

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT  
BOARD OF DIRECTORS MEETING

MINUTES OF October 10, 2018  
1:30 p.m.

President Corneille called the meeting of the Board of Directors to order at 1:37 p.m. All present stood for the Pledge of Allegiance, led by President Corneille.

ROLL CALL:

BOARD MEMBERS PRESENT:

Richard Corneille, President  
David E. Raley, Director  
T. Milford Harrison, Director  
John Longville, Director  
Melody McDonald, Vice President

BOARD MEMBERS ABSENT:

None

GENERAL COUNSEL PRESENT:

David Cosgrove, Rutan & Tucker, LLP

STAFF PRESENT:

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

GUESTS PRESENT:

David Smith, East Valley Water District  
Michelle Diamond, Tetra Tech

1. PUBLIC PARTICIPATION

President Corneille announced that any persons present, who so desired, may make an oral presentation to the Board of Directors. Hearing none, the meeting continued with published agenda items.

2. ADDITIONS/DELETIONS TO AGENDA

There were no additions or deletions to the posted agenda.

3. CONSENT CALENDAR

**It was moved by Director Longville and seconded by Director Harrison to approve Item B: Special Joint Board Meeting Minutes, September 10, 2018. The motion carried 3-0 with all Directors present voting in the affirmative, Vice President McDonald was noted absent from the vote and President Corneille abstaining from the vote due to his absence at the September 10 meeting.**

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

**It was moved by Director Harrison and seconded by Director Longville to approve the balance of the Consent Calendar: Item A: Board Minutes, September 19, 2018, Item C: Expenditure Report, September 2018 and Item D: Ratify Conflict of Interest Biennial Filing. The motion carried 4-0 with all Directors present voting in the affirmative and Vice President McDonald noted absent from the vote.**

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

#### **4. COMMITTEE REPORTS/ACTION ITEMS**

##### **A. CONSERVATION TRUST VERBAL REPORT**

Mr. Cozad summarized the Trust meeting. He indicated that the Draft Audit Report for the San Bernardino Valley Conservation Trust (Trust) was approved by its Board of Directors at its September 28 Board Meeting. There was a request from a third party to hold an endowment for a Home Owners Association (HOA) located in Yucaipa. Mandy Parkes of Inland Empire Resource Conservation District presented the request to the Trust Board, and the request was approved. The Trust will prepare an agreement to hold endowment funds for the HOA. Mr. Cozad noted that there is no risk or connection to the District. The Trust discussed community mitigation requests and Mr. Beehler provided an overview of the Wash Plan Conservation Easement requirements. Director Raley said that the Trust is serving a needed community purpose and because it is a separate entity, there is no risk to the District. A brief discussion ensued regarding contractual obligations of the trust. This item was received and filed.

##### **B. PROJECT CHARTERS FOR PLUNGE CREEK AND MILL CREEK**

Mr. Cozad introduced this item for discussion and noted project charters' inclusion in the package beginning on page 25. The Operations Committee (Committee) reviewed the project charters for Plunge Creek and Mill Creek and recommended revisions at its September 18 Committee meeting. Mr. Cozad reviewed the Mill Creek project charter which has a return on investment of seven years and the total project budget is \$1.2 million.. The CEQA and NEPA notices are complete for Mill Creek, and the project received Basin Technical Advisory Committee (BTAC) approval. Staff is currently waiting on the permit from the U.S. Army Corps of Engineers (COE) before the District can proceed. This project is on schedule.

Mr. Cozad indicated that additional budget detail had been added to the Plunge Creek project charter as requested by the Committee. Staff also updated the project benefits. The return on investment is 3.1 years without the grant. The total project budget is \$712,000 and with a DWR

grant of \$500,000 the cost to the District is \$212,000. The District has obtained its first permit for Plunge Creek: 401 certification.

**It was moved by Director Harrison and seconded by President Corneille to approve the updated Project Charters for Mill Creek and Plunge Creek. The motion carried 5-0 with all Directors present voting in the affirmative.**

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

**C. UNAUDITED FINANCIAL REPORTS, AUGUST 2018**

**It was moved by Director Raley and seconded by Director Longville to approve the Unaudited Financial Reports for September 2018. The motion carried 5-0 with all Directors present voting in the affirmative.**

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

**D. RESERVE AND TRUST ALLOCATION TARGET REVISIONS**

Mr. Cozad said that staff has reviewed reserve levels and targets. Staff is not proposing any change in the targets, but is modifying reserve levels as noted on package page 39. The District provides medical benefits for retirees from the age of 60 to 65 and has set aside funds for that through the California Employers' Retiree Benefit Trust (CERBT). Mr. Cozad noted that Other Post-Employment Benefits (OPEB) are typically paid annually based on an actuarial assessment report that is prepared. The current annual OPEB unfunded accrued liability (UAL) is estimated to be \$218,507 based on new GASB 75 requirements. The Board has set a policy to budget and pay the estimated UAL each year. It was the consensus of the Board to continue with previous practices and pay the GASB 75 revised UAL and make the necessary changes to reserve balances.

**It was moved by Director Raley and seconded by Vice President McDonald to approve funding of the OPEB Unfunded Accrued Liability with adjustments to reserve levels as presented. The motion carried 5-0 with all Directors present voting in the affirmative.**

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

## E. CSDA COMMITTEE AND EXPERT FEEDBACK TEAM APPOINTMENTS

President Corneille introduced this item for discussion. This item was tabled at the September 19 Board meeting. Both Vice President McDonald and Director Harrison expressed interest in being appointed to the California Special Districts Association (CSDA) Legislative Committee. Vice President McDonald said that CSDA will not appoint two directors from the same District to the same committee and voiced her support on submitting both herself and Director Harrison for a position on the CSDA Legislative Committee. President Corneille spoke in opposition of presenting two directors for the same committee. He proposed that a director focuses on either CSDA or Association of California Water Agencies (ACWA), but not both. Vice President McDonald spoke in favor of supporting all requested CSDA committee nominations. She said that previously she has served on the ACWA State Legislative Committee and has not been on it in several years and would like to be considered for the CSDA Legislative Committee. Director Harrison stated that if he is appointed to all three committees, he would only accept his appointment to the CSDA Legislative Committee. Director Raley requested that in the unlikely event CSDA appoints both directors to the CSDA Legislative Committee that it be brought back to the Board for consideration.

**It was moved by Vice President McDonald and seconded by Director Longville to nominate Directors for requested Committees and Direct staff to submit nominations. The motion carried 4-1 with President Corneille in opposition to the motion.**

**President Corneille: No  
Vice President McDonald: Yes  
Director Longville: Yes  
Director Raley: Yes  
Director Harrison: Yes**

## 5. INFORMATION ITEMS

### A. WASH PLAN VERBAL UPDATE

Mr. Beehler provided a verbal update on the Wash Plan. He said that the phase three cultural report paperwork has been completed and the consultants will be going out into the field soon. The Bureau of Land Management (BLM) comments have been addressed. This item was received and filed.

### B. CALPERS EDUCATION CONFERENCE HIGHLIGHTS

Mr. Cozad stated that Field Supervisor Manuel Colunga was nominated for the CalPERS Spotlight of Excellence award, and he has been selected as the recipient of the award. There will be an award ceremony to present Mr. Colunga with the award on October 22 in Indian Wells at the CalPERS Educational Forum.

### C. GENERAL MANAGER'S REPORT AND MONTHLY RECHARGE REPORT

Mr. Cozad indicated that the written General Manager's Report was included in the Board Package on pages 45 to 47. The Monthly Recharge Report was included on page 48. Mr. Cozad said the District had recharged 948 AF since the beginning of the new water year. Much of that water is imported water. He stated that staff had its kickoff meeting with Koff & Associates related to the Compensation and Classification Study. The consultant was made aware that direct interaction is needed with the Board and they will review the agency list and present to the Board in November. A draft report will likely be ready for Board review in January 2019. Mr. Cozad said that the Groundwater Council (GC) had a meeting on October 8 and received a settlement report from Fontana Water Company. Fontana Water Company will be joining the GC. A committee has been created to address delivery and conservation items. Mr. Cozad said that Congressman Cook and Senator Feinstein agreed to consolidate their two amendment acts and they will be rolled into one bill. The District's requested legislation will be included in the consolidated bill. The District will send out a letter of support for the new consolidated bill. The draft of the partnership agreement with Valley Municipal will come back to the Board in November as well as a draft memorandum of understanding with Steps 4 Life. Vice President McDonald asked for more information on the partnership with Steps 4 Life. Mr. Cosgrove indicated that the Mentone House would likely house around nine persons. Mr. Cozad noted that the Mentone House is four bedrooms and three baths. President Corneille requested to visit a Steps 4 Life eoperational transitional home. This item was received and filed.

#### D. FUTURE AGENDA ITEMS AND STAFF TASKS

There were none discussed.

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

Director Harrison attended the CSDA Annual Conference in Indian Wells, September 24 to 27, 2018. He attended Valley Municipal Board Meeting on October 2, Redlands Rise N Shine on October 5 and Valley Municipal Board Workshop on October 9.

Vice President McDonald attended the Valley Municipal Board Workshop on October 9, Valley Municipal Board Meeting on October 2, and Basin Technical Advisory Committee on October 1. She attended the Valley Municipal Board Meeting on September 4, Legislative and Policy Committee on September 5 and Special Joint Board Meeting on September 10. Vice President McDonald attended the Highland Area Chamber Luncheon on September 26, San Bernardino Chamber Koffee Klatch on September 26 and San Bernardino Chamber After Hours on September 27.

Director Raley attended the Conservation Trust Meeting on September 28, Valley Municipal Board Meeting on October 2, and Redlands Rise N Shine on October 5.

Director Longville attended the Conservation Trust Meeting on September 28 and the Association of San Bernardino County Special Districts (ASBCSD) on September 17.

President Corneille attended the ASBCSD meeting at EVWD Headquarters on September 17<sup>th</sup>.

It was moved by Director Harrison and seconded by Director Longville to approve the travel request from Vice President McDonald in an amount not to exceed \$1,192 for the ACWA Regulatory Summit. The motion carried 5-0 with all Directors present voting in the affirmative.

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

7. UPCOMING MEETINGS

President Corneille will chair the Advisory Commission on Water Policy on October 11.

8. CLOSED SESSION

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

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

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

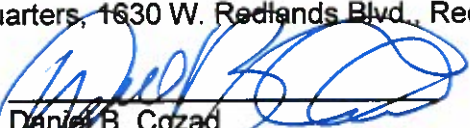
At 4:05 p.m., the meeting reconvened into Open Session. Mr. Cosgrove noted that there was no reportable action.

9. ADJOURN MEETING

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

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

At 4:06 p.m., the meeting was adjourned to the Board of Directors Meeting scheduled for 1:30 p.m. November 14, 2018, at District Headquarters, 1630 W. Redlands Blvd., Redlands, Calif.

  
Daniel B. Cozad  
General Manager