20,000.00	130,000.00	39,000.00	30.00%	Includes GSC Support	27,300.00	21.00%	GSC and Bio Support	0.00	0.00%		63,700.00	49.00%		0.00				
5122	WASH PLAN PROFESSIONAL SERVICES	50,000.00	2,612.65	50,000.00	-20,000.00	30,000.00	0.00		Per Wash Plan Budget	0.00			0.00			0.00			30,000.00	100.00%	Per Wash Plan Budget		
5124	PLUNGE CREEK PROFESSIONAL SERVICES	150,000.00	19,491.51	150,000.00	0.00	150,000.00	0.00		Per Plunge Creek Budget	7,500.00	5.00%		0.00			142,500.00	95.00%	Plunge Creek Budget	0.00				
5125	ENGINEERING SERVICES	18,000.00	0.00	18,000.00	0.00	18,000.00	0.00			18,000.00	100.00%	GENERAL ENG./GIS	0.00			0.00			0.00				
5130	AERIAL PHOTO/SURVEYING/MARKET	1,000.00	0.00	1,000.00	0.00	1,000.00	0.00			0.00			0.00			1,000.00	100.00%		0.00				
5133	Regional River HCP Contribution CIP #7	40,000.00	0.00	40,000.00	-15,000.00	25,000.00	0.00			18,750.00	75.00%		0.00			6,250.00	25.00%		0.00				
5143	SBVCT District Contribution	4,042.00	0.00	4,042.00	-4,042.00	0.00	0.00			0.00			0.00			0.00	100.00%	Conservation Trust Support	0.00				
5145	ENVIRONMENTAL SERVICES (WASH PLAN)	0.00	510.69	510.69	0.00	0.00	0.00			0.00			0.00			0.00			0.00		100.00%	Per Wash Plan Budget	
5160	IT SUPPORT	7,000.00	2,250.00	7,000.00	0.00	7,000.00	2,800.00	40.00%		3,500.00	50.00%	Share by need	0.00			700.00	10.00%		0.00				
5170	AUDIT	27,135.00	23,500.00	27,135.00	-910.00	26,225.00	5,245.00	20.00%		12,063.50	46.00%	Share based on Revenue	3,933.75	15.00%	ON REVENUE	4,982.75	19.00%	ON REVENUE	0.00				
5175	LEGAL-WASH PLAN	10,000.00	2,135.00	10,000.00	0.00	10,000.00	0.00			0.00			0.00			0.00			10,000.00	100.00%	Per Wash Plan Budget		
5180	LEGAL	190,000.00	90,567.60	190,000.00	-15,000.00	175,000.00	52,500.00	30.00%	Litigation on SOD	52,500.00	30.00%	GSC and COE Litigation	12,250.00	7.00%		57,750.00	33.00%	Agreements	0.00			40,000.00	
FIELD OPERATIONS:																							
5123	TEMP FIELD LABOR	11,000.00	0.00	11,000.00	0.00	11,000.00	0.00			11,000.00	100.00%	Invasive and canal cleaning	0.00			0.00			0.00				
5210	EQUIPMENT MAINTENANCE	6,000.00	3,209.80	6,000.00	180.00	6,180.00	0.00			6,180.00	100.00%	based on average actual	0.00			0.00			0.00				
5215	PROPERTY MAINTENANCE	40,000.00	4,780.88	40,000.00	2,000.00	42,000.00	0.00			33,600.00	80.00%	Basin Maintenance Moved	0.00			8,400.00	20.00%	Tamerisk	0.00				
5225	FIELD CLEAN UP-ILLEGAL DUMPING	6,000.00	0.00	6,000.00	0.00	6,000.00	0.00			3,000.00	50.00%		0.00			3,000.00	50.00%		0.00				
5050	BASIN CLEANING FORMERLY 7050 CAPIT	50,000.00	1,882.50	50,000.00	0.00	50,000.00	0.00			50,000.00	100.00%					0.00			0.00				
VEHICLE OPERATIONS:																							
5310	VEHICLE MAINTENANCE	10,000.00	4,688.87	10,000.00	-2,000.00	8,000.00	0.00			8,000.00	100.00%	reduced from 2013-14 base	0.00			0.00			0.00				
5320	FUEL	12,250.00	3,982.35	12,250.00	250.00	12,500.00	0.00			12,500.00	100.00%	EST. LOWER FUEL COST	0.00			0.00			0.00				
UTILITIES:																							
5410	ALARM SERVICE	1,500.00	645.00	1,550.00	0.00	1,500.00	750.00	50.00%		750.00	50.00%	FACILITIES SHARE	0.00			0.00			0.00				
5420	ELECTRICITY	9,500.00	4,458.11	9,500.00	247.00	9,747.00	2,729.16	28.00%		1,949.40	20.00%	FACILITIES SHARE	5,068.44	52.00%		0.00			0.00				
5430	MOBILE PHONES	3,550.00	1,620.00	3,550.00	0.00	3,550.00	710.00	20.00%		2,662.50	75.00%	FACILITIES SHARE	0.00			177.50	5.00%		0.00				
5440	TELEPHONE	8,000.00	2,773.45	8,000.00	0.00	8,000.00	5,600.00	70.00%		2,400.00	30.00%	FACILITIES SHARE	0.00			0.00			0.00				
5450	NATURAL GAS	900.00	72.14	900.00	42.30	942.30	565.38	60.00%		376.92	40.00%	FACILITIES SHARE	0.00			0.00			0.00				
5460	WATER / TRASH / SEWER	2,160.00	845.11	2,160.00	0.00	2,160.00	1,080.00	50.00%		864.00	40.00%	FACILITIES SHARE	0.00			216.00	10.00%		0.00				
5470	INTERNET SERVICES	2,500.00	1,464.87	2,500.00	75.00	2,575.00	1,287.50	50.00%		772.50	30.00%	FACILITIES SHARE	128.75	5.00%		386.25	15.00%		0.00				
GENERAL ADMINISTRATION:																							
6001	GENERAL ADMIN-OTHER	5,500.00	928.18	5,500.00	-1,000.00	4,500.00	2,250.00	50.00%		2,250.00	50.00%	ESTIMATE BY USE	0.00			0.00			0.00				
6002	WEBSITE ADMIN																						

GL ACCT:	GL DESCRIPTION:	Approved 2017-2018 Budget	Expended/ Received to Date as of 12/31/17	Projected Annual Costs (7/1/17- 6/30/18)	Increase/ Decrease	Draft 2018- 2019 Budget	GENERAL FUND			GROUNDWATER RECHARGE ENTERPRISE			REDLANDS PLAZA & LEASED PROPERTY- MENTONE HOUSE			LAND RESOURCE			WASH PLAN and TRUST SUPPORT		
							2018 BUDGET:	% BUDGET	BASIS:	2018 BUDGET:	% BUDGET	BASIS:	2018 BUDGET:	% BUDGET	BASIS:	2018 BUDGET:	% BUDGET	BASIS:	2018 BUDGET:	% BUDGET	BASIS:
6019	JANITORIAL SUPPLIES	500.00	174.87	500.00	0.00	500.00	300.00	60.00%		200.00	40.00%	FACILITIES SHARE	0.00			0.00			0.00		
6020	VACANCY MARKETING-REDLANDS PLAZA	5,050.00	158.82	3,050.00	450.00	5,500.00	0.00		0.00	0.00		5,500.00	100.00%	RENTAL SUPPORT	0.00			0.00			
6027	COMPUTER SOFTWARE	689.00	0.00	689.00	-89.00	600.00	450.00	75.00%		30.00	5.00%	FACILITIES SHARE	60.00	10.00%		60.00	10.00%	0.00			
6030	OFFICE SUPPLIES	4,250.67	525.52	4,250.67	-500.00	3,750.67	3,000.54	80.00%		187.53	5.00%	FACILITIES SHARE	375.07	10.00%		187.53	5.00%	0.00			
6033	OFFICE EQUIPMENT RENTAL	8,900.00	4,336.86	8,900.00	600.00	9,500.00	7,125.00	75.00%		475.00	5.00%	FACILITIES SHARE	1,425.00	15.00%		475.00	5.00%	0.00			
6036	PRINTING	980.00	206.01	980.00	0.00	980.00	490.00	50.00%		392.00	40.00%	GW Charge	0.00			98.00	10.00%	0.00			
6039	POSTAGE AND OVERNIGHT DELIVERY	1,200.00	267.11	1,200.00	0.00	1,200.00	660.00	55.00%		300.00	25.00%	GW Charge	120.00	10.00%		120.00	10.00%	0.00			
6042	PAYROLL PROCESSING FEES	2,450.00	1,212.45	2,450.00	73.50	2,523.50	2,523.50	100.00%	Actuals	0.00			0.00			0.00		0.00			
6045	BANK INVESTMENT SERVICE CHARGES	2,500.00	942.15	2,500.00	75.00	2,575.00	2,575.00	100.00%		0.00			0.00			0.00		0.00			
6051	UNIFORMS	2,000.00	1,160.47	2,000.00	200.00	2,200.00	660.00	30.00%		1,540.00	70.00%	Field Uniforms	0.00			0.00		0.00			
6060	OUTREACH	20,000.00	5,047.42	50,000.00	40,000.00	60,000.00	21,000.00	35.00%	BTAC Coop + Board Outreach	15,000.00	25.00%	share by mission	0.00			15,000.00	25.00%	9,000.00	15.00%		
6087	EDUCATIONAL REIMBURSEMENT	2,500.00	0.00	4,165.00	2,500.00	5,000.00	5,000.00	100.00%		0.00			0.00			0.00		0.00			
6090	SUBSCRIPTIONS/PUBLICATIONS	1,000.00	1,095.99	1,100.00	210.00	1,210.00	1,210.00	100.00%		0.00			0.00			0.00		0.00			
6091	PUBLIC NOTICES	3,000.00	0.00	3,000.00	200.00	3,200.00	640.00	20.00%	Ordinance Change	2,560.00	80.00%	% OF 2010	0.00			0.00		0.00			
6093	MEMBERSHIPS	18,500.00	16,550.00	18,500.00	2,360.20	20,860.20	20,860.20	100.00%	ACWA CSDA Etc.	0.00			0.00			0.00		0.00			
	BENEFITS:								Benefit Total	377,852.12											
6110	VISION INSURANCE	2,017.25	993.72	2,017.25	288.18	2,305.43	370.25	16.06%		1,430.78	50.87%	Based on percent of hours	143.44	5.10%		475.33	16.90%	311.36	11.07%		
6120	WORKER'S COMP INSURANCE	11,358.50	2,922.82	11,358.50	1,191.32	12,549.82	2,015.50	16.06%	BASE ON LABOR/reduced rates	7,788.60	50.87%	Based on percent of hours	780.85	5.10%		2,587.52	16.90%	1,694.90	11.07%		
6130	DENTAL INSURANCE	9,047.79	4,211.52	9,047.79	794.14	9,841.93	1,580.61	16.06%	BASE ON LABOR	6,108.04	50.87%	Based on percent of hours	612.36	5.10%		2,029.21	16.90%	1,329.19	11.07%		
6150	MEDICAL INSURANCE	143,132.54	71,629.75	143,132.54	34,038.40	177,170.94	28,453.65	16.06%	Policy Reduction	109,954.77	50.87%	Based on percent of hours	11,023.58	5.10%		36,529.10	16.90%	23,927.64	11.07%		
6150.01	MEDICAL EMPLOYEE CONTRIBUTION	-22,217.51	-10,102.56	-22,217.51	-5,417.75	-27,635.26	-4,438.22	16.06%		-14,058.06	50.87%		-1,409.40	5.10%		-4,670.36	16.90%	-3,059.22	11.07%		
6160	PAYROLL TAXES - EMPLOYER	55,002.19	17,171.49	55,002.19	1,818.91	56,821.10	9,125.47	16.06%	Consolidated costs 2014	35,263.97	50.87%	Based on percent of hours	3,535.41	5.10%		11,715.37	16.90%	7,673.92	11.07%		
6170	PERS RETIREMENT	127,279.45	68,286.52	127,279.45	19,518.71	146,798.16	23,575.78	16.06%	Noticed Increase	91,104.99	50.87%	Based on percent of hours	9,133.78	5.10%		30,266.84	16.90%	19,825.68	11.07%		
6170.01	PERS EMPLOYEE CONTRIBUTION	-26,015.02	-21,893.83	-26,015.02	-4,596.84	-30,611.86	-4,916.26	16.06%		-15,572.25	50.87%		-1,561.20	5.10%		-5,173.40	16.90%	-3,388.73	11.07%		
	SALARIES:								Overhead Offset 22%		50.87%			5.10%			16.90%		11.07%		
6210	OVERTIME		0.00				0.00			229,345.76			0.00			0.00		0.00			
6230	REGULAR SALARIES	752,712.27	336,833.53	752,712.27	73,387.50	826,099.77				0.00								0.00			
Sub	Field Staff Part Time	10,005.95	0.00	10,005.95	13,288.30	23,294.25	0.00			14,209.49	50.00%	Salary+overhead 22% % time	0.00			0.00		14,209.49	50.00%	half year 50% Wash Plan	
Sub	Field Supervisor	80,361.84	35,569.54	80,361.84	2,494.65	82,856.49	0.00		COLA 3.1%/RP - EMP PBs	101,084.92	100.00%	Salary+overhead 22% % time	0.00			0.00		0.00			
Sub	Field Operations Spec I	42,908.84	19,891.20	42,908.84	3,679.67	46,588.51	0.00		COLA 3.1%/RP - EMP PBs	56,837.98	100.00%	Salary+overhead 22% % time	0.00			0.00		0.00			
Sub	Lands Resources Mgr.	167,073.92	76,387.31	167,073.92	11,837.63	178,911.55	17,891.16	10.00%	COLA 3.1%/RP - EMP PBs	98,222.44	45.00%	Salary+overhead 22% % time	0.00	0.00%		43,654.42	20.00%	54,568.02	25.00%		
Sub	Admin Services Spec.	76,493.56	34,972.88	76,493.56	5,418.57	81,912.13	32,764.85	40.00%	COLA 3.1%/RP - EMP PBs	44,969.76	45.00%	Salary+overhead 22% % time	9,993.28	10.00%		4,996.64	5.00%	0.00			
Sub	Admin Services Spec.	71,306.04	33,062.40	71,306.04	6,131.61	77,437.65	19,359.41	25.00%	COLA 3.1%/RP - EMP PBs	28,342.18	30.00%	Salary+overhead 22% % time	23,618.48	25.00%		14,171.09	15.00%	4,723.70	5.00%		
Sub	Assistant Engineer PT	41,925.00	21,860.08	41,925.00	3,825.95	45,750.95	0.00	0.00%	COLA 3.1%/RP - EMP PBs	33,489.69	60.00%	Salary+overhead 22% % time	0.00			16,744.85	30.00%	5,581.62	10.00%		
Sub	GIS Intern/contract	11,352.00	6,555.82	11,352.00	3,996.47	15,348.47	0.00	0.00%	COLA 3.1%/RP - EMP PBs	18,725.13	100.00%	Salary+overhead 22% % time	0.00			0.00	0.00%	0.00	0.00%		
Sub	General Manager	228,519.20	105,465.60	228,519.20	18,498.81	247,018.01	49,403.60	20.00%	COLA 3.1%/RP - EMP PBs	99,449.45	33.00%	Salary+overhead 22% % time	15,068.10	5.00%		96,435.83	32.00%	30,136.20	10.00%		
Sub	Doc Imaging Intern	11,413.92	306.00	11,413.92	1.44	11,415.36	4,566.14	40.00%	COLA 3.1%/RP - EMP PBs	5,570.70	40.00%	Salary+overhead 22% % time	696.34	5.00%		2,089.01	15.00%	0.00		Salary Benefits	
sub	Engineering Intern PT	11,352.00	2,762.70	11,352.00	4,214.40	15,566.40	0.00	0.00%		7,596.40	40.00%		0.00			7,596.40	40.00%	3,798.20	20.00%	161,331.97	
	INSURANCE:								Labor Total	\$ 826,099.77		0.48			0.05			0.17		0.11	
6310	PROPERTY / AUTO INSURANCE	7,000.00	0.00	7,000.00	0.00	7,000.00	350.00	5.00%		5,250.00	75.00%	Approximate from Insurer	1,050.00	15.00%		350.00	5.00%	0.00			
6320	GENERAL LIABILITY INSURANCE	32,500.00	33,197.95	32,500.00	-700.00	31,800.00	1,590.00	5.00%		23,850.00	75.00%	Approximate from Insurer	4,770.00	15.00%		1,590.00	5.00%	0.00			
	DIRECTOR'S EXPENSES:								Board Total	\$ 204,262											
6401	DIRECTOR'S FEES	78,718.78	33,960.50	78,718.78	6,243.22	84,962.00	84,962.00	100.00%	Includes 3.1 increase	0.00			0.00			0.00		0.00			
6410	MILEAGE	4,000.00	1,607.45	4,000.00	0.00	4,000.00	4,000.00	100.00%	Board Policy	0.00			0.00			0.00		0.00			
6415	AIR FARE	2,500.00	0.00	2,500.00	0.00	2,500.00	2,500.00	100.00%		0.00			0.00			0.00		0.00			
6420	OTHER TRAVEL	500.00	122.00	500.00	0.00	500.00	500.00	100.00%		0.00			0.00			0.00		0.00			
6425	MEALS	2,500.00	1,720.21	2,500.00	1,000.00	3,500.00	3,500.00	100.00%	Board Policy	0.00			0.00			0.00		0.00			
6430	LODGING	3,000.00	1,790.19	3,500.00	800.00	3,800.00	3,800.00	100.00%	Board Policy	0.00			0.00			0.00		0.00			
6435	CONF/SEMINAR REGISTRATIONS	5,000.00	2,039.00	5,000.00	0.00	5,000.00	5,000.00	100.00%	Board Policy	0.00			0.00			0.00		0.00			
6440	ELECTION FEES/REDISTRICTING	100,000.00	0.00	0.00	0.00	100,000.00	100,000.00	100.00%	November 2018 Election	0.00			0.00			0.00		0.00			
	ADMINISTRATIVE/STAFF EXPENSES:																				
6510	MILEAGE	1,800.00	668.22	1,800.00	0.00	1,800.00	720.00	40.00%		900.00	50.00%	Allocation basis 2011	0.00			180.00	10.00%	0.00			
6515	AIR FARE	2,000.00	803.07	2,000.00	0.00	2,000.00	900.00	45.00%		500.00	25.00%	Allocation basis 2011	0.00			600.00	30.00%	0.00			
6520	OTHER TRAVEL	1,400.00	101.31	1,400.00	-400.00	1,000.00	450.00	45.00%		250.00	25.00%	Allocation basis 2011	0.00			300.00	30.00%	0.00			
6525	MEALS	1,500.00	1,110.47	1,500.00	45.00	1,545.00	695.25	45.00%		540.75	35.00%	Allocation basis 201									



SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT

Established 1932

1630 West Redlands Boulevard, Suite A
Redlands, CA 92373-8032
(909) 793-2503
Fax: (909) 793-0188

Email: info@sbvwcd.org
www.sbvwcd.org

Memorandum No. 1577

To: Board of Directors

From: General Manager, Daniel Cozad

Date: May 23, 2018

Subject: Determine the Date of the September Board Meeting or Cancel the Meeting

RECOMMENDATION

Consider a Board Member request to set a new date for September Board of Directors meeting, cancel the meeting or make no change to the date.

FISCAL IMPACT

There is no fiscal impact.

BOARD
OF
DIRECTORS

Division 1:
Richard Corneille
Division 2: David E.
Raley

Division 3:
T. Milford Harrison
Division 4:
John Longville

Division 5:
Melody McDonald

GENERAL
MANAGER

Daniel B. Cozad



2018 Board Calendar - San Bernardino Valley Water Conservation District

JANUARY						
S	M	T	W	Th	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

Jan. 10 Board Meeting
 Jan. 24 2nd Qtr. Finance & Admin Mtg.

JULY						
S	M	T	W	Th	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

Jul. 11 Board Meeting
 Jul. 25 4th Qtr. Finance & Admin Mtg.

FEBRUARY						
S	M	T	W	Th	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28			

Feb. 14 Board Meeting

AUGUST						
S	M	T	W	Th	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

Aug. 08 Board Meeting

MARCH						
S	M	T	W	Th	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

Mar. 14 Board Meeting
Engineering Investigation Report Presentation

SEPTEMBER						
S	M	T	W	Th	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

Sept. 12 Board Meeting

APRIL						
S	M	T	W	Th	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

Apr. 11 Board Meeting
Public Meeting/Groundwater Charge
 Apr. 25 Board Meeting
Public Hearing/Groundwater Charge
 Apr. 27 3rd Qtr. Finance & Admin Mtg.

OCTOBER						
S	M	T	W	Th	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

Oct. 10 Board Meeting

MAY						
S	M	T	W	Th	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

May 22 Budget Workshop (@ 2:00 p.m.)
 May 23 Board Meeting

NOVEMBER						
S	M	T	W	Th	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

Nov. 14 Board Meeting
 Nov. 21 1st Qtr. Admin Mtg.

JUNE						
S	M	T	W	Th	F	S
				1	2	
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

Jun. 13 Board Meeting

DECEMBER						
S	M	T	W	Th	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

Dec. 12 Board Meeting (@ 9:30 a.m.)
Holiday Luncheon



Wash Plan Update

April 6 through May 17, 2018



Staff continues to estimate publication in the Federal Register in the spring of 2018 and with no additional financial resources needed. A draft notice and accompanying briefing documents for the Federal Register has been completed by the Fish and Wildlife Service (FWS) Regional Office and have been finalized by the FWS and the Bureau of Land Management (BLM). The District has provided comments that were incorporated into the document. A Task Force meeting was held on May 1 to discuss completion of the Wash Plan, schedule, and how to ensure that the schedule does not adversely impact projects. The Redlands/Highland bicycle trail on Orange Street, Robertson's mining, and the District's Plunge Creek project were all discussed and an implementation plan to allow those projects to move forward was agreed upon by the project proponents.

Wash Plan Habitat Conservation Plan (HCP) Document. Complete.

Implementing Agreement (IA). Complete.

Environmental Documents. The environmental documents are now under final review at the FWS and BLM regional offices. This process is expected to take several weeks. Upon regional approval, the document will be uploaded to the FWS Regional Office allowing them to begin the process of Federal Register publication. This Federal process generally takes two months.

Land Transfers. There are three land transfers required for full implementation of the HCP. The first is a land transfer between Robertson's and the Flood Control District. Approval of this land transfer requires action by the San Bernardino County Board of Supervisors. Documentation and legal review are complete but consideration by the Board has not been calendared. The second transfer, a transfer of land between the District and the BLM, requires Congressional approval. The Senate Energy and Natural Resources Committee considered Congressman Cook's Santa Ana River Wash Plan Land Exchange legislation in its mark-up session on May 17 and moved it to the Senate floor for consideration. The Senate has agreed to advance Congressman Cook's House of Representatives approved version of the legislation rather than Senator Feinstein's bill so that, if passed, it would not have to go back to a conference committee for reconciliation.

Additionally, the HCP calls for the transfer of approximately 114 acres of land fee title to the District from Redlands. This land will be managed as part of the Wash Plan preserve. Redlands staff has not calendared this transfer for Council consideration.



General Manager's Report

For April 7, 2018 to May 18, 2018

Daniel B. Cozad

The following report covers the weeks between meetings and the efforts and activities during the reporting period.

- 1. Water Conservation – Plan Goal 1** – The Field staff Santa Ana River flows when dam operations ended, and the debris pool was drained around April 15th. Limited storms have provided significant flows this spring. Staff continues to work hard to recharge all possible storms due to the limited rain. Santa Ana recharge totals for the Water Year beginning October 1, 2017, total about 8,650 AF of that amount more than 6,500 AF was from State Water Project imports. Mill Creek received significant flows from winter rains and less in the spring. The total recharge in Mill Creek is more than 3,200 AF with nearly half being State Water Project imports.
- 2. Facility Maintenance and Cleanout – Plan Goal 1** – The Mill Creek diversion and canals required repairs and maintenance for use in the winter and spring. All basins are functioning with flows diminishing additional cleaning and maintenance will likely occur earlier this year.
- 3. Aggregate Management – Plan Goal 1** – Upland Rock continues to sell rock and sand and support basin cleaning efforts. Staff provided a report in April on the sales.
- 4. Personnel/Administration/Staff** – Staff completed reporting and coordination for several budget-related personnel issues. Staff worked on preparing information for the development of partial year staffing for the Wash Plan Implementation efforts.
- 5. Finance/Budget/Audit** – The District is implementing the budget for 2017-2018. The Board approved the Groundwater Charge and therefore the GW Enterprise revenue for the 2018-2019 budget process. Staff finalized the revenue estimates for the groundwater enterprise from the Groundwater Charge and the Groundwater Council (GC). For the GC Budget Committee staff presented the Budget Policy for the Committee and received feedback.
- 6. Mill Creek Diversion Engineering – Plan Goals 1/4** – SBC Flood Control and Staff are working with USACOE Section 408 permit staff. All other permits will be timed to coordinate with the 408 permit. The USACOE is reviewing information for the 408 application submitted by staff in March.
- 7. Plunge Creek Restoration Conservation Project – Plan Goals 1/4** – Permit applications for the 401 and 404 permits are being processed. Regulatory feedback is positive and regulatory agencies are working to expedite permitting. Permitting for the project will require a Section 7 consultation with USFWS initiated by the USACOE process rather than Section 10 HCP but will provide coverage for waters impacts.

8. **Collaborative Enhanced Recharge Project – Plan Goal 1** – J.F. Shea Construction continues building the sedimentation basin and has completed the first phase of the pipeline. Construction is expected to continue until the end of August 2018. The Enhanced Recharge Basins are programmed for 2020 with the improvements at the Cuttle Weir to follow the approval of the River Habitat Conservation Plan.
9. **Groundwater Council – Plan Goal 1** – The Groundwater Council Framework Agreement and Equitable Allocation methodology are complete. Currently, only two agencies have not yet approved the agreement. A quorum of members does exist and held its first meeting under the Agreement on March 12, 2018. The governance and budget committees met to provide recommendations. The District is on the Budget Committee, and the General Manager was elected to chair the Budget Committee. Staff prepared a draft budget and fiscal policy for the Council.
10. **Wash Plan – Plan Goal 4** – The Wash Plan has a separate report listed on the agenda. A Wash Plan Task Force meeting was held on May 1, 2018, and staff presented the timeline for completion of take permits and updates. Staff participated in the annual Slender horned spineflower survey in late April. See photos below:



11. **Santa Ana River Wash Plan Land Exchange Act – Plan Goal 4 - S. 357 (Feinstein)**
The Bill is awaiting a hearing in the Senate; we hear the bill is slotted for a possible committee markup this spring. HR. 497 was passed in the House and is available for Senate action as well.
12. **Conservation Trust – Plan Goal 4** - The Conservation Trust Board of Directors last met on March 15, 2018, and reviewed the projects for Community Mitigation. Staff has coordinated with City of Highland and development interests adjoining the Wash Plan for Community Mitigation needs. The Trust Board authorized its initial investments in accordance with its investment policy. Staff is working to implement the policy. Staff is working with District appraiser for land values of mitigation lands.
13. **Property/Redlands Plaza** – Staff continues to manage Redlands Plaza. Staff had irrigation repairs and replacement of mulch and landscaping completed in April.
14. **Mining** – Mining efforts by CEMEX contractors continue on the Plant Site quarry. CEMEX and the staff worked to finalize terms and changes needed to the existing lease to revise it for the Wash Plan implementation. Staff gained agreement for reimbursement

from Roberson's to survey lands that may be able to be mine expansion on District lands under the Wash Plan but before completion of the incidental take permits. Coordination and communications with permittees and resources agencies.

15. Public Outreach and Legislative – *Plan Goal 5* – Staff continued working with the BTAC group on Conservation Outreach efforts, formerly iEfficient. Outreach to area boards and councils is underway with Thunderwheel and Board Member presentations. Logo/tagline rework is ongoing and when complete will be rolled out on materials as they are reprinted. The GM participated in legislative meetings in Sacramento as part of the California HCP Coalition. We met with legislator's staffs that represent our plans and those that are on a critical budget and other committees. The GM met with staff of the following members, Sen. Kevin de Leon, Sen. Hanna-Beth Jackson, Sen. Bob Wieckowski, Asm. Jim Peterson, Asm. Marc Steinorth, Asm. Blanca Rubio, Asm. Chad Mays, Asm. Freddie Rodriguez, and Asm. Melissa Melendez and Committee Staff Bill Cravens and Kip Lipper.

16. Current Board Action Implementation – Many priority efforts have separate sections of the General Manager's Report, or independent Board requested reports. Staff and District Counsel worked closely on EHL/CBD v. USACOE settlement as well as other closed session property items.

17. Future Board Activities – Expected short-term items for consideration or note

- District Budget for consideration of approval at this meeting
- Revised Memorandum of Agreement with IERCD as completed
- Review and consideration of approval of the Memorandum of Agreement with the BLM in 2018

18. District Successes

- Highland Trails Day was successful with many residents participating and learning about the District and Wash Plan lands.
- California Native Plant Society held an educational walk to show off the plants in the Wash Area. While the following week the Redlands Conservancy, had "Trails at 10:00" in the Woolly star preserve area adjacent to the District property in the Wash.
- The San Manuel held their spring collection on the Wash area under the MOU they hold with the District.
- Excellent Success in treating test plots of grasses with herbicide. The resulting wildflowers and open ground were impressive.

San Bernardino Valley Water Conservation District

Monthly Recharge Report

From: 4/1/2018
To: 4/30/2018



	April				
	Avg Daily Recharge	Monthly Recharge	Recharge YTD	BTAC Max*	% Max
Santa Ana River	30.7	922	2,161	156,000	1%
Mill Creek	0.4	13	1,461	93,600	2%
State Water Project	0.0	-	8,130	NA	NA
In River Channel Recharge**	0.0	-	36	NA	NA
Total	31	935	11,788	249,600	5%

Values in Acre Feet

*BTAC Revised Max in December 2017

**Monitoring began in Mid-April 2011

*** All Values Based on Water Year Oct-Sep 2018

