

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS MEETING

MINUTES OF August 14, 2019
1:30 p.m.

Vice President McDonald called the meeting of the Board of Directors to order at 1:32 p.m. All present stood for the Pledge of Allegiance, led by Vice President McDonald. President Corneille and Director Longville are noted excused.

ROLL CALL:

BOARD MEMBERS PRESENT:

David E. Raley, Director
Robert Stewart, Director
Melody McDonald, Vice President

BOARD MEMBERS ABSENT:

Richard Corneille, President
John Longville, Director

GENERAL COUNSEL PRESENT:

David Cosgrove, Rutan & Tucker, LLP

STAFF PRESENT:

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

GUESTS PRESENT:

Gil Navarro, San Bernardino Valley Municipal Water District
Luz Garcia
Paul Kielhold, San Bernardino Valley Municipal Water District
Clayton Larkins, Tetra Tech

1. PUBLIC PARTICIPATION

Vice President McDonald announced that any person present, who so desired, may make an oral presentation to the Board of Directors. Gil Navarro of San Bernardino Valley Municipal Water District addressed the Board regarding the Secombe Lake and provided a handout to the Board. He said that there might be a potential project related to Secombe Lake because there is much land that is currently not utilized and suggested a joint conservation project.

2. ADDITIONS/DELETIONS TO AGENDA

There were none.

3. CONSENT CALENDAR

It was moved by Director Stewart and seconded by Director Raley to approve the Consent Calendar: Item A: Board Minutes, July 10, 2019, Item B: Expenditure Report, July 2019, and Item C: Groundwater Assessment #52 Report for 01/01/2019-06/30/2019. The motion carried 3-0 with all Directors present voting in the affirmative and Director Longville and President Corneille noted absent from the vote.

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

4. COMMITTEE REPORTS/ACTION ITEMS

A. AD HOC TRAILS COMMITTEE VERBAL UPDATE

Mr. Cozad noted that the Ad Hoc Trails Committee met on July 19 and reviewed the preliminary project charter on the Wild Land Trails. These are also known as District maintenance roads which go through the preserve. The District has been working with the cities on trails implementation, but it is not priority for them at this time. Staff has prepared a draft project charter to identify a faster way to implement trails independently; the charter also includes a draft budget included in package beginning package page 31. Staff stated that additional work is needed but asked for feedback from the Board. Mr. Cosgrove stated that he is concerned with informal use of the trails and the potential liability. He suggested that staff coordinate with him and JPIA to refine the charter. Vice President McDonald spoke in support of the charter and staff working with counsel. Director Stewart expressed his appreciation for staff's efforts in identifying ways to implement one of the Board priorities. This item was received and filed.

B. FINANCE & ADMINISTRATION COMMITTEE VERBAL UPDATE

Mr. Cozad briefly reviewed the financials. He said that the Finance & Administration Committee met on July 24 and items for approval from that meeting are Items 4C and 4D.

C. PERSONNEL MANUAL REVISIONS FOR OPEB

Mr. Cozad noted these items are included in the Board package beginning on page 38. The District hired an actuary to perform an analysis of the Other Post-Employment Benefits (OPEB) and additional questions were raised which needed to be addressed. The current policy is ambiguous on several issues related to spousal coverage and survivor benefits. Staff has prepared a redline strikeout of the proposed revisions shown on package page 41.

It was moved by Director Raley and seconded by Director Stewart to amend the Personnel Manual with the clarifying language listed on package page 41 which states that coverage for surviving spouse

continues until the spouse reaches the age of 65 (whether or not the retiree has predeceased or previously qualified for Medicare). The motion carried 3-0 with all Directors present voting in the affirmative and Director Longville and President Corneille noted absent from the vote.

President Corneille: Absent
Vice President McDonald: Yes
Director Longville: Absent
Director Raley: Yes
Director Stewart: Yes

Mr. Cozad said that GASB 75 has set standards on how the District will estimate future costs; those standards are different than how the District estimated its costs before. GASB 78 requires identification of the implicit subsidy to be reported even if it is not paid. The District estimates that there will be \$120,000 in additional contribution to fully fund the OPEB Trust due to implicit subsidy costs.

It was moved by Director Raley and seconded by Director Stewart to direct staff to fund the OPEB Trust using reserves to cover implicit subsidy in an amount estimated to be \$120,000 to fully fund. The motion carried 3-0 with all Directors present voting in the affirmative and Director Longville and President Corneille noted absent from the vote.

President Corneille: Absent
Vice President McDonald: Yes
Director Longville: Absent
Director Raley: Yes
Director Stewart: Yes

D. FOURTH QUARTER UNAUDITED FINANCIALS FOR FY 2018-2019

Mr. Cozad noted the Fourth Quarter Unaudited Financials inclusion on package page 44. These numbers are shown on cash basis. The Active Recharge Transfer Projects funds have been invested in CAMP. Mr. Cozad reviewed in brief the Quarterly Investment Report on package page 47.

It was moved by Director Raley and seconded by Director Stewart to approve the Fourth Quarter Unaudited Financials for FY 2018-2019 as presented. The motion carried 3-0 with all Directors present voting in the affirmative and Director Longville and President Corneille noted absent from the vote.

President Corneille: Absent
Vice President McDonald: Yes
Director Longville: Absent
Director Raley: Yes
Director Stewart: Yes

E. OPERATIONS COMMITTEE VERBAL UPDATE

Vice President McDonald reported that an Operations Committee was held on August 1 and that a tour was held immediately following the meeting. Mr. Beehler said that the District has a lot of sand and cleaning is moving forward.

F. UNAUDITED FINANCIAL REPORTS, JULY 2019

Mr. Cozad said that since the report was prepared the City of Redlands has reported \$68,868.14 for their groundwater charge. The financials are included beginning package page 49. Mr. Cozad noted that a new enterprise has been added for the Active Recharge Transfer Projects.

It was moved by Director Stewart and seconded by Director Raley to approve the Unaudited Financials for July 2019. The motion carried 3-0 with all Directors present voting in the affirmative and President Corneille and Director Longville noted absent from the vote.

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

G. ACWA 2020-2021 COMMITTEE CONSIDERATION APPROVAL

Vice President McDonald has requested to be nominated for the Federal Affairs Committee as her first choice and State Legislative Committee as her second choice. President Corneille has requested re-nomination to the Groundwater Committee as his first choice and Water Management Committee as his second choice.

It was moved by Director Raley and seconded by Director Stewart to authorize staff to submit the ACWA Committee Consideration Forms for Vice President McDonald and President Corneille as requested. The motion carried 3-0 with all Directors present voting in the affirmative with President Corneille and Director Longville noted absent from the vote.

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

H. ACWA REGION 9 BOARD BALLOT FOR 2020-2021

Mr. Cozad presented this item for discussion noting the ballots inclusion on package page 62. Vice President McDonald suggested that the Board vote for the recommended slate with the exception of Vice Chair for which she recommended Luis Cetina.

It was moved by Director Raley and seconded by Director Stewart to vote for Phil Rosentrater for Chair; Luis Cetina for Vice Chair; Brenda Dennstedt, Carol Lee Brady, G. Patrick O'Dowd, James Morales Jr., and Harvey Ryan for Board Members. The motion carried 3-0 with all Directors present voting in the affirmative and President Corneille and Director Longville noted absent from the vote.

President Corneille: Absent
Vice President McDonald: Yes
Director Longville: Absent
Director Raley: Yes
Director Stewart: Yes

I. RATIFICATION OF MEMORANDUM OF UNDERSTANDING WITH COUNTY OF SAN BERNARDINO DEPARTMENT OF PUBLIC HEALTH

It was moved by Director Raley and seconded by Director Stewart to ratify the Memorandum of Understanding with the County of San Bernardino Department of Health for vector control services for a five year term at an annual cost not-to-exceed \$45,000. The motion carried 3-0 with all Directors present voting in the affirmative President Corneille and Director Longville noted absent from the vote.

President Corneille: Absent
Vice President McDonald: Yes
Director Longville: Absent
Director Raley: Yes
Director Stewart: Yes

J. LAND EXCHANGE BLM AGREEMENTS

Mr. Cozad said that staff has not received the final agreement yet.

It was moved by Director Raley and seconded by Director Stewart to table this item until September 11 Board of Directors Meeting. The motion carried 3-0 with all Directors present voting in the affirmative President Corneille and Director Longville noted absent from the vote.

President Corneille: Absent
Vice President McDonald: Yes
Director Longville: Absent
Director Raley: Yes
Director Stewart: Yes

K. RESOLUTION FOR RETIREMENT OF JEFF BEEHLER

It was moved by Vice President McDonald and seconded by Director Stewart to approve Resolution No. 574 in appreciation for the service performed by Land Resources Manager, Jeff Beehler. The motion carried 3-0 with all Directors present voting in the affirmative President Corneille and Director Longville noted absent from the vote.

President Corneille: Absent
Vice President McDonald: Yes
Director Longville: Absent
Director Raley: Yes
Director Stewart: Yes

L. VACATION ALLOCATION FOR MANAGEMENT POSITIONS

Mr. Cozad introduced this item for discussion. He noted the inclusion of the item on package pages 76 to 77. Mr. Cozad said both applicants for Land Resources Manager and Senior Engineer/Project Manager have either four or six weeks of leave in their current positions. The applicants have requested to start with a minimum of three weeks of accrued vacation. Mr. Cozad said that this would require a minor revision to the Personnel Manual. Director Stewart requested that the revisions be tied into the matrix as identified through the Classification and Compensation Study. Mr. Cozad said that he could call out the specific positions of Land Resources Manager/Assistant General Manager and Senior Engineer/Project Manager in the revised section. Director Raley spoke in opposition to having different vacation accrual rules for different employees. Mr. Cozad said staff have varying accruals due to longevity and that in hiring senior position they would rather have access to time off than increase salary.

It was moved by Director Stewart and seconded by Vice President McDonald to revise Personnel Manual as proposed by staff with the addition of Land Resources Manager/Assistant General Manager and Senior Engineer/Project Manager in revised section. The motion carried 2-1 with Vice President McDonald and Director Stewart voting in the affirmative and Director Raley voting in opposition. President Corneille and Director Longville were noted absent from the vote.

President Corneille: Absent
Vice President McDonald: Yes
Director Longville: Absent
Director Raley: No
Director Stewart: Yes

5. INFORMATION ITEMS

A. PLUNGE CREEK PROJECT UPDATE

Mr. Beehler introduced this item for discussion and presented a PowerPoint presentation. The CDFW issued a draft final permit for Woolly Star take. Last week the San Bernardino Kangaroo Rat (SBKR) was listed as a candidate on the California endangered species. Mr. Beehler said that the SBKR must have coverage even though it is listed as a candidate. The CDFW has a fully mitigated standard where the District must fully mitigate its impacts. Mr. Beehler provided a handout with a proposed smaller-scale version of the Plunge Creek Project which would not require mitigation; this is a two-phase option. This is an informational item only; staff will bring back a more detailed plan for Board approval.

B. WASH PLAN VERBAL UPDATE

Mr. Beehler provided the report. He said that staff would go to the Sacramento office to review edits on the EIR/EIS at FWS office. After the solicitor reviews the document it should be ready for publication in Federal Registrar. This item was received and filed.

C. GENERAL MANAGER'S REPORT AND MONTHLY RECHARGE REPORT

Mr. Cozad indicated that the written General Manager's Report was included in the Board Package on pages 80 through 83. The Monthly Recharge Report was included on package page 84. The Succession and Staffing Plan preparation is underway and will be placed on the agenda for the Finance & Administration Committee at its next quarterly meeting or directly to the Board. The District removed close to one hundred tires from the property transferred from City of Redlands and has placed boulders on the property to prevent trespassing. Mr. Cozad announced the new employees; Michael Guizar, Field Operations Specialist; Erwin Fogerson, Senior Engineer/Project Manager and Betsy Miller, Land Resources Manager/Assistant General Manager. This item was received and filed.

D. FUTURE AGENDA ITEMS AND STAFF TASKS

Director Stewart asked for a brief overview of the salt and nutrient study done by Valley Municipal.

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

Director Raley attended the Valley Municipal Board meeting on June 4, Finance & Administration Committee on July 24 and Conservation Trust Meeting on July 11. He attended the Ad Hoc Audit Committee on July 31, Ad Hoc Trails Committee on July 19 and Valley Municipal Board Policy Workshop on August 1. Director Raley attended the Valley Municipal Board Meeting on August 6, Valley Municipal Board Resources Workshop on August 8 and San Bernardino County Water Conference on August 9.

Director Stewart attended the Basin Technical Advisory Committee (BTAC) on August 5 and June 3, Conservation Trust on July 11 and Ad Hoc Trails Committee on July 19. He attended the Ad Hoc Audit Committee on July 31.

Vice President McDonald attended the Women in Water on July 24, Highland Area Chamber of Commerce Luncheon on July 23 and Valley Municipal Board Meeting on July 16. She attended the Association of San Bernardino County Special Districts on July 15, ACWA State Legislative Committee on July 12, and Valley Municipal Board Policy Workshop on July 11. Vice President McDonald attended the Valley Municipal Board Meeting on July 2, Valley Municipal Board Engineering Workshop on July 9 and BTAC on August 5. She attended Valley Municipal Board Meeting on August 6.

It was moved by Director Raley and seconded by Vice President McDonald to approve President Corneille's travel request to the

ACWA Fall Conference in the amount of \$2,465. The motion carried 3-0 with all present voting in the affirmative. President Corneille and Director Longville were noted absent from the vote.

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

7. UPCOMING MEETINGS

There were none discussed.

8. CLOSED SESSION

It was moved by Director Raley and seconded by Director Stewart to adjourn to Closed Session. The motion carried 3-0 with all Directors present voting in the affirmative and President Corneille and Director Longville noted absent from the vote.

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

General Counsel announced that the meeting would adjourn to closed session under all of items one and two under Closed Session items.

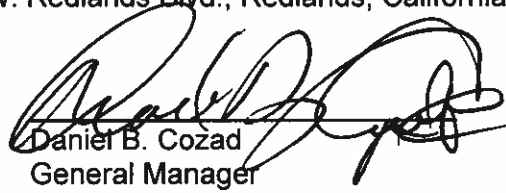
At 4:26 p.m., the meeting reconvened into Open Session. Mr. Cosgrove noted that there was no reportable action.

9. ADJOURN MEETING

It was moved by Director Stewart and seconded by Director Raley to adjourn. The motion carried 3-0 with all Directors present voting in the affirmative and President Corneille and Director Longville noted absent from the vote.

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

At 4:26 p.m., the meeting adjourned to the Board meeting scheduled for 1:30 p.m. September 11, 2019, at District Headquarters, 1630 W. Redlands Blvd., Redlands, California.



Daniel B. Cozad
General Manager