

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS MEETING

MINUTES OF October 14, 2020
1:30 p.m.

President Corneille called the meeting of the Board of Directors to order at 1:30 p.m. by teleconference and Zoom meeting; all those in attendance stood for the pledge of allegiance led by President Corneille.

ROLL CALL:

BOARD MEMBERS PRESENT:

Richard Corneille, President
Melody McDonald, Vice President
David E. Raley, Director
Robert Stewart, Director
John Longville, Director

BOARD MEMBERS ABSENT:

None

GENERAL COUNSEL PRESENT:

David Cosgrove, Rutan & Tucker

STAFF PRESENT:

Daniel Cozad, General Manager
Betsy Miller, Land Resources Manager/Assistant General Manager
Athena Monge, Administrative Specialist
Katelyn Scholte, Assistant Engineer

GUESTS PRESENT:

T. Milford Harrison, San Bernardino Valley Municipal Water District
June Hayes, San Bernardino Valley Municipal Water District
David E. Smith, East Valley Water District
Clayton Larkin, Tetra Tech

1. PUBLIC PARTICIPATION

President Corneille announced that any person present, who so desired, may make an oral presentation to the Board of Directors. There being none, the meeting continued with the posted agenda items.

2. ADDITIONS/DELETIONS TO AGENDA

There were none.

3. CONSENT CALENDAR

It was moved by Vice President McDonald and seconded by Director Longville to approve the Consent Calendar: Item A: Board Minutes, September 9, 2020 and Item B: Expenditure Report, September 2020. The motion carried 5-0 with all Board members present voting in the affirmative.

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

4. COMMITTEE REPORTS/ACTION ITEMS

A. 2020 AUDIT REPORT

Mr. Cozad reviewed this item and noted its inclusion in the package on page 22. He indicated that it was a clean audit; there were no recommendations or findings. He briefly reviewed the reserve balances shown on package page 44. Director Raley said that the auditor was pleased with staff's cooperation and the audit. Director Longville expressed his appreciation for staff.

It was moved by Director Longville and seconded by Director Raley to approve the 2020 Audit Report as presented. The motion carried 5-0 with all Board members present voting in the affirmative.

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

B. OPERATIONS COMMITTEE VERBAL UPDATE

President Corneille provided a verbal update of the Operations Committee held on September 16. Manuel Colunga, Field Supervisor, provided a field update to the Committee, including an overview of the Borrow Pit cleaning and other maintenance activities. An update was provided on the Plunge Creek construction, Active Recharge Transfer Projects, Enhanced Recharge Project, and the Mentone Shop. The Mentone Shop work has been delayed due to staff performing construction inspection on the Plunge Creek project. A needs analysis study was requested by the Operations Committee, which will confirm the location and space needs of the Shop, will be available soon for review by the Operations Committee. The Mill Creek project and permitting was discussed and may be complete in June 2021. Vice President McDonald indicated that sometimes projects moving slower will end up in a better result. Director Stewart spoke in support of the shop needs analysis.

C. UNAUDITED FINANCIAL REPORTS, SEPTEMBER 2020

Mr. Cozad introduced this item for discussion, noting its inclusion on package pages 95 to 100.

It was moved by Vice President McDonald and seconded by Director Longville to approve the Unaudited Financial Reports for September 2020. The motion carried 5-0 with all Board members present voting in the affirmative.

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

D. CONFLICT OF INTEREST CODE

Mr. Cozad noted this item's inclusion on package page 101. The 2020 Biennial notice of the Code is required by the San Bernardino Clerk of the Board of Supervisors. There are no changes to the current code.

It was moved by Vice President McDonald and seconded by Director Longville to approve the Conflict of Interest Code and Resolution No. 539 with revisions to resolution. The motion carried 5-0 with all Board members present voting in the affirmative.

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

E. CALPERS UNFUNDED ACTUARIAL LIABILITY AND RESERVE LEVEL TARGETS AND ALLOCATIONS

Mr. Cozad presented this item for discussion. He noted this item's inclusion on package page 112. The recommended payment to the Unfunded Actuarial Liability (UAL) is \$387,402. Staff recommends increasing the reserve level for the Compensated Absences Reserve to \$175,000. Director Raley suggested deferring this item to the Finance & Administration Committee. The UAL is an estimated amount based on a full set of assumptions from CalPERS. President Corneille said that he would like additional clarification on the numbers within the report. He said that he was not comfortable with taking action today. He suggested the full Board should hear a more comprehensive presentation at a Board meeting dedicated to this topic. Mr. Cozad said that the UAL is not due, but interest is accrued daily on the UAL. Director Raley said that he would like an in-depth review of the Valuation Reports, UAL, and reserves to know how to budget this item correctly. Mr. Cozad indicated that he can review this item in depth or the District may hire a firm to obtain a more in depth analysis. Vice President McDonald asked why CalPERS is charging 7.15% interest. Mr. Cozad said that is the rate at which CalPERS is estimating their long-term investment returns. It was the consensus of the Board to defer this item to a Special Board Meeting to allow for an in-depth review.

It was moved by Director Longville and seconded by Vice President McDonald to defer this item to a Special Board Meeting to be held on October 19. The motion carried 5-0 with all Board members present voting in the affirmative.

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

F. FIELD EQUIPMENT CAPITAL PURCHASE OF FORD F-150 PURCHASE

Mr. Cozad introduced this item for discussion. He indicated that field staff was rear-ended in an accident on September 8, and a claim was filed with ACWA/JPIA. The District took possession of the replacement vehicle last week. Through this process, the General Manager reviewed the budget, where the District planned to purchase a replacement vehicle for the 2007 Ford F-350. Having already received quotes, he recommended replacing this vehicle in an amount not to exceed \$38,000. Staff would trade in 2007 Ford F-350 and purchase a second, identical F-150.

It was moved by Vice President McDonald and seconded by Director Stewart to approve the purchase of a Ford F-150 in an amount not to exceed \$38,000. The motion carried 5-0 with all Board members present voting in the affirmative.

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

5. INFORMATION ITEMS

A. WASH PLAN IMPLEMENTATION UPDATE

Ms. Miller indicated that staff continues to work with AECOM on remaining permitting, and a desktop review has been completed of the covered activities. There are meetings and field visits scheduled over the next few weeks. Ms. Miller has reviewed the permitting requirements for the State Endangered Species Act and will be drafting an application. Staff is continuing to work with BLM on the Land Exchange and has provided all pertinent information. Ms. Miller is working on continuing the one-year implementation efforts. Mr. Cosgrove stated that efforts continue related to the appraisal of the Land Exchange. Ms. Miller provided a verbal update of the San Diego Zoo translocation of the San Bernardino Kangaroo Rat (SBKR). They have been translocated to San Jacinto and are being monitored. Photos were shown of the SBKR. This item was received and filed.

B. PLUNGE CREEK UPDATE

Ms. Miller provided a verbal update on this item in the absence of Mr. Fogerson. She said that Plunge Creek construction had been completed. The Notice of Completion to the County was submitted on September 17. The original bid and contract amount was \$387,632 for Phase 1 and 2 with a ten percent

contingency. The final amount of the contract was \$413,167.51; this includes mitigation measures required for wildlife permits, mostly fencing. The project has a Habitat Management and Monitoring Program, which allows us to gain habitat credits with the U.S. Army Corps of Engineers. Ms. Miller thanked the Inland Empire Resources Conservation District for their support on this project, primarily Aaron Echols. A video was shown of the Plunge Creek Project. Ms. Miller expressed her appreciation for Ms. Scholte and Mr. Fogerson for their hard work and dedication to the project. Director Longville thanked staff for the video that was shown. This item was received and filed.

C. ACTIVE RECHARGE TRANSFER PROJECT UPDATE

President Corneille noted the Status Report inclusion in the Board package on package page 148. The Operations Committee reviewed this item on September 16, and the Active Recharge Transfer Project (ARTP) Policy Committee reviewed and approved this item on October 8. Mr. Cozad said that the ARTP also reviewed and approved the ARTP Policy Principles and endorsed the purchase and sale agreement for the Plunge Creek Quarry and the San Bernardino County Flood Control-Conservation District Planning MOU principles

D. 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 152 through 155. He said that the Groundwater Council (GC) met on October 12, where the equitable allocation model was accepted. He said he expects the City of Redlands to join the council in the next couple of months. The GC proposed a Full Participation Plan, which is aimed at non-members of the GC. A brief discussion ensued regarding GC efforts. Staff is also looking into adding a recharge or sustainability component to the Groundwater Charge. Staff is working closely with San Bernardino Valley Municipal Water District on the Enhanced Recharge Project and their Jurisdictional Delineation related to Waters of the State. The Conservation Trust met on October 7 where the Audit Report was approved. Mr. Cozad noted a District Commendation from a member of the Redlands Municipal Advisory Commission, shown on package page 156. The Monthly Recharge Report was included on package page 158. Director Longville expressed his appreciation for staff and the leadership of Mr. Cozad. This item was received and filed.

E. FUTURE AGENDA ITEMS AND STAFF TASKS

These were noted within the General Manager's Report.

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

President Corneille attended the Redlands Chamber of Commerce meeting on September 10, Operations Committee on September 16, and the Advisory Commission agenda planning meeting on September 17.

Director Stewart attended the Conservation Trust meeting on October 7.

Director Raley attended the Ad Hoc Audit Committee on September 24, the Valley Municipal Board meeting on October 6, and Big Bear Watermaster Committee on October 13. He attended the Valley Municipal Policy Workshop on October 8.

Director Longville attended the Valley Municipal Board meetings on September 15 and October 6. He attended the Conservation Trust on October 7, Ad Hoc Audit Committee on September 24, and met with staff to complete audit paperwork on October 9.

Vice President McDonald attended the Valley Municipal Engineering Workshop on October 13, Valley Municipal Policy Workshop on October 8, and Valley Board meeting on October 6. She attended the Valley Municipal Resources Workshop on October 1, Operations Committee on September 16, Valley Municipal Board meeting on September 15, and Valley Municipal Policy Workshop on September 10.

7. UPCOMING MEETINGS

There were none discussed.

8. CLOSED SESSION

It was moved by Director Longville and seconded by Vice President McDonald to adjourn to Closed Session. The motion carried with all directors present voting in the affirmative.

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

General Counsel announced that the meeting would adjourn to Closed Session under all items on the published agenda.

At 4:12 p.m., the meeting reconvened into Open Session. Mr. Cosgrove noted while in Closed Session under Government Code section 54957.1 that there was no reportable action.

9. ADJOURN MEETING

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

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

At 4:12 p.m., the meeting adjourned to the Special Board meeting scheduled for 1:30 p.m. on October 19, 2020, via Zoom.


Daniel B. Cozad
General Manager