

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS MEETING

MINUTES OF JULY 12, 2023
1:30 p.m.

President McDonald called the Board of Directors meeting to order at 1:31 p.m. 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
Robert Stewart, Vice President
Richard Corneille, Director
David E. Raley, Director
John Longville, Director (Arrival 1:59 p.m.)

BOARD MEMBERS ABSENT:

None

GENERAL COUNSEL PRESENT:

David Cosgrove, District Counsel

STAFF PRESENT:

Betsy Miller, General Manager
Milan Mitrovich, Land Resources Manager
Katelyn Scholte, Principal Engineer
Erwin Fogerson, PERC Engineer
Athena Laroche, Administrative Specialist
Angie Quiroga, Senior Administrative Analyst
Laura Torres, Assistant Engineer

GUESTS PRESENT:

Paul Kielhold, San Bernardino Valley Municipal Water District
David E. Smith, East Valley Water District
Trevor Slazas, 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 no additions and deletions to the posted agenda.

3. GUEST RECOGNITIONS/SELF INTRODUCTIONS

Staff, Board, and guests made self-introductions.

4. CONSENT CALENDAR

It was moved by Director Corneille and seconded by Vice President Stewart to approve the Consent Calendar: Item A: Strategic Planning Workshop #1; Item B: Board Minutes, June 14, 2023; and Item C: Expenditure Report, June 2023. The motion carried 4-0, with all Board members present voting in the affirmative. Director Longville was noted absent from the vote.

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

5. COMMITTEE REPORTS/ACTION ITEMS

A. UNAUDITED FINANCIAL REPORT, JUNE 2023

Ms. Quiroga introduced this item for discussion, noting its inclusion on package page 35. She stated that GL 4017 PERC Capital Income is expected to be slightly below budget due to higher interest income. She indicated that the District has received \$112,960 from CEMEX which increased GL 4030 Mining Income. Director Raley asked for additional details on the mining revenue. Mr. Cosgrove said that the District's contract with CEMEX dictates the royalty rate which is based on tonnage of sold materials. An auditing process is outlined within the contract. Ms. Quiroga stated that an estimated \$350,000 will be reimbursed under GL 4999 from Wash Plan endowment interest via the Trust. The Exchange Plan Committee voted to share the cost of the Daily Flow Report (DFR), which were previously funded solely by San Bernardino Valley Municipal Water District (SBVMWD). The cost share for FY24 is \$4,500 for participating agencies.

Ms. Quiroga reviewed package page 37. She indicated that GL 4026 GW Sustainability/Replenishment is \$39,156 and GL 4024 Groundwater Council Revenue is \$731,640. Ms. Quiroga reviewed package page 38, noting funds were moved from LAIF to UBS Financial Services. President McDonald noted that Director's Expenses, including Director's Fees and Travel, will end the year below budget. Director Corneille asked for details on the difference between the budgeted and received groundwater charge. Ms. Quiroga indicated that the budgeted costs were estimated and the to-date amounts indicate amounts that groundwater producers have paid. Vice President Stewart asked how the remaining revenue will be handled. Ms. Miller stated that staff will review options for prefunding the various Trusts

the District has in place as well as placing remaining funds into reserves. Director Corneille asked why the expenditures for the Mentone House were higher than budgeted. Ms. Quiroga stated that the water heaters and piping were replaced. Director Corneille suggested that the District switch from gas to electric as upgrades are considered. Director Raley also suggested considering solar options when upgrading. As of June 30, the District's cash position is \$3,020,277. The Board thanked Ms. Quiroga for her detailed report.

It was moved by Director Corneille and seconded by Director Raley to approve the Unaudited Financial Reports from May 2023. The motion carried 4-0, with all Board members present voting in the affirmative. Director Longville was noted absent from the vote.

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

B. AWARD OF CONTRACT SERVICES AGREEMENT FOR PROFESSIONAL SERVICES FOR CONSTRUCTION MANAGEMENT AND INSPECTION FOR THE MILL CREEK DIVERSION AND DEBRIS MANAGEMENT IMPROVEMENT PROJECT

Mr. Fogerson introduced this item for discussion, noting its inclusion beginning package on page 42. He stated that staff began negotiations with Geocon based on Board direction, and that they do not believe they are a good fit for project needs. Staff suggest terminating negotiations with Geocon, and beginning negotiations with the second lowest bid, G3 Quality, Inc. Director Corneille asked where the inspector from G3 would be located. Mr. Fogerson stated they have a local office in Redlands, and Ms. Scholte said that no travel time will be charged.

It was moved by Director Corneille and seconded by Vice President Stewart to authorize the General Manager to terminate negotiations with Geocon West Inc., enter into a contract services agreement for professional services with G3 Quality, Inc. for construction inspection and materials testing services for capital improvement of the Mill Creek Diversion and Debris Management Improvement Project for a not to exceed amount of \$178, 291, adjust the contract services agreement for professional services Schedule of Fees, and add language to clarify the Scope of Services based upon required additional work for construction support up to ten percent contingency. The motion carried 4-0, with all Board members present voting in the affirmative. Director Longville was noted absent from the vote.

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

Director Longville: Absent
Director Raley: Yes

C. MILL CREEK DIVERSION AND DEBRIS MANAGEMENT IMPROVEMENT PROJECT CONSTRUCTION CONTRACT AWARD

Ms. Scholte introduced this item, noting its inclusion on package page 71. On June 29, bids were opened with six responsive bidders as noted on package page 72 and 73. The low bidder was Empire Equipment Services; following review of all applicable project aspects, including experience working in sensitive habitat areas and on U.S. Corp of Engineers (COE) property, staff recommends proceeding with a contract with Empire. Mr. Fogerson said they are prepared to get started immediately and are comfortable with the number of working days specified in the contract. Director Corneille noted that the costs outlined in this agreement are well under CIP budget and spoke in favor of the contract award. Vice President Stewart asked how water capture will be maximized during construction. Ms. Scholte indicated that staff is carefully watching the Mill Creek flows, and are diverting water for recharge as long as possible. She said that installation of construction fencing will begin next week. Discussion ensued on water capture. Ms. Miller said that details of the water capture maximization plan will be discussed with the Operations Committee at their next meeting.

It was moved by Director Corneille and seconded by Vice President Stewart to award a contract to Empire Equipment Services, Inc. (Riverside, CA), in the amount of \$1,353,234.078 for the project; authorize a contingency fund of \$135,324 for the project; authorize the General Manager to approve the expenditure of the contingency fund of \$135,324 for verified quantity overruns for this unit priced construction contract and order any necessary changes or additions in work performed under the contract; authorize General Manager to accept the work when complete and execute and file the Notice of Completion; authorize the General Manager to secure a letter of credit with an appropriate qualifying lender or alternatively, to make a refundable cash deposit from District reserves, in favor of/with the California Department of Fish and Wildlife up to the amount of \$175,000, as required by the Streambed Alteration Agreement for the project, which will secure the endowment required for management of off-site habitat acreage to mitigate impacts from the project. The motion carried 5-0, with all Board members present voting in the affirmative.

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

D. AMENDMENT 3 TO THE MILL CREEK GROUNDWATER RECHARGE FACILITY OPERATIONS AND MAINTENANCE PERMITTING PROFESSIONAL SERVICES CONTRACT AWARD

Ms. Miller introduced this item for discussion, noting its inclusion beginning package on page 106. She noted that on June 29 the District received the updated draft of the Streambed Alteration Agreement (SAA) from the California Department of Fish & Wildlife (CDFW). She noted tasks outlined within the memo that can be completed by District environmental staff and others that will need to be performed by consultants. She said staff reviewed options and determined that the most expeditious path to ensure the project can move forward as scheduled is to work with AECOM and recommended approval of Amendment 3 as presented. Ms. Miller stated that the fiscal impact is noted on package page 108. The total for all tasks, including optional tasks that may not be needed, is \$91,733 from Capital GL 7151 Mill Creek Diversion Project. A handout was provided with specific language on the amendment prepared by District Counsel. Vice President Stewart requested that when project contracts are brought forward to the Board for approval that the memo include a table with the total budget amount and running balances.

It was moved by Director Longville and seconded by Director Raley to approve the amendment with the revised handout language to the Mill Creek Groundwater Recharge Facility Operations and Maintenance Permitting Professional Services Contract with AECOM to authorize the new task 15A Habitat Suitability Assessment, optional task 15B Small Mammal Trapping, New Task 15C Small Mammal Report, Optional Task 16 Small Mammal Avoidance and Minimization Plan, New Task 17 Small Mammal Report, and Optional Task 18 Sediment Transport Monitoring Plan for a total cost of \$91,733 to fulfill Permit requirements from California Department of Fish and Wildlife Streambed Alteration Agreement EPIMS-SBR-38698-R6 and U.S. Army Corps of Engineers 408 Permission Number SPL-408-2018-030 in support of the Mill Creek Diversion and Debris Management Improvement Project and authorize the General Manager to execute the amendment. The motion carried 5-0, with all Board members present voting in the affirmative.

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

E. EQUALIZATION AND CLOSING COSTS PAYMENTS FOR WASH PLAN LAND EXCHANGE

Ms. Miller introduced this item for discussion, noting its inclusion on package page 114. She said that this item partially fulfills the requirement of the Upper Santa Ana River Wash Habitat Conservation Plan (HCP), which was approved by the Board on July 8, 2020. Based on communications with the Bureau of Land Management (BLM), the Land Exchange is estimated to be completed by the end of July. Action on this item would authorize funds for the District to complete the land transfer. Additional details are

included on the properties to be exchanged and the value of those properties are included on package page 115. Director Raley requested that staff update the Board on the actual funds expended. Mr. Cosgrove reviewed the congressional action that included the land exchange in brief. Director Corneille spoke in support of the land exchange. Vice President Stewart requested updated land ownership maps following completion of the exchange. Staff will work on updating all related documents. Director Corneille asked if the miners would submit their portion of the HCP endowment once the land exchange is complete. Ms. Miller indicated that the 2081 permit from CDFW is also needed before the mining Certifications of Inclusion can be issued. The land exchange map is shown on package page 116.

It was moved by Director Raley and seconded by Director Corneille to authorize the General Manager to expend \$70,000 in equalization payments for the Wash Plan land exchange and up to \$35,000 in fees associated with the processing and final documentation of the Wash Plan land exchange to the Bureau of Land Management or title, escrow, or other involved party. The motion carried 5-0, with all Board members present voting in the affirmative.

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

F. CAPITAL PURCHASE OF SECURITY SYSTEM UPGRADES

Ms. Miller introduced this item for discussion, noting its inclusion on package page 117. This item includes upgrades to the Redlands Plaza existing security system. The proposals are included on package page 119 to 186. Discussion ensued on improvements. The interior and exterior cameras will be replaced, and monitored by the security company. Vice President Stewart recommended placing a camera in a location where it could record license plates from vehicles in the parking lot. Quotes were requested from four companies for the security system upgrades. Securitas was the only company that provided a quote for all requested items. Ms. Miller said that staff is continuing to speak with them regarding including speakers on the camera system. This feature could limit alleviate the need for patrol services. Director Corneille asked if any local providers bid on this item. Ms. Laroche confirmed that our current provider did provide a quote, but it did not include all requested items. Director Raley asked staff to quote an AI system. Vice President Stewart said he would like to see a barrier between the bushes and our parking lot. Ms. Miller noted that after Mentone Shop improvements are completed, security upgrades are planned for the field shop as well. She indicated that upgrades to the fire alarm and moving to a VoIP will allow the District to realize cost savings by no longer needing a phone line. Director Longville spoke in support of the recommendation as the most economical path forward and noted that sufficient cameras should be purchased for comprehensive security.

It was moved by Director Longville and seconded by Director Corneille to authorize the General Manager to complete the capital purchase of security system upgrades, including door access, security cameras, roof

cameras, alarm system, and fire alarm for Redlands Plaza at a cost not to exceed \$49,971 with recurring monthly services fees of \$750 as adjusted for inflation; with authority to accept for minor revisions in the proposals as reviewed and approved by District Counsel. The motion carried 5-0, with all Board members present voting in the affirmative.

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

G. CAPITAL PURCHASE OF FORD F-350

This item was included on package page 187. Vice President Stewart asked if the District would retain the old truck and the 2003 Suburban. Ms. Miller responded in the affirmative. President McDonald requested that staff consider purchasing another truck due to new zero-emissions regulations on January 1, 2024. Mr. Cosgrove provided a summary of the regulations and indicated that the new regulations need to be reviewed in further detail with the Operations Committee.

It was moved by Director Corneille and seconded by Director Longville to authorize the General Manager to purchase a new Field Operations truck from Ken Grody Redlands Ford, and research and purchase (if determined to be cost-effective) an extended warranty for a not to exceed total of \$74,500. The motion carried 5-0, with all Board members present voting in the affirmative.

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

H. CSDA BOARD OF DIRECTORS ELECTIONS FOR 2024-2026, SEAT C-SOUTHERN NETWORK

Ms. Miller introduced this item for discussion, noting its inclusion on package page 190. She said that the deadline for ballot submission is July 14 and noted the information on three candidates as included in Board packet. The Board reviewed candidates in brief.

It was moved by Director Longville and seconded by Director Corneille to abstain from voting for the CSDA Board of Directors Elections for 2024-2026, Seat C-Southern Network. The motion carried 5-0, with all Board members present voting in the affirmative.

President McDonald: Yes

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

6. INFORMATION ITEMS

A. ENGINEERING UPDATE

This item is included on package pages 199 to 200. Mr. Fogerson provided a verbal update on the Mentone Shop. He stated that plans are being submitted and discussed the design-build contract with CSNK. Ms. Scholte said that they are ready to begin work on the water and electrical lines. She noted that staff evaluated moving forward with a septic system compared to installing sewer and determined that the cost for a septic system is significantly more economical. The required hydrant will be installed on the street within three hundred feet of the building. Mr. Fogerson said it is anticipated that the District will be able to utilize the hydrant to fill equipment.

Ms. Scholte reviewed the Mill Creek Diversion and Debris Management Improvement Project. Field staff is preparing the wildlife exclusion fencing that the District had remaining from the Plunge Creek Conservation Project for install next week. Once staff installs the fencing, they will contact the contractor to get a schedule and start date. The contract specifies eighty working days for construction. Mr. Fogerson noted that the contractor has three days from receiving the Notice to Proceed to begin construction. Ms. Scholte indicated that design submittals will have to be submitted to the District before it can issue a Notice to Proceed. The Board requested project photos be taken before and after and brought to the Board, including the new gates. Discussion ensued on fencing. Ms. Scholte discussed the methods the District is using to ensure water is recharged for as long as possible prior to construction.

Ms. Scholte provided a verbal update on the Enhanced Recharge Project. Staff met with San Bernardino Valley Municipal Water District (SBVMWD) staff in the field to review the project. SBVMWD is constructing a haul road and working with our team to build a connection structure from basin 13 to move water to D Dike during the construction project. The contractors have poured the walls and slabs to be assembled on-site. Ms. Scholte stated that while the basins are off-line due to construction, Conservation District staff will perform basin maintenance and cleanup in preparation for taking imported water. Mr. Mitrovich said that weekly environmental calls are being held. This item was received and filed.

B. PERC STATUS REPORT NO. 14

This item is included on package page 201. Ms. Scholte noted that our staff provided a tour of the Program for Expansion of Recharge Capacity (PERC) sites to staff from partner agencies this morning.

Mr. Fogerson reviewed the Plunge and Oak Creek projects. Staff has submitted the Flood Plain Study to San Bernardino County Flood Control District (FCD) for review, and are awaiting feedback. Continued

work is being done on hydraulic and basin modeling. Mr. Fogerson said that an important aspect of the project is analyzing the average annual storm. He discussed the associated probabilities and their importance to the cost-benefit analysis.

Mr. Fogerson reviewed Waterman, Twin and Lynwood Basins. He said that staff is preparing a study modeling the existing diversion structure for submission to FCD. Mr. Fogerson said that the PERC concept plans recommended a change to the diversion structure for Waterman but noted that modeling results indicate no changes are necessary. Mr. Fogerson indicated that changes to how the water is received are needed; then basins can be modified to increase percolation. Currently, staff awaits acceptance by FCD of the 2D analysis.

The engineering team reviewed Mill, Cook, and Bledsoe Creek. Ms. Scholte stated that we will not be moving forward with Cook Creek based on studies that indicate the project is not feasible. She discussed completion of the regional hydrology study for Bledsoe and nearby sites. She indicated that there may be potential habitat impacts that are not included in current permitting such as the River Habitat Conservation Plan (HCP). Mr. Fogerson reviewed the modeling for Mill Creek, noting the actual diversion structure was modeled for returning water to Mill Creek. Mr. Fogerson and Ms. Scholte showed a video of the modeling. This item was received and filed.

C. WASH PLAN TRAILS STATUS REPORT

Ms. Miller introduced this item for discussion, noting its inclusion on package page 206. She noted that the City of Redlands has assigned a new staff member on June 26 to review the Wash Plan Trails MOU and five party Agreement. Director Corneille noted that he and Ms. Miller are prepared to meet with the City Manager but have put a hold on the meeting to allow the new staff member to get up to speed. Staff will continue to coordinate with the cities. This item was received and filed.

D. ENVIRONMENTAL UPDATE

Mr. Mitrovich reviewed this item, noting its inclusion on package page 207 to 208. He reviewed the Wash Plan Implementation – Monitoring Activities. On June 27, staff received notification that U.S. Fish & Wildlife Service (FWS) is going to provide USGS with \$133,897 to expand the District's monitoring protocol for San Bernardino Kangaroo rat (SBKR) to other areas within the species' range. This funding is related to the San Bernardino Conservation Trust's submission of a Section 6 grant for funding of analogous work. While it does not appear that the Section 6 grant was funded, FWS has provided direct funding to complete this work. Discussion ensued on region-wide efforts.

Mr. Mitrovich reviewed the Slender-horned Spineflower (SHSF) Restoration Program. He stated that as of late June, an estimated 400 plants were growing at the bulking site. He said that efforts this year will pave the way for out-planting to establish new populations. Mr. Mitrovich shared high-resolution images of pollinators collected at spineflower sites through a partnership with the University of Redlands. He said that one species may be new to science, noting that a collected individual is significantly below

previously recorded size ranges for the genus. Director Longville requested that the images be forwarded to the Board with brief explanatory text. This item was received and filed.

E. UPPER SANTA ANA RIVER WASH PLAN HCP

Mr. Mitrovich provided a handout of the first Upper Santa Ana River Annual Report of 2022. He stated that this is a reference and public document and has been posted to the District website. The Board thanked Mr. Mitrovich for his incredible work.

F. BOARD PRESIDENT MONTHLY VERBAL UPDATE

President McDonald made no report.

G. GENERAL MANAGER'S REPORT AND MONTHLY RECHARGE REPORT

Ms. Miller indicated that the written General Manager's Report was included in the Board package on pages 209 through 210. The total recharge to date is 61,849 AF for the water year; approximately 1,200 AF of that is SWP water. Ms. Miller noted that in addition to maintenance following this high rainfall year, the District team is conducting a comprehensive maintenance needs assessment to ensure all facilities are in top shape. On July 21, Laura Torres, Assistant Engineer will reach her one-year anniversary as a District employee, and Katelyn Scholte will reach her ten-year anniversary on July 29. Significant staff resources have been allocated to the Mill Creek Diversion Debris and Management Improvement project. There is ongoing coordination with the Enhanced Recharge project. Staff is working to interview property management companies for a one-year pilot as included in the adopted FY24 budget. Ms. Miller noted that a small contract was entered into with Water Systems Consulting (WSC) to evaluate availability of grants for PERC projects. WSC will bring an informational item forward to the Board in August on what has been accomplished so far. Ms. Miller reviewed the District Successes as noted under Item 22 of the General Manager's report. The Monthly Recharge Report is included on package page 211. Director Longville commended the entire staff for their substantive production. This item was received and filed.

H. FUTURE AGENDA ITEMS AND STAFF TASKS

President McDonald noted that ACWA Committee appointments are due in September. She expressed interest in remaining on the State Legislative Committee, and Director Corneille expressed interest in remaining on the Groundwater Committee.

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

Director Longville attended the San Bernardino Valley Municipal Water District (SBVMWD) Board meeting on June 20. He noted that the PBS news report has had recent reports that have a significant effect on our areas of expertise.

Director Raley attended Redlands Rise N Shine on July 7.

Director Corneille attended Redlands Rise N Shine on July 7.

Vice President Stewart attended the Santa Ana River-Mill Creek Cooperative Water Project (Exchange Plan) meeting on June 21, the SBVMWD Sunrise Ranch Public Meeting on June 22 and SBVMWD Policy & Administration Workshop on July 6.

President McDonald attended the SBVMWD Resources & Engineering Workshop on July 11, Association of the San Bernardino County Special Districts (ASBCSD) Board meeting on July 10, and SBVMWD Policy & Administration Workshop on July 6. She also attended the SBVMWD Board meeting on June 20.

8. UPCOMING MEETINGS

There were none discussed.

9. CLOSED SESSION

It was moved by Vice President Stewart and a second by Director Longville, adjourn to Closed Session. The motion carried 5-0, with all Directors present voting in the affirmative.

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

General Counsel announced that the meeting would adjourn to a closed session to discuss posted agenda items 1 and 4.

At 4:44 p.m., the meeting reconvened into an open session. Ms. Miller noted that there was no reportable action during the closed session.

10. ADJOURN MEETING

It was moved by Vice President Stewart and seconded by Director Corneille to adjourn. The motion carried 5-0, with all Directors present voting in the affirmative. Director Longville was noted absent from the vote.

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

At 4:45 p.m., the meeting adjourned to the Board meeting scheduled for 1:30 p.m. on August 9, 2023, in-person, teleconference, and Zoom meeting.



Betsy Miller
General Manager