



**San Bernardino Valley
Water Conservation District**
Helping Nature Store Our Water

BOARD OF DIRECTORS MEETING AGENDA
Wednesday, October 10, 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. CONSENT CALENDAR

- A. Approval of Board Minutes, September 19, 2018.....4
- B. Approval of Special Joint Board Meeting Minutes, September 10, 2018.....12
- C. Approval of Expenditure Report, September 201817
- D. Ratify Conflict of Interest Biennial Filing (No changes)24

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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

4. COMMITTEE REPORTS /ACTION ITEMS

Committee Reports

- A. CONSERVATION TRUST VERBAL REPORT - 15 minutes
Presenter: Conservation Trust Chair, David E. Raley
Recommendation: The Conservation Trust Chair will provide an update on the Trust and its annual audit results.

- B. PROJECT CHARTERS FOR PLUNGE CREEK AND MILL CREEK - 10 minutes (M#1604).....25
Presenter: Daniel Cozad
Recommendation: The Operations Committee recommends approval of the updated Charter documents for Plunge and Mill Creek projects.

Action Items

- C. UNAUDITED FINANCIAL REPORTS, SEPTEMBER 2018 – 5 minutes (M#1605)31
Presenter: Daniel Cozad
Recommendation: Review and approve the unaudited financials for September 2018.

- D. RESERVE AND TRUST ALLOCATION TARGET REVISIONS- 10 minutes (M#1606)37
Presenter: Daniel Cozad
Recommendation: Review, discuss and consider approval of recommended changes to reserve and trust targets and adjustments.

- E. CSDA COMMITTEE AND EXPERT FEEDBACK TEAM APPOINTMENTS – 15 minutes (M#1599)40
Presenter: Daniel Cozad
Recommendation: Review and consider appointment of directors to committees in accordance with their requests for the period from January 1, 2019 to December 31, 2019.

5. INFORMATION ITEMS:

- A. Wash Plan Verbal Update – 5 Minutes
- B. CalPERS Education Conference Highlights
- C. General Manager’s Report and Monthly Recharge Report – 5 Minutes45
- D. Future Agenda Items & Staff Tasks

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

- A. Board Member Meeting Reports – 15 minutes
- B. ACWA Regulatory Summit Travel Request49

7. **UPCOMING MEETINGS:**

- A. October 11, 2018 Advisory Commission on Water Policy, 6:30 p.m. at Valley Municipal

- B. October 15, 2018 Association of San Bernardino County Special Districts, 6:00 p.m. hosted by West Valley Water District at Sierra Lakes Golf Club (Fontana)

- C. October 16, 2018 San Bernardino Valley Municipal Water District Board Meeting, 2:30 p.m. at Valley Municipal

- D. October 31, 2018 Three Valleys Municipal Water District, 7:30 a.m. at Fairplex Pomona

- E. November 14, 2018 Board of Directors Meeting, 1:30 p.m. at Conservation District

- F. November 21, 2018 Finance & Administration Committee, 1:30 p.m. at Conservation District

- G. November 27-30, 2018 ACWA Fall Conference, San Diego, CA
(Board Approval Required)

8. **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 may convene in Closed Session for Conference to discuss Real Property Negotiations pursuant to Government Code Section 54956.8; Owner: SP Deerfield LLC for property located on Greenspot Road in Highland, Negotiator: Daniel Cozad and Owner: 7W Enterprises for property located at 1500 Crafton Ave in Redlands, APN 0168237109, 016837106 and 016838103 Negotiator: Daniel Cozad. Owner: SBVMWD for land located within Section 12 of San Bernardino Baseline, Highland, APN 01681106, 029705102, 029701107, 029707113, 029707108, 029707103, 029707116, 029707110, 029705106, 029707102, 029705105, and 029705101 Negotiator: Daniel Cozad.

3. 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.

9. **ADJOURN MEETING.** The next regularly scheduled Board of Directors Meeting will be on November 14, 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 September 19, 2018
1:30 p.m.

President Corneille called the meeting of the Board of Directors to order at 1:33 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

BOARD MEMBERS ABSENT:

Melody McDonald, Vice President

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

The Operations Committee recommends that the Board add Item 4I-Cultural Resources Inventory for Bureau of Land Management (BLM) Land Exchange to the Board agenda which came to staff's attention after the publication of the posted agenda.

It was moved by Director Longville and seconded by Director Harrison to add Item 4I-Cultural Resources Inventory for Bureau of Land Management (BLM) Land Exchange to the Board agenda. 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**

3. CONSENT CALENDAR

It was moved by Director Raley and seconded by Director Harrison to approve the Consent Calendar: Item A: Board Minutes, August 8, 2018; Item B: Expenditure Report, August 2018; Item C: Resolution No. 560; and Item D: Top Five Groundwater Producers List for GWA #50. 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. 2018 ANNUAL DISTRICT AUDIT

Mr. Cozad introduced this item for discussion and provided a handout of the Final 2018 Audit Report. The Ad Hoc Audit Committee met September 18 to review and discuss this item and recommends approval of the Audit Report. Director Longville said that the Committee recommends that the Board authorize staff to utilize an actuary to perform the calculations and report for the Other Post-Employment Benefits (OPEB) report rather than have staff and an auditor complete the report. Mr. Cozad said that staff utilized an online report platform which causes additional work for staff and the auditor. Director Raley stated that the Finance & Administration Committee will review the CalPERS Actuarial Report at its next Committee meeting. He noted that the California Credit Union account was overweight and staff had made the changes to fall in line with the Districts' Investment Policy. Director Longville stated that the District never made a change to the California Credit Union account only that they merged with another company reclassifying the account as a "money market account." Director Raley commended Staff on the thorough audit. President Corneille requested that in the future, the Audit Report be presented to the Board in advance of the Board meeting so that they have a chance to review it prior to final approval.

It was moved by Director Raley and seconded by Director Longville to approve the 2018 Annual District Audit Report as presented. The motion carried 4-0 with all Directors present voting in the affirmative with Vice President McDonald noted absent from the vote.

**President Corneille: Yes
Vice President McDonald: Absent**

Director Longville: Yes
Director Raley: Yes
Director Harrison: Yes

B. OPERATIONS COMMITTEE VERBAL UPDATE

President Corneille provided a verbal report on the Operations Committee meeting held on September 18. He spoke on the invasive species called Stinknet and Stinkwort. Field staff is doing a good job preventing it from spreading. President Corneille said that the District will be recharging 4,000 AF of water for Valley Municipal. The Committee reviewed the Capital Improvement Project (CIP) list in detail and provided comments to staff on project charters. The project charters for Plunge Creek and Mill Creek will be updated and presented back to the Board for approval. Plunge Creek may be constructed sometime in late fall depending on permitting. Director Raley asked about the progress on the Mentone Shop new facilities. Mr. Cozad said that staff is looking into permitting requirements. It was delayed slightly because staff was looking into other options. This item was received and filed.

I. CULTURAL RESOURCES INVENTORY FOR BUREAU OF LAND MANAGEMENT LAND EXCHANGE

This item was taken out of order and provided as a handout for review and approval. BLM requested an additional Cultural Resource Study. Mr. Beehler said that staff is responding to comments from Sacramento including this request from BLM. A Class 2 survey was performed, but BLM requested a Class 3 survey to be done on lands that they are going to transfer. This is only requested on the land that the District is exchanging with BLM. President Corneille said that it is \$70,000 in additional work but it needs to be done as soon as possible. Mr. Cozad said that there was an opportunity to reduce the survey from Class 3 to Class 2, but it required approval by the State Historic Preservation Office; which requires a lot more time than performing the survey itself. Director Raley asked how much of a delay the survey will cause the publication in the Federal Registrar. Mr. Beehler said that the requirement to reduce environmental documents has already caused a delay, but if staff can get started on the survey right away it can keep it from delaying any further.

It was moved by Director Harrison and seconded by Director Longville to authorize a change order to ICF for an amount not to exceed \$70,000 to complete a Class 3 cultural resources inventory for all lands involved in the Wash Plan Land Exchange between the District and the Bureau of Land Management. 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

C. UNAUDITED FINANCIAL REPORTS, AUGUST 2018

President Corneille asked who has paid the equitable allocation for the Groundwater Council. A brief discussion ensued.

It was moved by Director Longville and seconded by Director Raley to approve the Unaudited Financial Reports for August 2018. The motion carried 4-0 with all Directors present voting in the affirmative with Vice President McDonald noted absent from the vote.

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

D. GROUNDWATER LATE PAYER AND NON-RESPONDENTS AND INVESTIGATION LIST FOR GWA #50

Mr. Cozad noted the inclusion of the Groundwater Late Payer and Non-respondents and Investigation List for GWA #50 on package page 31. This item was received and filed.

E. CSDA COMMITTEE AND EXPERT FEEDBACK TEAM APPOINTMENTS

President Corneille introduced this item for discussion. He reviewed the overall budget for 2018-2019 for Directors' Expenses and expressed concern over potential overspending. President Corneille recommended that Board members focus on either Association of California Water Agencies (ACWA) or California Special Districts Association (CSDA). He noted that both Vice President McDonald and Director Harrison expressed interest in the CSDA Legislative Committee. President Corneille suggested that one Board member to be appointed as the District representative. He recommended deferring this item to the next meeting since Vice President McDonald was not in attendance. Director Harrison said that his involvement in both the ACWA and CSDA Committees has been beneficial. Director Raley said that the CSDA Committees are a minor driver of directors' expenses; it is mainly attendance at conferences that drives the cost up and per diem paid per conference. Discussion ensued. Director Longville asked for staff to compare the District's current directors' expense, committee appointments and meeting policy with other similar agencies.

It was moved by Director Harrison and seconded by Director Longville to table this item until to the October 10 Board meeting. 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**

F. APPENDIX C REVISIONS

The Board memo for this item is included on package page 37 providing information on the Local Government Commission (LGC). There is a \$600 annual membership fee for the LGC. Director Longville said that he will focus his attention on the Local Government Commission rather than attend other ACWA and CSDA conferences.

It was moved by President Corneille and seconded by Director Harrison to approve Director Longville's request for appointment to the Local Government Commission. 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**

G. CLASSIFICATION AND COMPENSATION STUDY

Mr. Cozad introduced this item for discussion, noting the Classification and Compensation Study proposals beginning on package page 41. The District received two proposals and recommends that the Board authorize staff to enter into an agreement with Koff & Associates in an amount not to exceed \$29,885. President Corneille asked if the Finance & Administration Committee reviewed this item. Mr. Cozad responded that the Finance & Administration Committee reviewed the Request for Proposal. President Corneille requested a presentation of the Draft report be presented to the Board with recommendations. He advocated for the full Board being involved in the process. Discussion ensued regarding the schedule. Mr. Cozad will provide the consultants with the Board's feedback and work with them to develop a strategy to address their comments and concerns.

It was moved by President Corneille and seconded by Director Harrison to enter into an agreement with Koff and Associates for a Classification and Compensation Study in an amount not to exceed \$29,885. 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**

H. DISTRICT APPROACH TO HOMELESSNESS AND PLANNING

Mr. Cozad introduced this item for discussion and presented a PowerPoint presentation. Staff has been working on this item over the past six months with the Districts Ad Hoc Trails Committee. Mr. Cozad reviewed the tags and abandoned property policy in brief. He said that the District needs to focus on how it addresses homeless issues. The information for this item

is included on package page 70. Mr. Cozad reviewed the various types of homeless that staff encounters. He met with Steps 4 Life Community Services (Steps 4 Life); they currently operate approximately five homes within Mentone and Redlands. They provide transitional housing for the homeless and training on how to interact with the homeless. Mr. Cozad said that Steps 4 Life can assist with developing and implementing a plan to address the homelessness issue. He said that the lease for our Mentone House has expired and it can be a resource to supply housing for the homeless through a well-managed program. He discussed partnership opportunities, plan development and asked for feedback from the Board. Director Longville thanked staff for their analytical approach to addressing the homelessness issue. President Corneille asked what the risks are associated with opening up the home. Mr. Cosgrove stated that risks are minimal and that this approach provides an overall solution to a growing issue. He said that the District would seek to indemnify itself with its agreement. Mr. Cozad stated that the memorandum of understanding and/or lease agreement would address any concerns the District may have to alleviate liability. President Corneille recommended that a member of the Board visit one of the current homes being operated by Steps 4 Life.

It was moved by Director Harrison and seconded by Director Longville to move forward with the approach presented to address homelessness and planning for District land management. The motion carried 4-0 with all Directors present voting in the affirmative with Vice President McDonald noted absent from the vote.

**President Corneille: Yes
Vice President McDonald: Absent
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. Staff has been working with the regional office in Sacramento to reduce EIR/EIS and it has been reduced down from over 800 pages to 423 pages. Mr. Beehler said that staff is working with Robertson's to complete a low effect HCP. Plunge Creek permitting is underway; fees have been paid and documents have been submitted to resource agencies. The District may obtain fourteen acres of additional credit related to Waters of the U.S. This item was received and filed.

B. GENERAL MANAGER'S REPORT AND MONTHLY RECHARGE REPORT

Mr. Cozad indicated that the written General Manager's Report was included in the Board Package on pages 73 to 76. The Monthly Recharge Report was included on page 77. Mr. Cozad said that a contractor experienced a hydraulic leak in North Fork and field staff notified East Valley Water District. He noted Katelyn Scholte, Assistant Engineer has completed her Master's Degree. Mr. Cozad noted that Plunge Creek seed collection for Woolly Star was completed for the second time. This item was received and filed.

C. FUTURE AGENDA ITEMS AND STAFF TASKS

There were none discussed.

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

President Corneille attended the Conservation District Board meeting on August 8, Association of San Bernardino Special Districts (ASBCSD) on September 17, and Operations Committee on September 18.

Director Longville attended the ASBCD on September 17 and Ad Hoc Audit Committee on September 18.

Director Raley attended the Valley Municipal Board meeting on August 21, East Valley Water District's (EVWD) Board meeting on August 22, and Redlands Rise N Shine on September 7. He also attended the Special Joint Board meeting on September 10, EVWD Board meeting on September 12, and Highland Trails Committee meeting on September 12. Director Raley also attended the Ad Hoc Audit Committee on September 18 and the Conservation District Board meeting today.

Director Harrison attended the San Bernardino County Water Conference on August 22, Highland Area Chamber of Commerce Luncheon on August 28 and Valley Municipal Board meeting on September 4. He also attended the Loma Linda Chamber of Commerce meeting on September 5, Redlands Rise N Shine on September 7 and Special Joint Board meeting on September 10. Director Harrison attended the Valley Municipal Board Workshop on September 11, ASBCSD on September 17 and Operations Committee and Ad Hoc Audit Committee on September 18, and Rialto Water Treatment Plan Groundbreaking today.

Director Longville withdrew his request to attend the CSDA Annual Conference.

It was moved by President Corneille and seconded by Director Harrison to approve the travel request from Director Longville in an amount not to exceed \$1,797.63 for the ACWA Fall Conference. 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**

Mr. Cosgrove noted that the District has to submit its biennial filing for Conflict of Interest Code with the Clerk of the Board of County Supervisors by October 1. There will be no changes made to the Conflict of Interest Code and it will be brought back for ratification at the October 10 Conservation District Board meeting.

7. UPCOMING MEETINGS

There were none discussed.

8. CLOSED SESSION

It was moved by Director Longville and seconded by Director Harrison to adjourn to Closed Session. 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**

General Counsel announced that the meeting would adjourn to closed session under the posted agenda items 8.1 and 8.2 only.

At 4:32 p.m., the meeting reconvened into Open Session. Mr. Cosgrove noted that there was no reportable action.

9. ADJOURN MEETING

It was moved by Director Longville and Director Harrison to adjourn. 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: Absent
Director Harrison: Yes**

At 4:33 p.m., the meeting was adjourned to the Board of Directors Meeting scheduled for 1:30 p.m. October 10, 2018, at District Headquarters, 1630 W. Redlands Blvd., Redlands, Calif.

Daniel B. Cozad
General Manager

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
AND
SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT
BOARDS OF DIRECTORS

SPECIAL JOINT BOARD MEETING

Minutes of September 10, 2018
3:00 p.m.

President Bulot called the Meeting of the Board of Directors of San Bernardino Valley Municipal Water District to order at 3:00 p.m.

Vice President McDonald called the Meeting of the Board of Directors of San Bernardino Valley Water Conservation District to order in the absence of President Corneille.

ROLL CALL:

SBVWCD BOARD MEMBERS PRESENT:

Melody McDonald, Vice President
T. Milford Harrison, Director
John Longville, Director (Arrival 3:09 p.m.)
David E. Raley, Director

BOARD MEMBERS ABSENT:

Richard Corneille, President

GENERAL COUNSEL PRESENT:

David B. Cosgrove, Rutan & Tucker, LLP

STAFF PRESENT:

Daniel Cozad, General Manager
Athena Monge, Board Secretary
Jeff Beehler, Land Resources Manager
Katelyn Scholte, Assistant Engineer

SBVMWD BOARD MEMBERS PRESENT:

Mark Bulot, President
June Hayes, Vice-President
Gil Navarro, Director

SBVMWD BOARD MEMBERS ABSENT:

Susan Longville, Director
Steve Copelan, Director

SBVMWD GENERAL COUNSEL PRESENT:
Brendan Brandt

SBVMWD STAFF PRESENT:
Douglas Headrick, General Manager
Lillian Hernandez, Board Secretary
Heather Dyer, Water Resources Project Manager
Bob Tincher, Deputy General Manager – Resources
Ron Merckling, Manager Water Use Efficiency/External Affairs
Wen Huang, Chief Engineer

GUESTS PRESENT:
David E. Smith, East Valley Water District
Ronald Coats, East Valley Water District
Joshua Monzun, Representative of Senator Mike Morrell
James Folmer, Highland Community News

All present stood for the pledge of allegiance, led by Vice President McDonald.

1. PUBLIC PARTICIPATION

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

2. ADDITIONS/DELETIONS TO AGENDA

There were no additions or deletions to the posted agenda.

ACTION ITEMS

A. STATUS OF ENHANCED RECHARGE AGREEMENT

Katelyn Scholte and Bob Tincher presented a joint PowerPoint presentation on the current status of the Enhanced Recharge Project. Ms. Scholte provided a brief history of the cooperative agreement reached between the Conservation District, Valley District and Western Municipal Water District that was executed in October 2012. The goal of the agreement was to collaboratively utilize each entity's unique set of skills and resources and replenish the local groundwater supply more effectively. Under the terms of the agreement, the Conservation District leased their land and existing facilities and Valley District planned to expand recharge facilities to increase the overall capacity.

Mr. Tincher provided an overview of Valley District's storm water capture program. Mr. Tincher also reviewed the Enhanced Recharge Project which has been designed to capture up to 98% of the water being released from the Seven Oaks Dam by building

additional recharge basins. The facilities have been designed to capture 500 cubic feet per second and up to 80,000 acre-feet per year (AFY). Phase 1A of the project was recently completed. Future phases will be permitted under the Wash Plan HCP and Upper Santa Ana River HCP. This item was received and filed.

B. WASH PLAN AND UPPER SANTA ANA RIVER HCP COLLABORATION

Mr. Beehler presented a PowerPoint presentation on the Wash Plan Santa Ana River Wash Habitat Conservation Plan (HCP). The Wash Plan will result in an agreement between the Conservation District and U.S. Fish and Wildlife Service describing how the Wash will be managed for species and allowing covered activities to be undertaken. There are nine partners in the Wash Plan; activities include mining, water conservation, transportation trails, and others. Mr. Beehler indicated that the Wash Plan facilities are on top of an alluvial fan which supports a wide variety of endangered species. The Wash Plan is currently in the Sacramento office of the Bureau of Land Management and the U.S. Fish and Wildlife Service awaiting publication in the Federal Register. Mr. Beehler reviewed the map of the Wash Plan HCP Species Protection and Project Development.

Ms. Dyer provided a PowerPoint presentation on the Upper Santa Ana River Habitat Conservation Plan (River HCP). She said that the difference between the Wash Plan and the River HCP is that the Wash Plan focuses primarily on the terrestrial impacts and the River HCP analyzes the hydrologic impacts on the Santa Ana River and tributaries. The River HCP will be permitting up to 70,000 AFY of water on average. Ms. Dyer said they would be seeking a 50-year permit. The plan area includes 863,000 acres and included 69 covered activities and 22 covered species. It will likely be implemented in 2020. This item was received and filed.

C. ACTIVE RECHARGE PARTNERSHIP AGREEMENT DEVELOPMENT

Mr. Cozad introduced the Board Letter and a resolution for discussion, noting its inclusion in the package beginning on page 3. He reviewed the benefits of the collaborative partnership. A primary benefit of the River HCP is that there is a cost saving to the partners who receive mitigation to implement their projects in the river without having to go to an outside mitigation bank or other sources. A benefit for the Conservation District is that it can utilize District resources for revenue. The revenue the District will receive supports planning and implementation of recharge projects. Mr. Cozad indicated that the District has approximately 295 acres that can be used for a conservation easement for endangered species mitigation toward SBVMWD and River HCP project needs.

Mr. Headrick reviewed the elements of the joint resolution, included in the Board package on page 9. The joint resolution, if approved, will give staff the authority to prepare the partnership agreement for the active recharge projects in connection with the proposed River HCP. Mr. Headrick reviewed some of the elements included in the resolution that will be incorporated into a Partnership Agreement:

- The Conservation District will provide up to 295 acres of Conservation Easement lands to the River HCP including a portion of the active recharge projects.
- Valley District will provide funding to the Conservation District for use of mitigation acreage.
- The Conservation District will commit to utilize revenue to fund active recharge projects as listed on the Conceptual Active Recharge Projects map.
- Valley District will provide additional funding to ensure the land can be maintained in perpetuity, and the funds will be overseen by the Conservation Trust.

Mr. Headrick said that the primary benefits of joining into a partnership agreement are a higher level of cooperation, lower costs and consolidated management. Both Boards spoke in support of the proposed joint resolution.

It was moved by Director Hayes and seconded by Director Navarro to approve Resolution No. 1076 of Valley District. The motion was carried 3-0 with Directors Longville, and Copelan noted absent from the vote.

**President Bulot: Yes
 Vice-President Hayes: Yes
 Director Longville: Absent
 Director Copelan: Absent
 Director Navarro: Yes**

It was moved by Director Raley and seconded by Director Harrison to approve Resolution No. 561 of the Conservation District. The motion was carried 4-0 with President Corneille noted absent from the vote.

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

3. ADJOURN MEETING

It was the consensus of the Boards of Directors of Valley District and the Conservation District to adjourn the meeting.

At 4:15 p.m., the meeting adjourned to the next scheduled meeting which will be announced at a later date.

Daniel B. Cozad
General Manager

San Bernardino Valley Water Conservation District
Expenditure Report
September 2018

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Account</u>	<u>Class</u>	<u>Original Amount</u>
	09/04/2018	Year End Adjustments	1012 · Citizens Busine...		0.00
AJE#18R	07/01/2018	Year End Adjustments	2000 · Accounts Payable	4-General Fund Ent.	-4,246.90
TOTAL					-4,246.90
PC 9.12.18	09/12/2018	Paychex	1012 · Citizens Busine...		-84.57
			6042 · Payroll Processing	4-General Fund Ent.	84.57
TOTAL					84.57
PC 9.26.18	09/26/2018	Paychex	1012 · Citizens Busine...		-84.57
			6042 · Payroll Processing	4-General Fund Ent.	84.57
TOTAL					84.57
ACH0160	09/24/2018	T. Milford Harrison	1012 · Citizens Busine...		-38.15
			6410 · Mileage	4-General Fund Ent.	38.15
TOTAL					38.15
ACH0161	09/24/2018	T. Milford Harrison	1012 · Citizens Busine...		-23.44
			6410 · Mileage	4-General Fund Ent.	23.44
TOTAL					23.44
21382	09/05/2018	Aaron Pederson	1012 · Citizens Busine...		-35.00
	08/31/2018		6018 · Janitorial Services	4-General Fund Ent.	35.00
TOTAL					35.00
21383	09/05/2018	American Power Security	1012 · Citizens Busine...		-520.00
	09/01/2018		6026 · Redlands Plaza ...	2-Redlands Plaza/...	520.00
TOTAL					520.00
21384	09/05/2018	Burgeson's Heating & ...	1012 · Citizens Busine...		-531.00
	08/14/2018		6015 · Mentone House ...	2-Redlands Plaza/...	531.00
TOTAL					531.00
21385	09/05/2018	California Dept of Fish ...	1012 · Citizens Busine...		-30,957.25
	08/30/2018		5124 · Plunge Creek Pr...	3-Land Resources	30,957.25
TOTAL					30,957.25
21386	09/05/2018	Cozad, Daniel B	1012 · Citizens Busine...		-262.15
	08/24/2018		6510 · Mileage	4-General Fund Ent.	104.85
			6510 · Mileage	1-Groundwater Ent.	131.08
			6510 · Mileage	3-Land Resources	26.22
TOTAL					262.15

San Bernardino Valley Water Conservation District
Expenditure Report
September 2018

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Account</u>	<u>Class</u>	<u>Original Amount</u>
21387	09/05/2018	Edison - 8812	1012 · Citizens Busine...		-242.93
	08/30/2018		5420 · Electricity	4-General Fund Ent.	68.02
			5420 · Electricity	1-Groundwater Ent.	48.59
			5420 · Electricity	2-Redlands Plaza/...	126.32
TOTAL					242.93
21388	09/05/2018	Edison - Redlands Plaza	1012 · Citizens Busine...		-221.59
	08/30/2018		6026 · Redlands Plaza ...	2-Redlands Plaza/...	221.59
TOTAL					221.59
21389	09/05/2018	Frontier-7275	1012 · Citizens Busine...		-147.64
	08/19/2018		5440 · Telephone	4-General Fund Ent.	50.85
			5440 · Telephone	1-Groundwater Ent.	21.80
			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					147.64
21390	09/05/2018	Institue for Ecological ...	1012 · Citizens Busine...		-200.00
	08/31/2018		6093 · Memberships	4-General Fund Ent.	200.00
TOTAL					200.00
21391	09/05/2018	JAN-PRO Cleaning Sys...	1012 · Citizens Busine...		-618.00
	09/01/2018		6018 · Janitorial Services	4-General Fund Ent.	618.00
TOTAL					618.00
21392	09/05/2018	Lowe's Companies, Inc.	1012 · Citizens Busine...		-20.46
	08/25/2018		5210 · Equipment Maint...	1-Groundwater Ent.	20.46
TOTAL					20.46
21393	09/05/2018	Manuel Colunga	1012 · Citizens Busine...		-42.14
	09/04/2018		6525 · Meals	4-General Fund Ent.	12.66
			6525 · Meals	1-Groundwater Ent.	9.85
			6525 · Meals	3-Land Resources	5.63
			6520 · Travel, Other (re...	4-General Fund Ent.	6.30
			6520 · Travel, Other (re...	1-Groundwater Ent.	3.50
			6520 · Travel, Other (re...	3-Land Resources	4.20
TOTAL					42.14
21394	09/05/2018	Mikael Romich	1012 · Citizens Busine...		-6,385.00
	09/04/2018		5120 · Misc. Profession...	4-General Fund Ent.	6,175.00
			5120 · Misc. Profession...	4-General Fund Ent.	63.00
			5120 · Misc. Profession...	1-Groundwater Ent.	44.10
			5120 · Misc. Profession...	3-Land Resources	102.90
TOTAL					6,385.00

San Bernardino Valley Water Conservation District Expenditure Report September 2018

Num	Date	Name	Account	Class	Original Amount
21395	09/05/2018	Netsteller	1012 · Citizens Busine...		-450.00
	09/01/2018		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
21396	09/05/2018	ReadyRefresh by Nestle	1012 · Citizens Busine...		-85.57
	08/24/2018		5460 · Water / Trash / S...	4-General Fund Ent.	42.78
			5460 · Water / Trash / S...	1-Groundwater Ent.	34.23
			5460 · Water / Trash / S...	3-Land Resources	8.56
TOTAL					85.57
21397	09/05/2018	Schubert Landscaping,...	1012 · Citizens Busine...		-263.09
	08/21/2018		6015 · Mentone House ...	2-Redlands Plaza/...	263.09
TOTAL					263.09
21398	09/05/2018	Wilbur's	1012 · Citizens Busine...		-40.92
	08/23/2018		5210 · Equipment Maint...	1-Groundwater Ent.	40.92
TOTAL					40.92
21399	09/18/2018	ACWA/JPIA-Health	1012 · Citizens Busine...		-13,657.84
	09/06/2018		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
21400	09/18/2018	Castro Landscaping Se...	1012 · Citizens Busine...		-250.00
	08/30/2018		6026 · Redlands Plaza ...	2-Redlands Plaza/...	250.00
TOTAL					250.00
21401	09/18/2018	Davidson's Plumbing, ...	1012 · Citizens Busine...		-10,500.00
	09/05/2018		7130 · Mentone Propert...	2-Redlands Plaza/...	10,500.00
TOTAL					10,500.00

San Bernardino Valley Water Conservation District
Expenditure Report
September 2018

Num	Date	Name	Account	Class	Original Amount
21402	09/18/2018	Day Lite Maintenance, I...	1012 · Citizens Busine...		-144.00
	09/01/2018		6026 · Redlands Plaza ...	2-Redlands Plaza/...	144.00
TOTAL					144.00
21403	09/18/2018	Edison - 7241	1012 · Citizens Busine...		-56.97
	09/11/2018		5420 · Electricity	4-General Fund Ent.	15.95
			5420 · Electricity	1-Groundwater Ent.	11.39
			5420 · Electricity	2-Redlands Plaza/...	29.63
TOTAL					56.97
21404	09/18/2018	Edison -5552	1012 · Citizens Busine...		-519.59
	09/08/2018		5420 · Electricity	4-General Fund Ent.	138.13
			5420 · Electricity	1-Groundwater Ent.	98.67
			5420 · Electricity	2-Redlands Plaza/...	256.53
			6020 · Vacancy Marketi...	2-Redlands Plaza/...	26.26
TOTAL					519.59
21405	09/18/2018	Frontier-4860	1012 · Citizens Busine...		-489.46
	08/28/2018		5440 · Telephone	4-General Fund Ent.	241.13
			5440 · Telephone	1-Groundwater Ent.	103.34
			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					489.46
21406	09/18/2018	Home Depot Credit Ser...	1012 · Citizens Busine...		-623.09
	08/28/2018		5215 · Property Mainten...	1-Groundwater Ent.	498.47
			5215 · Property Mainten...	3-Land Resources	124.62
TOTAL					623.09
21407	09/18/2018	Lawrence Doors	1012 · Citizens Busine...		-637.69
	09/11/2018		6012 · Office Maintenan...	4-General Fund Ent.	255.08
			6012 · Office Maintenan...	2-Redlands Plaza/...	382.61
TOTAL					637.69
21408	09/18/2018	Quill Corporation	1012 · Citizens Busine...		-180.98
	08/30/2018		6030 · Office Supplies	4-General Fund Ent.	144.78
			6030 · Office Supplies	1-Groundwater Ent.	9.05
			6030 · Office Supplies	2-Redlands Plaza/...	18.10
			6030 · Office Supplies	3-Land Resources	9.05
TOTAL					180.98
21409	09/18/2018	Redlands Plumbing, Inc.	1012 · Citizens Busine...		-1,209.00
	09/06/2018		6016 · Redlands Plaza ...	2-Redlands Plaza/...	1,209.00
TOTAL					1,209.00

San Bernardino Valley Water Conservation District
Expenditure Report
September 2018

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Account</u>	<u>Class</u>	<u>Original Amount</u>
21410	09/18/2018	Rutan & Tucker	1012 · Citizens Busine...		-1,982.50
	08/30/2018		5180 · Legal	4-General Fund Ent.	594.75
			5180 · Legal	1-Groundwater Ent.	594.75
			5180 · Legal	2-Redlands Plaza/...	138.78
			5180 · Legal	3-Land Resources	654.22
TOTAL					1,982.50
21411	09/18/2018	Smart & Final	1012 · Citizens Busine...		-253.14
	09/07/2018		6004 · Meeting Expenses	4-General Fund Ent.	99.66
			6004 · Meeting Expenses	3-Land Resources	99.65
			6019 · Janitorial Supplies	4-General Fund Ent.	32.30
			6019 · Janitorial Supplies	1-Groundwater Ent.	21.53
TOTAL					253.14
21412	09/18/2018	Sonsray Machinery	1012 · Citizens Busine...		-1,003.32
	09/07/2018		5210 · Equipment Maint...	1-Groundwater Ent.	1,003.32
TOTAL					1,003.32
21413	09/18/2018	Terminix	1012 · Citizens Busine...		-69.00
	08/24/2018		6026 · Redlands Plaza ...	2-Redlands Plaza/...	69.00
TOTAL					69.00
21414	09/18/2018	The Gas Company	1012 · Citizens Busine...		-5.60
	09/12/2018		5450 · Natural Gas	4-General Fund Ent.	3.36
			5450 · Natural Gas	1-Groundwater Ent.	2.24
TOTAL					5.60
21415	09/18/2018	U.S. Bank Equipment F...	1012 · Citizens Busine...		-336.18
	09/10/2018		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
21416	09/18/2018	Valero Marketing & Sup...	1012 · Citizens Busine...		-775.00
	08/30/2018		5320 · Fuel	1-Groundwater Ent.	775.00
TOTAL					775.00
21417	09/18/2018	Wilbur's	1012 · Citizens Busine...		-13.95
	09/04/2018		5210 · Equipment Maint...	1-Groundwater Ent.	13.95
TOTAL					13.95

San Bernardino Valley Water Conservation District Expenditure Report September 2018

Num	Date	Name	Account	Class	Original Amount
100204N	09/24/2018	PERS	1012 - Citizens Busine...		-15,654.21
			6170 · PERS Retirement	4-General Fund Ent.	2,514.07
			6170 · PERS Retirement	1-Groundwater Ent.	7,963.30
			6170 · PERS Retirement	2-Redlands Plaza/...	798.36
			6170 · PERS Retirement	3-Land Resources	2,332.48
			6170 · PERS Retirement	5-Wash Plan	2,046.00
TOTAL					15,654.21
100205N	09/27/2018	PERS	1012 - Citizens Busine...		-920.00
			6170 · PERS Retirement	4-General Fund Ent.	147.75
			6170 · PERS Retirement	1-Groundwater Ent.	468.00
			6170 · PERS Retirement	2-Redlands Plaza/...	46.92
			6170 · PERS Retirement	3-Land Resources	137.08
			6170 · PERS Retirement	5-Wash Plan	120.25
TOTAL					920.00
100206N	09/27/2018	PERS	1012 - Citizens Busine...		-1,020.00
			6170 · PERS Retirement	4-General Fund Ent.	163.82
			6170 · PERS Retirement	1-Groundwater Ent.	518.87
			6170 · PERS Retirement	2-Redlands Plaza/...	52.02
			6170 · PERS Retirement	3-Land Resources	172.38
			6170 · PERS Retirement	5-Wash Plan	112.91
TOTAL					1,020.00

San Bernardino Valley Water Conservation District

Director Fees Expenditure Payroll Report

September 2018

Pay Date	Name	For Period	Director Fees	Taxes Withheld	Check Amt
9/12/2018	Harrison, T.M.	Aug-Sept	\$ 864.00	\$ 125.19	\$ 738.81
9/12/2018	McDonald, M	Aug-18	\$ 2,160.00	\$ 249.25	\$ 1,910.75
9/26/2018	Corneille, R	Aug-18	\$ 216.00	\$ 18.68	\$ 197.32
9/26/2018	Harrison, T.M.	Sep-18	\$ 1,080.00	\$ 170.22	\$ 909.78

2018 Local Agency Biennial Notice

Name of Agency: San Bernardino Valley Water Conservation District
Mailing Address: 1630 W. Redlands Blvd., Ste. A, Redlands, CA 92373
Contact Person: Daniel Cozad, General Manager Phone No. (909) 793-2503
Email: dcozad@sbnwcd.org Alternate Email: athena@sbnwcd.org

Accurate disclosure is essential to monitor whether officials have conflicts of interest and to help ensure public trust in government. The biennial review examines current programs to ensure that the agency's code includes disclosure by those agency officials who make or participate in making governmental decisions.

This agency has reviewed its conflict of interest code and has determined that (*check one BOX*):

An amendment is required. The following amendments are necessary:

(*Check all that apply.*)

- Include new positions
- Revise disclosure categories
- Revise the titles of existing positions
- Delete titles of positions that have been abolished and/or positions that no longer make or participate in making governmental decisions
- Other (*describe*) _____

The code is currently under review by the code reviewing body.

No amendment is required. (If your code is over five years old, amendments may be necessary.)

Verification (to be completed if no amendment is required)

This agency's code accurately designates all positions that make or participate in the making of governmental decisions. The disclosure assigned to those positions accurately requires that all investments, business positions, interests in real property, and sources of income that may foreseeably be affected materially by the decisions made by those holding designated positions are reported. The code includes all other provisions required by Government Code Section 87302.



Signature of Chief Executive Officer

09/19/2018

Date

All agencies must complete and return this notice regardless of how recently your code was approved or amended. Please return this notice no later than **October 1, 2018**, or by the date specified by your agency, if earlier, to:

Clerk of the Board of Supervisors
385 N. Arrowhead Ave., 2nd Floor
San Bernardino, CA 92415

PLEASE DO NOT RETURN THIS FORM TO THE FPPC.

www.fppc.ca.gov
FPPC Advice: advice@fppc.ca.gov (866.275.3772)
Page 1 of 1



**San Bernardino Valley
Water Conservation District**

Helping Nature Store Our Water

Memorandum No.1604

To: Board of Directors

From: General Manager, Daniel B. Cozad

Date: October 10, 2018

Subject: Project Charters for Plunge Creek and Mill Creek

RECOMMENDATION

The Operations Committee recommends approval of the updated Charter documents for Plunge and Mill Creek projects.

BACKGROUND

The Mill Creek and Plunge Creek are capital improvement projects that the Board authorized in 2014 by Charter in the annual budget process. Several changes to the projects were approved during the year. The Mill Creek Charter was updated in February 2018, when the 408 permit was approved. Recently Plunge Creek permitting budget was revised by the Board and the Board requested to updated and review the project charters.

DISCUSSION

SB County Flood submits the Section 408 permit application on behalf of the District. The Corps offers an expedited review of Section 408 permit materials through a reimbursement agreement with Flood. This was a significant change to the costs for the Mill Creek project. The Board recently approved CRAM analysis which increased the cost of the Plunge Creek project slightly. Staff updated the costs, and the expensed to date in both charters. Staff continues to believe both projects are highly cost-effective as water development projects and have other values such as habitat and reduced operations costs.

FISCAL IMPACT

There are limited costs to preparing updated charters and the Boards other actions were previously completed.

POTENTIAL MOTIONS

1. Move to approve the updated project charters
2. Suggest changes and move to approve the revised documents
3. Move to request this item be tabled to the operations committee for review.

1630 W. Redlands Blvd, Suite A
Redlands, CA 92373
Phone: 909.793.2503
Fax: 909.793.0188
www.sbvwd.org Email: info@sbvwd.org

**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

ATTACHMENTS OR MATERIALS

Mill Creek Diversion- Project Charter

Plunge Creek Conservation – Project Charter

Mill Creek Diversion - Project Charter Update (October 2018)

Scope

Mill Creek is an internal project to increase the District's ability to manage debris and sediment and maintain water diversion in high flows and to regain capacity and reduce costs due to sediment. This Project coordinates with Flood Control and SBVMWD on Active Recharge. This Project is included in River HCP with SBVMWD.

Project Budget

\$200K Design Permitting – CWE \$188,037 Expended \$173,267 remaining \$14,770, contingency \$10,973
\$80K Environmental Permitting and Procurement-Expended to Date: \$82,763
\$725K Construction (based on final design)-Expended to Date: \$15,870
\$75K USACE Expedite processing and reports
\$125K Procurement and Construction Management
\$50,000 Monitoring and Post Project Reporting
\$1.2 M Estimated Total

Project Benefits

- Expects 4,661 Acre feet of additional water capture over 10 years assuming 20 days of 50 CFS, 50 days at 20cfs, and 35 days of 10 CFS.
- Based on the capital costs and expected water created over 10 years the average capital water cost is \$270/AF
- Avoided Cost \$135,000 of capital maintenance and sand management plus there is additional water expected \$1,631,429, when recharge water is valued at \$350 per Acre Foot
- ROI is 30% and payback is 7.1 years

Approvals Required

- SBVWCD – CEQA including AB52 cultural consultation(complete)
- BTAC - Complete
- Flood Control Levee Encroachment and (408 Certification) US Army Corps of Engineers – in Process (includes Environmental Assessment under NEPA (document prepared by District))
- US Army Corps of Engineers (COE) (404 permit) on hold until 408 issued
- USFWS Section 7 (endangered species) and Section 106 (cultural) via COE (Section 404)
- CADFW 1602 permit (streambed alteration)- draft
- Regional Water Quality Control Board (401) certification needed (in draft) and Stormwater Pollution Prevention Plan (SWPPP) complete)
- San Bernardino Flood Control access permit

Summary Schedule

3-5 year Design and Implementation

- Year 1 design – Permitting drawings complete by end of calendar year
- Year 2 Permitting Approvals –Spring 2019 or later – Depending on 408*
- Year 3-5 Construction/Operations – April-October 2019* (earliest construction date)

Permitting Options

Individual Permits under Section 7 or Permit (Section 10) Upper River (Valley District) HCP or a combined HCP with O&M activities and Bank Agreements. The Board chose to apply for COE permit for 408 and District rather than HCP 404 compliance and Section 7 consultation.

Policy Decisions and Considerations

The Committee and Board may consider the following:

1. Permitting – The Committee and Board may consider from among several options for piecemeal or holistic permitting for Mill Creek project, spreading grounds or continuing with the River HCP. Implications of the selection will determine schedule and budget. - Complete
2. Project Procurement – At the end of design and permitting the Board may consider directing staff to initiate procurement – Spring 19 or 20
3. Selection and Construction Budget – The Committee and Board may consider award of a contract for construction of project and setting a construction budget based on bids and contingency – Spring 19 or 20
4. Construction Management and Oversight – The Committee and Board may consider contracting for Procurement support and construction management and oversight to insure staff limitations to not constrain the project – Spring and summer 19 or 20
5. Cooperation with Partners – The Committee and Board may consider expansion to the Active Recharge Project when fully identified with SBVMWD.

Plunge Creek Conservation Enhancement Project Charter – Update (October 2018)

Scope

The Plunge Creek Project is a grant funded experimental project to increase habitat for species covered in the Wash Plan HCP and to increase groundwater recharge. This project is part of the habitat enhancement/restoration occurring as part of the Wash Plan HCP as mitigation for covered activities occurring elsewhere in the Wash.

Overall Project Budget

Design, engineering, administration	\$231,000
Permitting	\$106,000
Construction Estimate	\$375,000
Project Cost Estimate	\$712,000
DWR Grant Proceeds	\$500,000
Cost to District	\$212,000

Notes

\$70,000 permitting costs above initial estimates (including Habitat Mitigation Monitoring Plan)

\$290,000 Waters of the United States coverage for Wash Plan participants created via additional \$51,000 issuance costs added to Wash Plan budget

Project Benefits

- \$/AF Total Project Cost- Estimated project yield of 3,903 additional acre feet of groundwater recharged in 20 year operating period yields water at \$183 per acre foot.
- \$/AF District Cost Share- Estimated project yield of 3,903 additional acre feet of groundwater recharged in 20 year operating period yields water at \$55 per acre foot.
- Additional recharge expected \$1,366,050 when recharge water is valued at \$350 per acre foot
- Provides water of the United States coverage for Wash Plan participants
- \$/Acre Habitat Enhancement- An approximate net of about 75 acres of habitat added to the active flood plain suitable for Santa Ana woolly star and San Bernardino Kangaroo rat. Approximate value of habitat is \$25,000 per acre
- ROI is 92% without grant and 544% with grant funds
- Payback is 3.1 years for District costs
- Future phases identified in development of 30% design- For both operational flexibility and for adaptive habitat management, original design was modified to allow hydrologic isolation of newly constructed channels. Placement of large boulders at critical points (to be identified in 100% design) would allow additional channels to be restored and the habitat in the current

Plunge Creek channel to be refreshed. This rework and boulder movement, as well as resource agency consultation, is expected to cost approximately \$15,000 per year.

Approvals Required

- SAWPA & DWR (grant agreement conditions)
- District CEQA and AB 52 (cultural) consultation- Complete
- Flood Control & BLM (possible easement agreements for future project expansion)
- US Army Corps of Engineers (404 permit)- includes section 106 (cultural)-District completed documentation- final applications submitted
- US Army Corps of Engineers Credit for Wash Plan Waters of US (includes Habitat Mitigation and Monitoring Plan with baseline CRAM assessment)- complete
- USFWS Section 7- final application submitted
- California Department of Fish and Wildlife streambed alteration (1602)- final application submitted
- California Department of Fish and Wildlife California Endangered Species Act Permit (2081)- final application submitted, preconstruction mitigation completed
- Regional Water Quality Control Board (401 certification)- complete

5 year Design and Implementation Summary Schedule

- Year 1- Preliminary Design (Complete)
- Year 2- Final Design (Complete)
- Year 3- Permitting Approvals (Ongoing)
- Year 4- Procurement and Construction
- Year 5- Operate/Adapt System
- Year 6+ Monitoring and Reporting, wildlife agencies and to DWR and SAWPA for grant close out

Policy Decisions and Considerations

Most decisions for the Plunge Creek Project were made when the Board approved the Grant Agreement and Design Contract. In the future the Committee and Board may consider the following:

1. Permitting – The Committee and Board may consider alternative permitting, rather than utilizing the Wash Plan coverage. Standard Permitting selected - Complete
2. Project Procurement – At the end of design and permitting the Board may consider directing staff to initiate procurement, several options related to the contract type are possible. – Contracting strategy complete
3. Project Expansion – The Board may consider expanding the project onto BLM lands or additional channels could be considered and concurrently or in the future, which can impact District matching funds for the Project - 2020
4. Selection and Construction Budget – The Committee and Board may consider award of a contract for construction of project. – winter/spring 2019
5. Cooperation with partners – The Committee and Board may consider expansion in coordination with the Active Recharge Project downstream with SBVMWD.



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. 1605

To: Board of Directors

From: General Manager, Daniel Cozad

Date: October 10, 2018

Subject: Unaudited Financial Reports, September 2018

RECOMMENDATION

Review and approve the unaudited financials for September 2018.

BACKGROUND

Each month staff presents the unaudited financials for the District. The reports presented with this Board Letter on month ending September 30, 2018.

DISCUSSION

For three months into the fiscal year, most funds and accounts are as expected. The Enhanced Recharge Agreement will be invoiced in October due to delays in CPI rate postings. All current Groundwater Council members have paid their cost share.

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 September 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 September 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

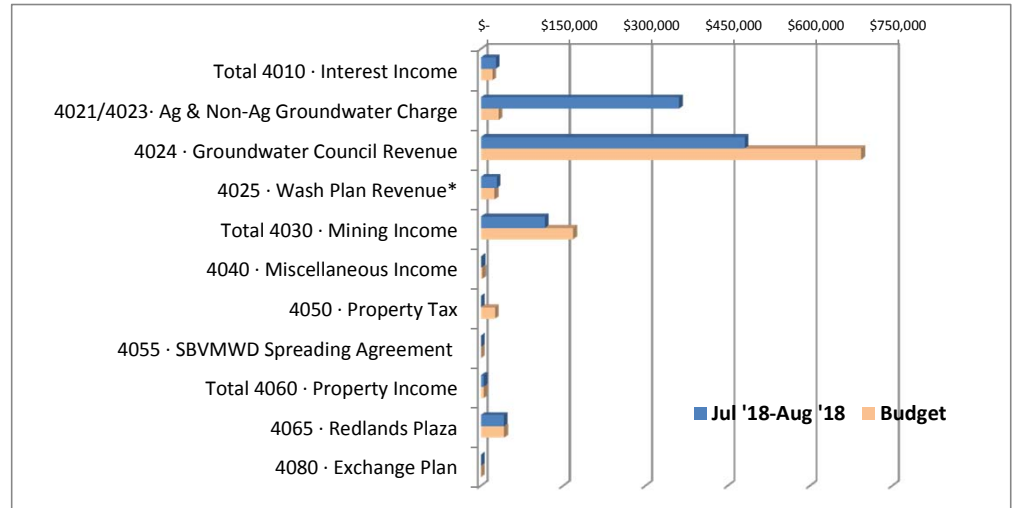
SBVWCD - All Enterprises Budget and Actual

September 2018

REVENUE

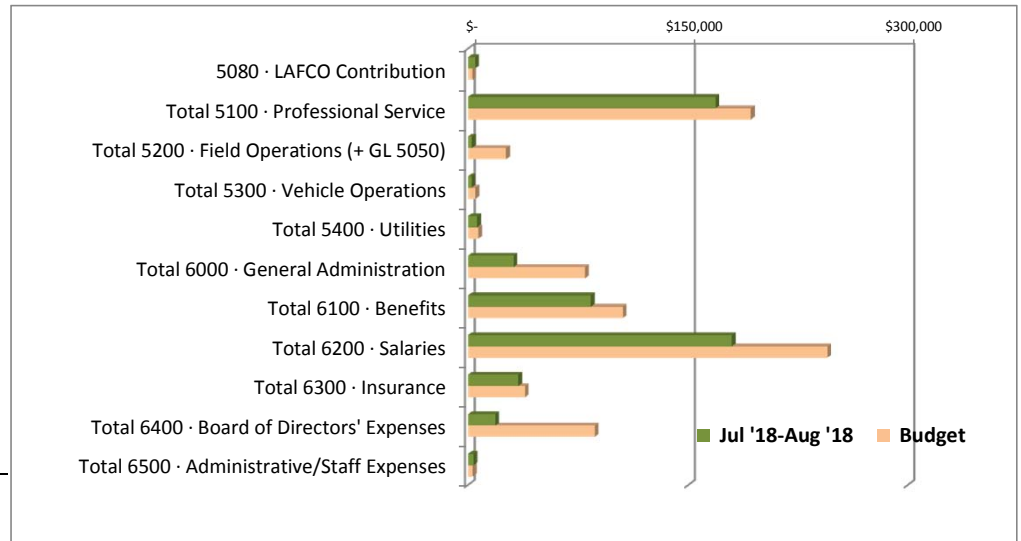
	Jul '18-Aug '18	Budget
Total 4010 · Interest Income	\$ 27,296	\$ 21,250
4021/4023· Ag & Non-Ag Groundwater Charge	\$ 361,424	\$ 32,460
4024 · Groundwater Council Revenue	\$ 481,377	\$ 693,577
4025 · Wash Plan Revenue*	\$ 28,953	\$ 25,133
Total 4030 · Mining Income	\$ 116,936	\$ 168,500
4040 · Miscellaneous Income	\$ 1,180	\$ 2,500
4050 · Property Tax	\$ -	\$ 26,034
4055 · SBVMWD Spreading Agreement	\$ -	\$ -
Total 4060 · Property Income	\$ 5,550	\$ 5,700
4065 · Redlands Plaza	\$ 42,108	\$ 42,700
4080 · Exchange Plan	\$ -	\$ -
Total Revenue	\$ 1,064,824	\$ 1,017,854

*District loans to the WP

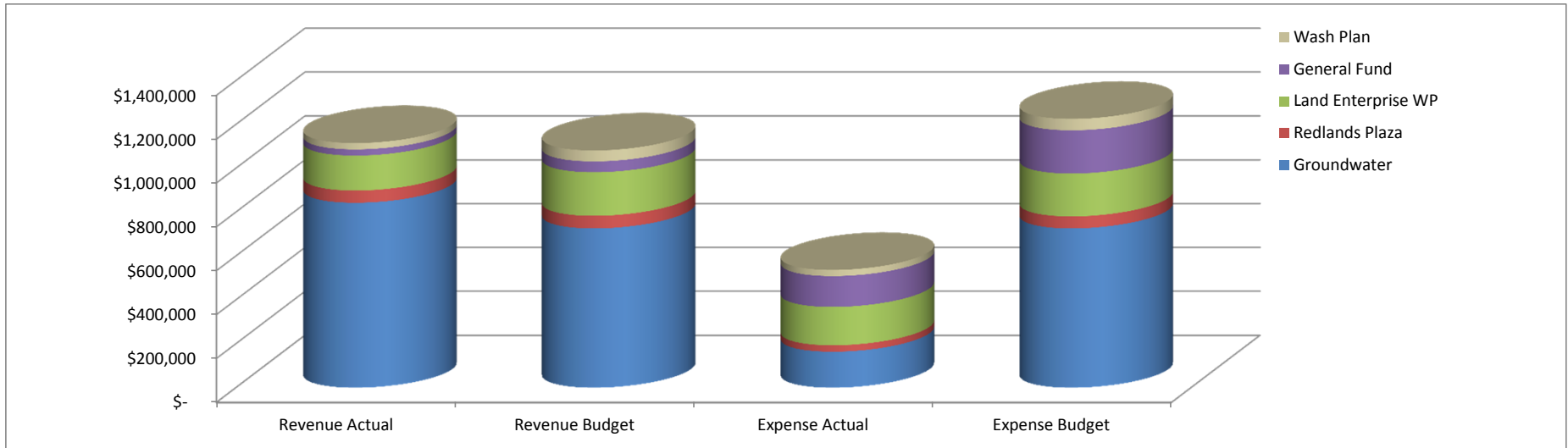


EXPENSES Operating and Capital

	Jul '18-Aug '18	Budget
5080 · LAFCO Contribution	\$ 5,000	\$ 3,000
Total 5100 · Professional Service	\$ 168,713	\$ 192,850
Total 5200 · Field Operations (+ GL 5050)	\$ 2,818	\$ 26,045
Total 5300 · Vehicle Operations	\$ 2,470	\$ 5,124
Total 5400 · Utilities	\$ 6,304	\$ 7,118
Total 6000 · General Administration	\$ 31,085	\$ 79,746
Total 6100 · Benefits	\$ 83,713	\$ 105,530
Total 6200 · Salaries	\$ 179,791	\$ 245,141
Total 6300 · Insurance	\$ 34,303	\$ 38,800
Total 6400 · Board of Directors' Expenses	\$ 18,709	\$ 86,335
Total 6500 · Administrative/Staff Expenses	\$ 3,858	\$ 3,337
Total Expense	\$ 536,765	\$ 793,028



Enterprises to Date (September 2018)



Enterprise	Actual	Budget	% of Budget
Groundwater Revenue	\$ 842,801	\$ 726,037	116%
Groundwater Expense	\$ 163,803	\$ 302,150	54%
Revenue -Expense	\$ 678,997	\$ 423,887	
Redlands Plaza Revenue	\$ 55,774	\$ 57,150	98%
Redlands Plaza Expense	\$ 29,381	\$ 54,460	54%
Revenue -Expense	\$ 26,393	\$ 2,689	
Land Enterprise Revenue	\$ 159,630	\$ 199,125	80%
Land Enterprise Expense	\$ 174,913	\$ 195,801	89%
Revenue -Expense	\$ (15,282)	\$ 3,324	
General Fund Revenue *	\$ 28,113	\$ 49,159	57%
General Fund Expense	\$ 140,347	\$ 197,034	71%
Revenue -Expense	\$ (112,235)	\$ (147,875)	
Wash Plan Revenue	\$ 28,953	\$ 50,133	58%
Wash Plan Expense	\$ 28,321	\$ 52,583	54%
Revenue-Expense	632	(2,450)	
Total All Revenue - Expense	\$ 578,506	\$ 279,576	

Cash Status	As of 7/1/2018	As of 9/30/18
LAIF	\$ 456,175.70	\$ 3,458,340.29
Cal Trust	\$ 3,048,113.21	\$ 3,064,397.62
Citizens Bank	\$ 862,874.97	\$ 1,433,989.19
UBS Financial Services	\$ 1,860,713.75	\$ 1,863,992.01
Cal Credit Union	\$ 3,302,520.81	\$ 251,110.54
Total Cash	\$ 9,530,398.44	\$ 10,071,829.65
Less Prepaid Royalty	\$ (5,000,000.00)	\$ (5,000,000.00)
Cash Position	\$ 4,530,398.44	\$ 5,071,829.65

Increase (decrease) of
Percent Increase \$ 541,431.21
12.0%

* General Fund Revenue shown here does not include overhead

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

	<u>Jul - Sep 18</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
4010 · Interest Income				
4012 · LAIF	0.00	4,500.00	-4,500.00	0.0%
4013 · Caltrust Investment Income	16,284.41	32,500.00	-16,215.59	50.11%
4014 · CalCredit Union Interest Income	2,546.37	26,000.00	-23,453.63	9.79%
4015 · UBS Interest Income	8,465.16	22,000.00	-13,534.84	38.48%
Total 4010 · Interest Income	<u>27,295.94</u>	<u>85,000.00</u>	<u>-57,704.06</u>	<u>32.11%</u>
4020 · Groundwater Charge				
4021 · Assessments - Ag	14,635.55	23,926.20	-9,290.65	61.17%
4023 · Assessments - Non-Ag	346,788.33	40,993.72	305,794.61	845.96%
4024 · Groundwater Council Revenue	481,377.00	893,577.00	-412,200.00	53.87%
Total 4020 · Groundwater Charge	<u>842,800.88</u>	<u>958,496.92</u>	<u>-115,696.04</u>	<u>87.93%</u>
4025 · Wash Plan Revenue	28,952.83	100,000.00	-71,047.17	28.95%
4030 · Mining Income				
4031 · Plant Site - CEMEX	8,400.00	48,000.00	-39,600.00	17.5%
4032 · Cemex - Royalty / Lease	97,666.66	586,000.00	-488,333.34	16.67%
4036 · Aggregate Maintenance	10,869.50	40,000.00	-29,130.50	27.17%
Total 4030 · Mining Income	<u>116,936.16</u>	<u>674,000.00</u>	<u>-557,063.84</u>	<u>17.35%</u>
4040 · Miscellaneous Income				
4041 · Reimbursed Expenses	0.00			
4040 · Miscellaneous Income - Other	1,180.00	10,000.00	-8,820.00	11.8%
Total 4040 · Miscellaneous Income	<u>1,180.00</u>	<u>10,000.00</u>	<u>-8,820.00</u>	<u>11.8%</u>
4050 · Property Tax	0.00	104,135.47	-104,135.47	0.0%
4055 · SBVMWD Spreading Agreement Reim	0.00	385,696.20	-385,696.20	0.0%
4060 · Property Income				
4062 · Mentone Property	5,550.00	22,800.00	-17,250.00	24.34%
Total 4060 · Property Income	<u>5,550.00</u>	<u>22,800.00</u>	<u>-17,250.00</u>	<u>24.34%</u>
4065 · Redlands Plaza	42,107.90	170,798.18	-128,690.28	24.65%
4066 · Redlands Plaza CAM	8,116.05	35,000.00	-26,883.95	23.19%
4080 · Exchange Plan	0.00	30,000.00	-30,000.00	0.0%
4086 · Plunge Creek IRWMP	0.00	150,000.00	-150,000.00	0.0%
4998 · Rate Stabilization From Reserve	0.00	22,223.00	-22,223.00	0.0%
4999 · Trust Reimbursement-Wash Plan	0.00	100,000.00	-100,000.00	0.0%
Total Income	<u>1,072,939.76</u>	<u>2,848,149.77</u>	<u>-1,775,210.01</u>	<u>37.67%</u>
Gross Profit	1,072,939.76	2,848,149.77	-1,775,210.01	37.67%
Expense				
5040 · Regional Programs				
5080 · LAFCO Contribution	5,000.00	3,000.00	2,000.00	166.67%
Total 5040 · Regional Programs	<u>5,000.00</u>	<u>3,000.00</u>	<u>2,000.00</u>	<u>166.67%</u>
5050 · Basin Cleaning	0.00	50,000.00	-50,000.00	0.0%
5100 · Professional Service				
5120 · Misc. Professional Services	79,948.38	130,000.00	-50,051.62	61.5%
5122 · Wash Plan Professional Services	2,908.75	30,000.00	-27,091.25	9.7%
5124 · Plunge Creek Prof Services	59,555.42	150,000.00	-90,444.58	39.7%
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%
5160 · IT Support	945.00	7,000.00	-6,055.00	13.5%
5170 · Audit	19,700.00	26,225.00	-6,525.00	75.12%
5175 · Legal - Wash Plan	0.00	10,000.00	-10,000.00	0.0%
5180 · Legal	5,655.00	175,000.00	-169,345.00	3.23%
Total 5100 · Professional Service	<u>168,712.55</u>	<u>547,225.00</u>	<u>-378,512.45</u>	<u>30.83%</u>
5123 · Temp. Field Labor	0.00	11,000.00	-11,000.00	0.0%
5133 · Regional River HCP Contribution	0.00	25,000.00	-25,000.00	0.0%
5143 · SBVCT District Contribution	0.00	0.00	0.00	0.0%
5200 · Field Operations				
5210 · Equipment Maintenance	1,211.24	6,180.00	-4,968.76	19.6%
5215 · Property Maintenance	1,606.85	42,000.00	-40,393.15	3.83%
5220 · Maintenance Materials/Shop/Flid	0.00	0.00	0.00	0.0%
5225 · Field Clean Up-Illegal dumping	0.00	6,000.00	-6,000.00	0.0%
Total 5200 · Field Operations	<u>2,818.09</u>	<u>54,180.00</u>	<u>-51,361.91</u>	<u>5.2%</u>
5300 · Vehicle Operations				
5310 · Vehicle Maintenance	63.11	8,000.00	-7,936.89	0.79%
5320 · Fuel	2,407.06	12,500.00	-10,092.94	19.26%
Total 5300 · Vehicle Operations	<u>2,470.17</u>	<u>20,500.00</u>	<u>-18,029.83</u>	<u>12.05%</u>
5400 · Utilities				
5410 · Alarm Service	387.00	1,500.00	-1,113.00	25.8%
5420 · Electricity	1,964.70	9,747.00	-7,782.30	20.16%
5430 · Mobile Phone	810.00	3,550.00	-2,740.00	22.82%
5440 · Telephone	1,708.23	8,000.00	-6,291.77	21.35%

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

	<u>Jul - Sep 18</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
5450 · Natural Gas	9.63	942.30	-932.67	1.02%
5460 · Water / Trash / Sewer	571.88	2,160.00	-1,588.12	26.48%
5470 · Internet Services	852.42	2,575.00	-1,722.58	33.1%
Total 5400 · Utilities	6,303.86	28,474.30	-22,170.44	22.14%
6000 · General Administration				
6001 · General Administration - Other	0.00	4,500.00	-4,500.00	0.0%
6002 · Website Administration	722.97	3,300.00	-2,577.03	21.91%
6003 · Property Tax	0.00	235.10	-235.10	0.0%
6004 · Meeting Expenses	542.05	2,000.00	-1,457.95	27.1%
6006 · Permits	0.00	10,000.00	-10,000.00	0.0%
6007 · Inter District Costs	0.00	10,000.00	-10,000.00	0.0%
6009 · Licenses	0.00	1,217.88	-1,217.88	0.0%
6010 · Surety Bond	1,210.00	1,900.00	-690.00	63.68%
6012 · Office Maintenance	2,024.69	3,180.00	-1,155.31	63.67%
6013 · Office Lease Payment	15,000.00	60,000.00	-45,000.00	25.0%
6015 · Mentone House Maintenance	2,350.09	5,000.00	-2,649.91	47.0%
6016 · Redlands Plaza Maintenance	1,433.47	40,000.00	-38,566.53	3.58%
6018 · Janitorial Services	1,959.00	9,108.89	-7,149.89	21.51%
6019 · Janitorial Supplies	138.46	500.00	-361.54	27.69%
6020 · Vacancy Marketing-Redlands Plaz	51.68	5,500.00	-5,448.32	0.94%
6026 · Redlands Plaza CAM expenses	5,576.60	29,355.00	-23,778.40	19.0%
6027 · Computer Software	0.00	600.00	-600.00	0.0%
6030 · Office Supplies	299.55	3,750.67	-3,451.12	7.99%
6033 · Office Equipment Rental	1,838.41	9,500.00	-7,661.59	19.35%
6036 · Printing	175.00	980.00	-805.00	17.86%
6039 · Postage and Overnight Delivery	103.50	1,200.00	-1,096.50	8.63%
6042 · Payroll Processing	509.70	2,523.50	-2,013.80	20.2%
6045 · Bank Service Charges	98.63	2,575.00	-2,476.37	3.83%
6051 · Uniforms	0.00	2,200.00	-2,200.00	0.0%
6060 · Outreach	-13,040.00	60,000.00	-73,040.00	-21.73%
6087 · Educational Reimbursement	0.00	5,000.00	-5,000.00	0.0%
6090 · Subscriptions/Publications	787.03	1,210.00	-422.97	65.04%
6091 · Public Notices	0.00	3,200.00	-3,200.00	0.0%
6093 · Memberships	9,304.17	20,860.20	-11,556.03	44.6%
Total 6000 · General Administration	31,085.00	299,396.24	-268,311.24	10.38%
6100 · Benefits				
6110 · Vision Insurance	496.86	2,731.16	-2,234.30	18.19%
6120 · Workers' Comp. Insurance	0.00	14,867.37	-14,867.37	0.0%
6130 · Dental Insurance	2,105.76	11,659.41	-9,553.65	18.06%
6150 · Medical Insurance				
6150.01 · Medical Employee Contribution	-5,588.22	-27,635.26	22,047.04	20.22%
6150 · Medical Insurance - Other	38,370.90	209,888.74	-171,517.84	18.28%
Total 6150 · Medical Insurance	32,782.68	182,253.48	-149,470.80	17.99%
6160 · Payroll Taxes-Employer	9,988.98	67,314.14	-57,325.16	14.84%
6170 · PERS Retirement				
6170.01 · PERS Employee Contributions	-12,391.89	-30,611.84	18,219.95	40.48%
6170 · PERS Retirement - Other	50,730.81	173,907.07	-123,176.26	29.17%
Total 6170 · PERS Retirement	38,338.92	143,295.23	-104,956.31	26.76%
Total 6100 · Benefits	83,713.20	422,120.79	-338,407.59	19.83%
6200 · Salaries				
6230 · Regular Salaries	179,791.48	980,564.97	-800,773.49	18.34%
Total 6200 · Salaries	179,791.48	980,564.97	-800,773.49	18.34%
6300 · Insurance				
6310 · Property/ Auto Insurance	2,431.50	7,000.00	-4,568.50	34.74%
6320 · General Liability Insurance	31,871.00	31,800.00	71.00	100.22%
Total 6300 · Insurance	34,302.50	38,800.00	-4,497.50	88.41%
6400 · Board of Directors' Expenses				
6401 · Directors' Fees				
6401.5 · Payroll Taxes-Directors	2,938.00			
6401 · Directors' Fees - Other	12,770.00	86,042.00	-73,272.00	14.84%
Total 6401 · Directors' Fees	15,708.00	86,042.00	-70,334.00	18.26%
6410 · Mileage	462.42	4,000.00	-3,537.58	11.56%
6415 · Air Fare	0.00	2,500.00	-2,500.00	0.0%
6420 · Other Travel	0.00	500.00	-500.00	0.0%
6425 · Meals	249.00	3,500.00	-3,251.00	7.11%
6430 · Lodging	193.98	3,800.00	-3,606.02	5.11%
6435 · Conf/Seminar Registrations	2,096.00	5,000.00	-2,904.00	41.92%
6440 · Election Fees / Re-Districting	0.00	100,000.00	-100,000.00	0.0%
Total 6400 · Board of Directors' Expenses	18,709.40	205,342.00	-186,632.60	9.11%
6500 · Administrative/Staff Expenses				

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

	<u>Jul - Sep 18</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
6510 · Mileage	310.77	1,800.00	-1,489.23	17.27%
6515 · Air Fare	369.93	2,000.00	-1,630.07	18.5%
6520 · Travel, Other (rental car, taxi)	263.89	1,000.00	-736.11	26.39%
6525 · Meals	155.25	1,545.00	-1,389.75	10.05%
6530 · Lodging	420.44	3,000.00	-2,579.56	14.02%
6535 · Conf/Seminar Registrations	2,338.00	4,000.00	-1,662.00	58.45%
Total 6500 · Administrative/Staff Expenses	3,858.28	13,345.00	-9,486.72	28.91%
9999 · Contribution to Capital Maint.	0.00	314,500.00	-314,500.00	0.0%
Total Expense	536,764.53	3,013,448.30	-2,476,683.77	17.81%
Net Ordinary Income	536,175.23	-165,298.53	701,473.76	-324.37%
Other Income/Expense				
Other Expense				
7000 · Construction				
7010 · Materials	0.00	12,000.00	-12,000.00	0.0%
7055 · Plunge Creek Expansion	0.00	462,228.00	-462,228.00	0.0%
Total 7000 · Construction	0.00	474,228.00	-474,228.00	0.0%
7100 · Land & Buildings				
7110 · Property Capital Repairs	0.00	60,000.00	-60,000.00	0.0%
7130 · Mentone Property (House)-CapRep	10,500.00			
7140 · Mentone Property (Shop)-CapRep	0.00	200,000.00	-200,000.00	0.0%
7150 · Mill Creek Diversion	0.00	479,200.00	-479,200.00	0.0%
7160 · Mendoza Property	0.00	165,000.00	-165,000.00	0.0%
Total 7100 · Land & Buildings	10,500.00	904,200.00	-893,700.00	1.16%
7200 · Equipment & Vehicles				
7210 · Computer Hardware-Capital Purch	0.00	5,000.00	-5,000.00	0.0%
7220 · Computer Software	4,259.28	10,000.00	-5,740.72	42.59%
7230 · Field Equipment / Vehicles	0.00	145,000.00	-145,000.00	0.0%
7240 · Office Equipment	0.00	1,500.00	-1,500.00	0.0%
Total 7200 · Equipment & Vehicles	4,259.28	161,500.00	-157,240.72	2.64%
7400 · Professional Services Capital				
7438 · Engineering Services-Other	0.00	125,000.00	-125,000.00	0.0%
Total 7400 · Professional Services Capital	0.00	125,000.00	-125,000.00	0.0%
Total Other Expense	14,759.28	1,664,928.00	-1,650,168.72	0.89%
Net Other Income	-14,759.28	-1,664,928.00	1,650,168.72	0.89%
Net Income	521,415.95	-1,830,226.53	2,351,642.48	-28.49%



**San Bernardino Valley
Water Conservation District**

Helping Nature Store Our Water

Memorandum No. 1606

To: Board of Directors
From: Daniel Cozad, General Manager
Date: October 10, 2018
Subject: Reserve and Trust Allocation Target Revisions

RECOMMENDATION

Review, discuss and consider approval of recommended changes to reserve and trust targets and adjustments.

BACKGROUND

The Board approved audited District Reserve levels along with the 2018 Annual District Audit report at the September 19, 2018 Board meeting. Staff is not recommending any changes to the targets for the Board consideration. Since August 2015 staff has implemented Resolution No. 529 allowing participation in the California Employers' Retiree Benefit Trust (CERBT) through CalPERS to fund other post-employment benefits (OPEB). An OPEB valuation is required annually by GASB 75 and bi-annually by CalPERS to determine OPEB liabilities.

The Board authorized the transfer of its OPEB reserve to the Trust. In 2015 the Board also paid its Unfunded Actuarial Liability (UAL) for CalPERS and indicated its intent to continue to pay any UAL as included in the annual budget.

DISCUSSION

District Staff completed the OPEB valuation in July 2018. Based on this valuation, District's current unfunded net OPEB liability is \$218,507. Staff is recommending the changes to reserve levels to pay the UAL recently approved in the 2018 Annual Audit. Contributions to the CERBT for the UAL are not required but minimizes future liabilities and expenses primarily due to the investment returns of the CERBT. With the majority of District reserve levels currently at their Target level or more, District Staff is recommending the transfer of \$218,507 to fund the net OPEB liability fully.

FISCAL IMPACT

The District would see a reduction in reserve levels of \$218,507 as shown in the attached for Fiscal Year 2018/2019 affecting the following reserves: Groundwater Recharge Enterprise Reserve, Redlands Plaza Reserve, Land Resources Reserve, and General Liability Fund Reserve.

1630 W. Redlands Blvd, Suite A
Redlands, CA 92373
Phone: 909.793.2503
Fax: 909.793.0188
www.sbvwd.org Email: info@sbvwd.org

**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

POTENTIAL MOTIONS

1. Move to approve funding of the OPEB UAL with adjustment to Reserve levels as presented.
2. Move to approve funding of the OPEB liability at a reduced amount with smaller Reserve levels changes.
3. Move to table the item or refer to the Finance & Administration Committee.

ATTACHMENTS OR MATERIALS

Reserve Balances, Contributions, Uses and Loans

Reserve Balances, Contributions, Uses and Loans

6/30/2017

6/30/2018

10/10/2018

	June-17			June-18				Oct-18				
	Audited 2017	Target or Max	Percent Funded	Changes	Audited 2018	Target or Max	Percent Funded	Changes	New Balance	Target or Max	Percent Funded	Notes
District Policy Reserves												
Groundwater Recharge Enterprise Reserve	\$1,557,975	\$ 1,250,000	125%	\$180,050	\$1,738,025	\$1,250,000	139%	-\$98,328	\$1,639,697	\$1,250,000	131%	Contribution to fund OPEB
Groundwater ER Maintenance Reserve	\$250,000	\$ 250,000	100%	\$0	\$250,000	\$250,000	100%		\$250,000	\$250,000	100%	
GWA Rate Stabilization	\$82,617	\$ 400,000	21%	\$117,383	\$200,000	\$200,000	100%		\$200,000	\$200,000	100%	
Redlands Plaza Reserve	\$186,395	\$ 81,418	229%	-\$81,511	\$104,884	\$81,418	129%	-\$10,925	\$93,959	\$81,418	115%	Contribution to fund OPEB
Land Resources Reserve	\$656,084	\$ 816,743	80%	\$137,819	\$793,903	\$816,743	97%	-\$43,701	\$750,202	\$816,743	92%	Contribution to fund OPEB
General Liability Fund Reserve	\$386,561	\$ 1,211,566	32%	\$127,294	\$513,855	\$1,250,000	41%	-\$65,552	\$448,303	\$1,250,000	36%	Contribution to fund OPEB
Self Insurance Reserve	\$30,000	\$ 50,000	60%	\$5,000	\$35,000	\$50,000	70%		\$35,000	\$50,000	70%	
Compensated Absences Reserve	\$107,000	\$ 107,000	100%	\$0	\$107,000	\$100,268	107%		\$107,000	\$100,268	107%	
Capital Improvement/Equipment Reserve	\$760,000	\$ 750,000	101%	\$0	\$760,000	\$750,000	101%		\$760,000	\$750,000	101%	
Prepaid Royalties Reserve	\$5,000,000	\$ 5,000,000	100%	\$0	\$5,000,000	\$5,000,000	100%		\$5,000,000	\$5,000,000	100%	
Total All Allocated Reserves	\$9,016,632	\$ 19,962,227	45%	\$486,035	\$9,502,667	\$9,748,429	97%	-\$218,507	\$9,284,160	\$9,748,429	95%	



**San Bernardino Valley
Water Conservation District**

Helping Nature Store Our Water

Memorandum No. 1599

To: Board of Directors

From: General Manager, Daniel Cozad

Date: September 19, 2018

Subject: CSDA 2018 Committee and Expert Feedback Team Appointments

RECOMMENDATION

Review and consider the appointment of directors to committees in accordance with their requests for the period from January 1, 2019, to December 31, 2019.

BACKGROUND

This is the opportunity for membership in all CSDA Committees. All committees meet at least twice annually. It is mandatory that a committee member attend at least one of the two annual meetings. Additionally, the CSDA Legislative Committee requires for that member to attend the CSDA Special District Legislative Days as well as the Annual Conference in addition to the regularly scheduled meetings. Committees typically meet in Sacramento, but the location of meetings may vary.

Current appointments approved by CSDA and the District:

- David Raley, Audit Committee
- T. Milford Harrison, Professional Development Committee and Membership Services Committee

CSDA Committees open for membership are:

- Audit Committee
- Professional Development Committee
- Elections & Bylaws Committee
- Fiscal Committee
- Membership Services Committee
- Legislative Committee

A detailed listing of the topics each committee focuses is attached. Also attached is a listing of Expert Feedback Teams. The teams do not require travel only occasional feedback via email. The District utilizes CSDA for training and attends the CSDA Annual Conference. The General Manager

participates in the Experts groups for the Legislative Committee, Governance, Formation and Reformation, and Environmental.

Director Harrison has requested to be nominated for the CSDA Legislative Committee as his first choice, Professional Development Committee as his second choice or Member Services Committee as his third choice. Director McDonald expressed interest in the CSDA Legislative Committee. The deadline for submission of the interest form is October 12, 2018.

FISCAL IMPACT

The fiscal impact will vary depending on the location and whether or not travel to Sacramento is required. The District would be responsible for paying the Committee members per diem and all expenses for their attendance. Currently, one director serves on a Committee and these costs are included in the 2018-2019 budget. CSDA does not reimburse any expenses for this participation. The costs vary depending on which Committee a director is appointed to. If Director Raley remains on the Audit Committee, the fiscal impact does not change. If Director Harrison or Vice President McDonald is appointed to the Legislative Committee, the budgetary impact is approximately \$5,586 which includes all seven meetings per diem, travel, lodging, mileage, meals, and mandatory attendance at Legislative Days and Annual Conference. If Director Harrison is appointed to Professional Development or Member Services Committee the fiscal impact is \$800.00 if airfare is needed; if no airfare is required budgetary impact is \$432. Staff has estimated costs for requested committees. The legislative committee is the most expensive and detailed expenses are included as an attachment.

POTENTIAL MOTIONS

1. Move to nominate Directors for requested Committees and Direct staff to submit nominations.
2. Move to table issue and request the Finance & Administration Committee address issues raised by the Board.
3. Table the item to a future meeting

ATTACHMENTS OR MATERIALS

Summary of Committees

CSDA Committees Cost Estimate for 2019



**California Special
Districts Association**
Districts Stronger Together

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Committees



CSDA Committees

CSDA relies on the participation of our members in order to guide the Association. Committee involvement is crucial to the success of activities and the development of CSDA policies. The talent and energy of the individuals who serve on CSDA's committees and to the issues that concern special districts in California are the critical components of CSDA's success.

Legislative Committee (space is limited):

Develops CSDA's legislative agenda; reviews, directs and assists with legislative/public policy issues.

Commitment: Meets three times annually in Sacramento and four times annually via webinar. Committee members must additionally attend CSDA's Special Districts Legislative Days in Sacramento, CA and Annual Conference and are also invited to the legislative planning session.

Working Groups: Each legislative committee member will be assigned to 1 or 2 working groups. Working groups include: environment, formation and reorganization, governance, human resources and personnel, public works and facilities, and revenue.

At-a-Glance



The work of CSDA's committees help shape CSDA.

Interested in a Committee?

Complete the form on our [Get Involved](#) page!

Link to Your Committee Here

If you have already been selected to serve on a CSDA Committee, you

Professional Development Committee: Plans, organizes and directs the professional development and events for CSDA.

Commitment: Meets at least twice annually.

Member Services Committee: Responsible for recruitment of new members, member retention, development of new member benefits and review of current programs.

Commitment: Meets at least twice annually.

Audit Committee: Responsible for maintaining and updating internal controls. Provides guidance to auditors regarding possible audit and fraud risks.

Commitment: May meet with auditors prior to the commencement of the audit, when audit is completed and possibly one meeting during the auditing process. Financial experience preferred.

Elections & Bylaws Committee: Conducts annual elections and occasionally reviews bylaws upon request of the CSDA Board, members or as needed.

Commitment: Minimum of one meeting in Sacramento.

Fiscal Committee: Oversees the financial direction of the organization including budget review and implementation.

Commitment: Meets at least three times annually. Financial experience preferred.

No time to be on a committee? View other ways to get involved with CSDA.

automatically have access to the group's community.

Just click the appropriate button below:

LEGISLATIVE
COMMITTEE

PROFESSIONAL
DEVELOPMENT
COMMITTEE

MEMBER
SERVICES
COMMITTEE

AUDIT
COMMITTEE

ELECTIONS &
BYLAWS
COMMITTEE

FISCAL
COMMITTEE

CSDA COMMITTEES COST ESTIMATE FOR 2019

Name of Committee/Per Diem	Airfare Est.	Annual Conf. (Monterey)	Leg Days (Sacramento)
Audit Committee (Raley)	Per Diem for two meetings (unknown locations) \$432.00 \$820.00 TOTAL If they fly to SAC - locations may vary (Already Budgeted)	\$388.00 Airfare for two meetings	
Professional Development Committee (Harrison-2nd Choice)	Per Diem for two meetings (unknown locations) \$432.00 \$820.00 TOTAL If they fly to SAC - locations may vary	\$388.00 Airfare for two meetings	
Member Services Committee (Harrison - 3rd Choice)	Per Diem for two meetings (unknown locations)	Professional Development Committee and Member Services Committee meetings are Note: back to back on the same day.	
Legislative Committee (Harrison-1st Choice) and (McDonald-1st Choice)	Per Diem for 7 meetings (4 webinars, 3 in Sacramento) \$1,512.00 \$5,586.00 TOTAL FOR ALL MEETINGS AND CONFERENCES INCLUDES ALL EXPENSES AND PER DIEM	\$582.00 Want to get away rate	\$2,257.00 Includes per diem, hotel, meals, lodging, registration, mileage \$1,235.00 Registration, per diem, hotel, air

General Manager's Report

For August 4, 2018 to September 14, 2018
Daniel B. Cozad



**San Bernardino Valley
Water Conservation District**
Helping Nature Store Our Water

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

- 1. Water Conservation – Plan Goal 1** – Limited watershed flows account for intermittent recharge during the month. Staff continues to recharge all possible available water. Most of the water recharged is State Project water. Santa Ana recharge totals for the Water Year ending October 1, 2018, totaled 11,352 AF. The total recharge in Mill Creek is about 3,724 AF. Total water recharge is over 15,076 AF for the water year of that amount about over 10,000 AF was from State Water Project imports.
- 2. Facility Maintenance and Cleanout – Plan Goal 1** – The Mill Creek cleaning and repairs are being completed as most summer storms have subsided. Santa Ana maintenance is progressing with all basins functioning final heavy maintenance will be completed in the next few weeks for the expected winter rains.
- 3. Aggregate Management – Plan Goal 1** – Upland Rock continues to sell sand and rock and also supports District basin cleaning efforts. Upland will help stage rock for the Plunge Creek Conservation project.
- 4. Personnel/Administration/Staff** – Staff coordinated contract approval for the Classification and Compensation Study by Koff and Associates.
- 5. Finance/Budget/Audit** – Staff and the Ad Hoc Audit Committee finalized the Audit for the 2017-2018 fiscal year. Staff also finalized the audit of the Conservation Trust. Staff reviewed the reserve levels and will propose adjustments to reduce the unfunded liability for OPEB.
- 6. Mill Creek Diversion Engineering – Plan Goals 1/4** – SBC Flood Control and Staff continue to work with USACOE Section 408 permit staff. All other permits will be timed to coordinate with the 408 permit. All requested information has been submitted to the USACOE for the 408 permit and special modeling engineering calculations have been requested.
- 7. Plunge Creek Restoration Conservation Project – Plan Goals 1/4** – Regional Water Quality Control Board 401 certification permit is complete. The USACOE 404 permit is nearly complete likely waiting on USFWS. Regulatory agencies are expediting. Permitting for the project requires a Section 7 consultation with USFWS which was initiated by the USACOE. Staff is stockpiled rock for the splitter mounds and is preparing to complete the Dike D work with Plunge Creek earthwork.

8. **Enhanced Recharge Project** – *Plan Goal 1* – J.F. Shea Construction Completed this phase of the Project. The Enhanced Recharge Basins are scheduled for construction in 2020. Improvements at the Cuttle Weir are permitted in the River Habitat Conservation Plan and will follow its approval.
9. **Groundwater Council** – *Plan Goal 1* – The next Groundwater Council meeting is scheduled for October 10th and a verbal report will be provided.
10. **Wash Plan** – *Plan Goal 4* – The Wash Plan has a separate report listed on the agenda. Staff and local USFWS are completing their tasks to meet the requirements for Federal Registrar Publication. Staff is working with CDFW and other regulatory agencies for their approvals after the Wash Plan is final.
11. **Santa Ana River Wash Plan Land Exchange Act** – *Plan Goal 4* – HR-497 was heard in the Senate Energy and Natural Resources Markup Hearing on May 17th and passed out of committee. On July 31, 2018, the clean Committee Report was filed. No action is likely until after the mid-term elections in November. Word from Cook’s staff and others indicated movement to develop and move a federal lands bill with the consolidation of the Desert Protections Acts by Cook and Feinstein during the lame duck session.
12. **Conservation Trust** – *Plan Goal 4* - The Conservation Trust Board of Directors last met on September 28, 2018. Staff continues to coordinate with City of Highland and development interests adjoining the Wash Plan for Community Mitigation needs. Staff continues to work with a number of parties for mitigation lands. Staff is working with Wash Plan participants who may need more mitigation than expected for their projects to get their projects permitted.
13. **Property/Redlands Plaza** – Staff continues to manage Redlands Plaza and various issues related to tenants and maintenance. Plumbing and other maintenance were completed. One unit is vacant with one current tenant interested in leasing the unit.
14. **Mining** – Mining efforts by CEMEX contractors continue on the Plant Site quarry. District Counsel drafted revisions to the existing lease to revise it for the Wash Plan implementation which is being reviewed by CEMEX. Staff coordinated survey and followup for potential Roberson’s mining area with Robertson’s and USFWS Coordination and communications with permittees and resources agencies continue.
15. **Public Outreach and Legislative** – *Plan Goal 5* – Staff continued working with the BTAC group on Conservation Outreach efforts, formerly iEfficient. Awards results resulted in video work from CalPERS. Staff implemented the logo and tagline changes in District materials and signage.
16. **Community Recharge and Mitigation** – *Plan Goal 1 and 4* – The 2017 Community Strategic Plan (CSP) included this effort for planning and implementation. Working with communities and partners staff continues to develop a list of projects and programs that wish to work with the



capabilities of the District to enhance the community through mitigation and recharge efforts.

17. Active Recharge Partnership – Plan Goals 1, 2 and 4 – As a result of the Joint Board Meeting in September legal counsel and staff are preparing a draft Partnership Agreement an MOU for Active Recharge Projects and Habitat Conservation Easements.

18. 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. Staff delayed property line survey of the Mendoza and fencing due to property along the south side of the property.

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

- Revised Memorandum of Agreement with IERCD when completed
- Review and consideration of approval of the Memorandum of Agreement with the BLM in 2018
- CalPERS Educational Forum (October 22)
- Partnership Agreement for Active Recharge (November)
- Homelessness planning efforts (November)

20. District Successes

- Recent video taping for CalPERS got the general manager and some staff to clean their offices
- Staff received the first completed permit for Plunge Creek Conservation project.
- Ten Staff and Board Members participated in the ACWA JPIA Wellness program. Special thanks to Angie who organizes it each year. Maybe some of the habits will stick.

San Bernardino Valley Water Conservation District

Monthly Recharge Report

From: 9/1/2018
To: 9/30/2018



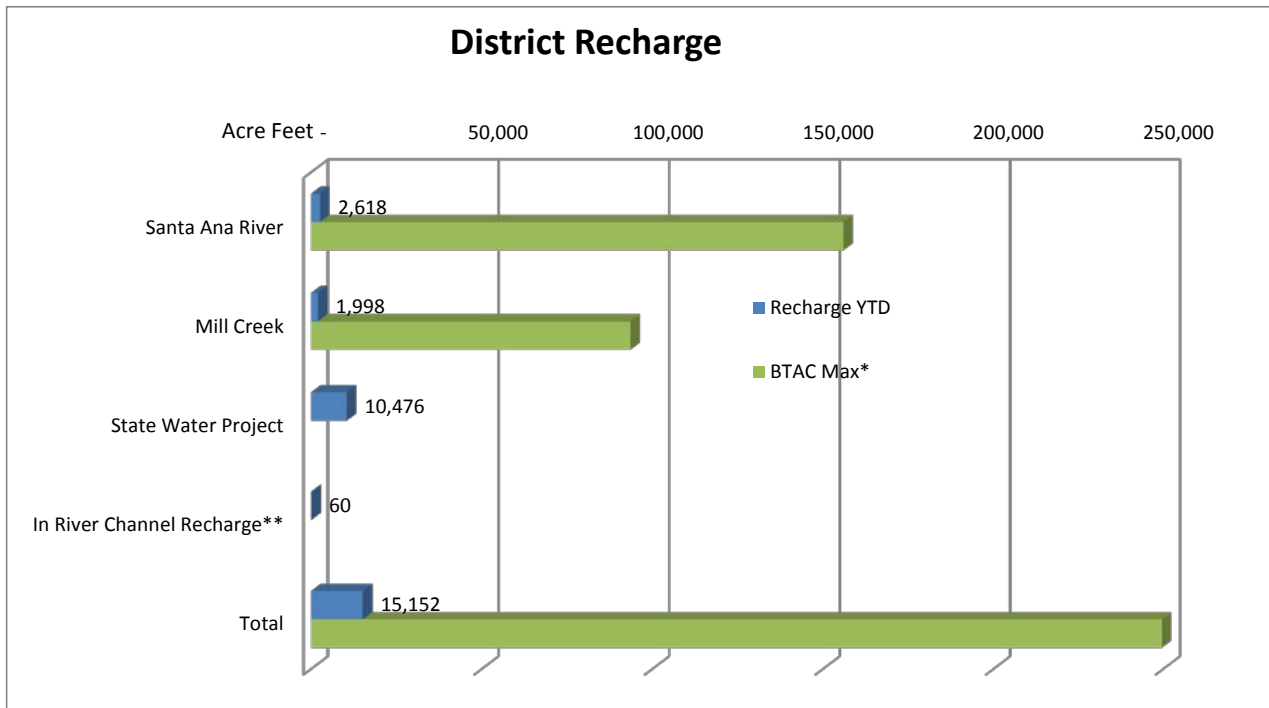
	September				
	Avg Daily Recharge	Monthly Recharge	Recharge YTD	BTAC Max*	% Max
Santa Ana River	0.0	-	2,618	156,000	2%
Mill Creek	0.9	28	1,998	93,600	2%
State Water Project	51.0	1,529	10,476	NA	NA
In River Channel Recharge**	0.0	-	60	NA	NA
Total	52	1,557	15,152	249,600	6%

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



TRAVEL AND EXPENSES COST ESTIMATE

Name of Event:	ACWA Regulatory Summit
Event Dates:	October 16, 2018 (Sacramento)
Requested by:	Melody McDonald

GL	GL Name	Cost	Notes
	6401 Directors Fees (\$216)	\$ 432.00	2 days per diem
	6410 Mileage (.545)	\$ -	
	6415 Airfare	\$ 490.00	Roundtrip
	6420 Other Travel	\$ -	
	6425 Meals	\$ -	
	6430 Lodging	\$ -	
	6435 Conference Registration (Full)	\$ 270.00	
	Estimated Total	\$ 1,192.00	

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
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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. 19 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