

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT  
BOARD OF DIRECTORS MEETING

MINUTES OF AUGUST 11, 2021  
1:30 pm

President McDonald called the Board of Directors' meeting to order at 1:30 pm by in-person, teleconference, and Zoom meeting; all those in attendance stood for the pledge of allegiance led by President McDonald.

ROLL CALL:

BOARD MEMBERS PRESENT:

Melody McDonald, President  
Richard Corneille, 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  
Katelyn Scholte, Assistant Engineer  
Athena Lokelani, Administrative Specialist  
Angie Quiroga, Administrative Analyst

GUESTS PRESENT:

T. Milford Harrison, San Bernardino Valley Municipal Water District  
June Hayes, San Bernardino Valley Municipal Water District  
Heather Dyer, San Bernardino Valley Municipal Water District  
Willow Green, Tetra Tech

1. PUBLIC PARTICIPATION

President McDonald announced that any persons 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 discussed.

3. GUEST RECOGNITIONS/SELF INTRODUCTIONS

The members of the public made self-introductions.

Mr. Cosgrove declared a conflict of interest on Item 4C, Approval of In-House Legal Counsel Agreement, which he indicated has a financial interest and effect on his personal finances, source of income, and law firm Rutan & Tucker. Consistent with the formal advice letter received from the Fair Political Practice Commission, A-21-076 from July 12, 2021, he recused himself through completion of the consent calendar.

4. CONSENT CALENDAR

President McDonald introduced this item for discussion.

**It was moved by Vice President Corneille and seconded by Director Longville to approve the Consent Calendar: Item A: Board Minutes, July 14, 2021; Item B: Expenditure Report, July 2021; and Item C: Approval of In-House Legal Counsel Agreement. The motion carried 5-0, with all Board members present voting in the affirmative.**

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

Vice President Corneille discussed the Groundwater Assessment Report from period 01/01/2021-06/30/2021, included on package page 25. He asked if groundwater production and revenue are lower than previous dry years due to delays in production reporting by smaller irrigation districts. Mr. Cozad indicated that all reports through August 5 are included here, and agreed that additional districts and other users may report later this month. A separate list will be prepared in September for those that do not report. Brief discussion ensued.

**It was moved by Vice President Corneille and seconded by Director Stewart to approve the Consent Calendar: Item 4D: Groundwater Assessment Report, 01/01/2021-06/30/2021. The motion carried 5-0, with all Board members present voting in the affirmative.**

5. COMMITTEE REPORTS/ACTION ITEMS

A. FINANCE & ADMINISTRATION COMMITTEE VERBAL REPORT

Mr. Cozad provided a verbal update of the Finance & Administration Committee (Committee) meeting held on July 28, 2021. The Committee reviewed the 4<sup>th</sup> Quarter Unaudited Financial Reports for FY 2020-2021, which comes next on the agenda.

**B. 4<sup>TH</sup> QUARTER UNAUDITED FINANCIAL REPORTS FOR FY 2020-2021**

Mr. Cozad introduced this item for discussion, noting its inclusion on package page 34. This is the last version of cash basis financials for the 2020-2021 fiscal year; after this you will see financials including accruals. Vice President Corneille asked about the budget for the directors' expenses and redistricting. Mr. Cozad noted that \$25,000 had been budgeted for redistricting. This is likely adequate if District interns complete the project rather than hiring external consultants. Director Longville spoke in favor of utilizing interns to support the project. Mr. Cozad indicated that the District is above budget for mining revenue received. There are explanations included in the notes column in the financial report to detail reasons for the various changes within financials. Mr. Cozad noted that the raises were not as high as expected in the budget and the District has more reimbursed staff time, so this item is below budget. The general administration and directors' expenses were below budget, primarily due to the pandemic. The Quarterly Investment Report is included on package page 38; the return on investment for the funds placed into CalTrust is 27.4%.

**It was moved by Director Longville and Director Stewart to approve the 4<sup>th</sup> Quarter Unaudited Financial Reports from Fiscal Year 2020-2021. The motion carried 5-0, with all Board members present voting in the affirmative.**

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

**C. UNAUDITED FINANCIAL REPORTS, JULY 2021**

Mr. Cozad introduced this item for discussion, noting its inclusion on package page 40.

**It was moved by Vice President Corneille and Director Longville to approve the Unaudited Financial Reports from July 2021. The motion carried 5-0, with all Board members present voting in the affirmative.**

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

**D. CSDA 2022 COMMITTEE AND EXPERT FEEDBACK TEAM APPOINTMENTS**

There are currently no Board members seated on any committees for CSDA and none have expressed interest for calendar year 2022. No action was taken.

**E. ACWA COMMITTEE APPOINTMENT NOMINATION 2022-2023**

Mr. Cozad reviewed this item, included on package page 54. President McDonald and Vice President Corneille expressed interest serving on the Groundwater Committee as noted on package page 59. President McDonald reviewed the ACWA appointment process. There were no additional Board members interested in serving on this or other ACWA committees.

It was moved by President McDonald and seconded by Vice President Corneille to submit the ACWA Committee Consideration Form with President McDonald's 1<sup>st</sup> choice: State Legislative; 2<sup>nd</sup> choice: Federal Affairs Committee; and 3<sup>rd</sup> choice: Water Quality; and with Vice President Corneille's 1<sup>st</sup> and only choice: Groundwater Committee. The motion carried 5-0, with all Board members present voting in the affirmative.

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

F. **AGREEMENT FOR APPRAISAL SERVICES WITH RESOURCE TECHNOLOGIES CORPORATION FOR LAND EXCHANGE APPRAISAL SERVICES**

Mr. Cosgrove noted this item's inclusion on package page 60. He has been working with the Appraisal and Valuation Services Officer (AVSO) to define the Statement of Work (SOW) as noted within the memo. Three responsive proposals were received: Resource Technologies Corporation, Spanish Flat Mining Company and Norris Realty Advisors. The District selected Resource Technologies Corporation. The agreement is included for review beginning on package page 62. The draft appraisal will be reviewed and approved by the AVSO. Director Stewart asked if the appraisal will be able to be completed within 120 days as noted in agreement and the timeline for AVSO review and approval. Mr. Cosgrove indicated that the consultant stated they would be able to complete it within that timeframe. He said that the AVSO had not indicated a timeline for review and approval of the appraisal but noted that he has been responsive and estimated a 60-day review process. Vice President Corneille asked about the acreage that is included within the land exchange. Mr. Cozad reviewed the acreage as noted on the bottom of package page 68. Director Longville expressed his appreciation for staff and legal counsel for their efforts and mentioned the outstanding job they perform.

**It was moved by Director Longville and seconded by Director Stewart to approve the agreement as presented. The motion carried 5-0, with all Board members present voting in the affirmative.**

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

6. INFORMATION ITEMS

A. **WASH PLAN IMPLEMENTATION UPDATE**

Ms. Miller provided a verbal update. She said that the monitoring and management reports from work conducted in 2021 would be finalized and included in the annual report that is prepared and presented to the regulatory agencies and the Board; they will also be included in the long-term database. Staff continues to work with AECOM on permitting, and positive feedback has been received. She is working on the request for proposals (RFP) to continue additional aspects of Wash Plan implementation and Mill Creek permitting. This item was received and filed.

## B. WASH PLAN TRAIL STATUS REPORT

The Wash Plan Trails Status Report is included on package page 113. Vice President Corneille indicated that he is in favor of the format and the brief summary provided. He thanked staff for the report. This item was received and filed.

## C. MENTONE SHOP IMPROVEMENTS STATUS REPORT

This item is included on package page 114. This item was received and filed.

## D. ACTIVE RECHARGE TRANSFER PROJECTS STATUS REPORT NO. 7

Ms. Scholte reviewed this item, noting its inclusion on package pages 115 to 141. The information provided is an update of the last ARTP Policy Committee held on July 12. She said that a proposal meeting was held yesterday for the RFP for the Feasibility Study. There will be a revised contract for drafting services brought to the Board in September for review and consideration. Director Stewart noted that the project listings presented on package page 122 and 123 are extensive and asked if they have been prioritized for implementation. Ms. Scholte stated that a cost-benefit analysis is included as part of the feasibility study analysis, which will inform project rankings. Vice President Corneille thanked staff for the informative presentation. Director Raley expressed his concern for keeping these projects moving forward. He suggested selecting at least five and focusing on them or having a process to prioritize. Mr. Cozad indicated that is the role of the ARTP Policy Committee to prioritize, track project processing, and ensure projects move forward. Project prioritization also takes permitting into consideration; for example, several projects are included in the River HCP and will be constructed when take permits are issued. The next ARTP Policy Committee will be held in October. Staff will make a presentation to the Board on the ARTP progress at its regular meeting in November.

## E. 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 142 through 145. He noted that Bob Martin from Bear Valley Mutual has retired and George Hanson is the new General Manager. Tom Crowley is now a representative for the ARTP Policy Committee. The Monthly Recharge Report was included on package page 146. This item was received and filed.

## F. FUTURE AGENDA ITEMS AND STAFF TASKS

Vice President Corneille requested that the Board review the redistricting process. He noted that he would not be in attendance at the September Board meeting and asked that it be deferred to October. Director Raley asked to revisit the calculation and progress on the groundwater rates and the replenishment component. He asked for a review of the steps taken to include those not in the Groundwater Council and outside of our boundary in paying the replenishment component.

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

Vice President Corneille attended the Association of San Bernardino County Special Districts (ASBCSD) dinner on July 19, Redlands Rise N Shine on August 6, and Valley Municipal Engineering Workshop on August 10. He noted that he would be out of state from August 13 through September 14.

Director Stewart attended the San Bernardino Valley Conservation Trust (SBVCT) meeting on July 19 and Finance & Administration Committee on July 28 as an alternate.

Director Raley attended the SBVWCD meeting on July 19, Valley Municipal Debt Service Fund Budget Workshop on July 22, and the Finance & Administration Committee on July 28. He attended the Valley Municipal Resources Workshop on August 5 and the Valley Municipal Board meeting on August 3.

Director Longville attended the Finance & Administration Committee on July 28 and met with District staff on July 21.

President McDonald attended the Valley Municipal Engineering Workshop on August 10, ASBCSD dinner meeting on July 19, ASBCSD Board meeting on August 9 and Valley Municipal Resources Workshop on August 5. She met with the president of Valley Municipal on August 4, attended the Valley Municipal Board meeting on August 3 and the Highland Area Chamber of Commerce Luncheon on July 27.

#### 8. UPCOMING MEETINGS

There were none discussed.

#### 9. CLOSED SESSION

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

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

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

At 3:16 pm, the meeting reconvened into Open Session. Mr. Cosgrove noted that there was no reportable action.

#### 10. ADJOURN MEETING

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

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

At 3:17 pm, the meeting adjourned to the Board meeting scheduled for 1:30 pm on September 8, 2021, in person, teleconference, and Zoom meeting.



Daniel B. Cozad  
General Manager