

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS MEETING

MINUTES OF MARCH 8, 2023
1:30 p.m.

President McDonald called the Board of Directors meeting to order at 1:30 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
John Longville, Director (Arrival 2:17 p.m.)

BOARD MEMBERS ABSENT:

David E. Raley, Director

STAFF PRESENT:

Betsy Miller, General Manager
Milan Mitrovich, Land Resources Manager
Katelyn Scholte, Principal Engineer
Athena Laroche, Administrative Specialist
David Cosgrove, District Counsel
Laura Torres, Assistant Engineer

GUESTS PRESENT:

Willow Green, Tetra Tech
David E. Smith, East Valley Water District
Ellen Cross, Strategy Driver
Maria Pascoal, Strategy Driver

1. PUBLIC PARTICIPATION

President McDonald 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 no additions or deletions to the posted agenda.

3. AD HOC COMMITTEE APPOINTMENTS

President McDonald appointed Directors Corneille and Longville to the Ad Hoc General Manager Review Committee.

4. GUEST RECOGNITION/SELF INTRODUCTION

President McDonald introduced those attending via Zoom. Ms. Miller introduced staff and Board members made self-introductions.

5. CONSENT CALENDAR

President McDonald noted that Director Raley has called in sick, and his absence is excused. She also reviewed Item D in brief.

It was moved by Director Corneille and seconded by Vice President Stewart to approve the Consent Calendar: Item A: Board Minutes, February 8, 2023; Item B: Expenditure Report, February 2023; Item C: Report of Excused Absences; and Item D: ACWA JPIA Executive Committee Concurring Nomination Resolutions. The motion carried 3-0, with all Board members present voting in the affirmative. Directors Raley and Longville were noted absent from the vote.

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

6. COMMITTEE REPORTS/ACTION ITEMS

A. AD HOC TRAILS COMMITTEE VERBAL REPORT

The Ad Hoc Trails Committee convened on February 9. President McDonald informed the Board that a Trails Status Report is included on package page 92.

B. OUTREACH & COMMUNICATIONS COMMITTEE VERBAL REPORT

The Outreach & Communications Committee met on February 9. Vice President Stewart presented a verbal report to the Board. He noted that the outreach consultants, ThunderWheel Communications, are continuing to provide outreach to the public. Vice President Stewart further stated that additional information related to the Strategic Plan will be disseminated to the public. He recommended a forward-

looking strategic plan. Director Corneille observed that updating the Strategic Plan will impact the District Priorities.

C. UNAUDITED FINANCIAL REPORT FOR FEBRUARY 2023

Ms. Miller provided a review of this item and noted its inclusion beginning on package page 34. She reported that income continues to surpass budget levels and that most groundwater producers have reported. Ms. Miller further informed the Board that GL 4052: Wash Plan Permitting Fees includes a portion of permitting fees that will be reimbursed. She also stated that GL 4040: Miscellaneous Income includes the settlement agreement payment from D.R. Horton, amounting to \$200,618, received for trespass remediation. Additionally, she mentioned that the Trust has reimbursed the District \$20,595.71 under GL 4043: Project Salary Reimbursement, related to work performed for the Community Mitigation Program. Director Corneille inquired if the reimbursed costs are actual costs tracked via timesheets. Ms. Miller affirmed this. Director Corneille also asked if the funds received from D.R. Horton are for a specific purpose. Mr. Cosgrove explained that these funds are dedicated, with the actual costs based on annual monitoring and management needs which are expected to be covered by the Horton payment. Vice President Stewart queried if the trespass remediation funds would be placed into the Wash Plan Enterprise. Ms. Miller indicated that the remediation is expected to occur over a five-year period and will have its own GL in the next budget cycle, and will be tracked internally.

It was moved by Director Corneille and seconded by Vice President Stewart to approve the Second Quarter Unaudited Financials for FY23 as presented. The motion carried 3-0, with all Board members present voting in the affirmative. Directors Raley and Longville were noted absent from the vote.

President McDonald: Yes

Vice President Stewart: Yes

Director Longville: Absent

Director Raley: Absent

Director Corneille: Yes

D. GROUNDWATER LATE PAYER, NON-RESPONDENTS, AND INVESTIGATION LIST FOR GROUNDWATER ASSESSMENT NO. 59

Ms. Miller introduced this item for discussion, noting its inclusion on page 41 of the package. Late notices have been sent out, and staff continues to follow adopted procedures for following up with late payers and non-respondents. Ms. Miller thanked Laura Torres, Assistant Engineer, for her efforts. There are two producers that still need to pay: 1) George Everett and 2) Arrowhead Country Club. No production has been reported, and no payment has been received for the George Everett well, which staff believes may be under new ownership. Ms. Miller said that staff is in communication with Arrowhead Country Club and that they have reported on all three assessment periods but only paid for two and still owe one more. Staff will continue to follow up via phone. Mr. Cosgrove noted that the recommendation is to direct staff to continue to investigate. There are no other groundwater producers to investigate. It was the consensus of the Board to direct staff to continue to investigate the two remaining late payers and non-respondents.

E. FINAL ENGINEERING INVESTIGATION REPORT FOR 2023

Ms. Scholte noted that the PowerPoint Presentation is available for review if anyone would like to view it again. There being no requests for the presentation, Ms. Scholte proceeded with her review of the Final Engineering Investigation Report for 2023. She indicated that there were no significant changes from the February 8 Board meeting presentation. Ms. Scholte stated that there is an estimated 7,000 acre-feet decrease in the Bunker Hill Groundwater Basin from last year. She noted that both Valley Municipal and the District had difficulties obtaining the data for the Lytle Creek Basin area, resulting in an estimate of losses in that basin. Ms. Scholte noted that 21,000 acre-feet of recharge has been received for this water year. Mr. Cosgrove asked if there was any public input on the Final Engineering Investigation Report. There being none, staff recommended that the Board approve the final report. Staff confirmed that no public comment was received either verbally or in writing on the Final Engineering Investigation Report.

It was moved by Vice President Stewart and seconded by Director Corneille to approve the Final Engineering Investigation Report as presented. The motion carried 3-0, with all Board members present voting in the affirmative. Directors Raley and Longville were noted absent from the vote.

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

F. ENHANCED RECHARGE AGREEMENT SECOND AMENDMENT

Mr. Cosgrove presented this item for discussion, noting its inclusion on page 46. He asked that the Board continue this item to after the Closed Session, where the land exchange will be discussed. Mr. Cosgrove provided history on the agreement. The agreement in the packet has been superseded by a draft incorporating Valley Municipal and Western Municipal Water Districts' revisions. Mr. Cosgrove indicated that he would like to brief the Board on the BLM and real property issues affecting this agreement in Closed Session before the Board takes any action here today.

It was moved by Vice President Stewart and seconded by Director Corneille to continue Item 6F: Enhanced Recharge Agreement Second Amendment until after Closed Session. The motion carried 3-0, with all present voting in the affirmative. Director Raley and Longville were noted absent from the vote.

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

Upon reconvening into Open Session, the Board took action to continue this item to either the next regular Board meeting, or a Special Meeting.

It was moved by Director Corneille and seconded by Director Longville to continue Item 6F: Enhanced Recharge Agreement Second Amendment until the earlier of the next regular Board meeting, or a Special Meeting that may be called by staff pending further information from BLM before such meeting, with direction to District Counsel to clarify with Valley Municipal and Western Municipal Water District that we have agreement on the specific terms of the proposed Second Amendment. The motion carried 4-0, with all Directors present voting in the affirmative. Director Raley was noted absent from the vote.

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

G. ANNUAL REPORT ON THE STATUS OF THE SAN BERNARDINO VALEY CONSERVATION TRUST

Mr. Mitrovich introduced an item for discussion, which was included on package page 60. He presented a PowerPoint presentation to the District's Board. The current Trust Board of Directors includes four members, including President David Raley of the Conservation District, Vice President John Longville of the Conservation District, Director Brad Buller of Inland Empire Resources Conservation District, and Director Paul Kielhold of San Bernardino Valley Municipal Water District. The current Community Mitigation Program Deposit Agreements include four projects: 1) S-P Deerfield, LLC (Blossom Trails Project), 2) Highland-Fifth Orange Partners, LLC (Woodbridge Project), 3) SB County Transportation Authority (210 FWY Expansion Project), and 4) SB County Flood Control District (Elder Creek Restoration Project). Mr. Mitrovich reviewed the FY22 Audit Statement, and the Board briefly discussed the financial status of the Trust. It was noted that the net position of the Trust is \$9,155,667. Vice President Stewart suggested considering a sunset clause on deposits for projects that are delayed indefinitely. Director Corneille asked for additional details on Trust expenses; Mr. Mitrovich responded that the Trust has expended funds to support both obtaining and complying with permits for the Community Mitigation Program projects as well as Wash Plan implementation and compliance. Ms. Miller explained that the costs reimbursed to the District for staff time include full benefits and overhead. The Board reviewed the annual budget for Wash Plan implementation. Director Corneille asked about the portion of funds that are reimbursed. Ms. Miller stated that both consultant and staff costs for Wash Plan implementation are reimbursed to the District, noting that staff time is tracked and reimbursed based on timesheets. The Board thanked Mr. Mitrovich for his presentation.

It was moved by Vice President Stewart and seconded by Director Corneille to receive and file the Conservation Trust annual update. The motion carried 3-0 with all Board members present voting in the affirmative. Directors Raley and Longville were noted absent from the vote.

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

Director Raley: Absent

Director Corneille: Yes

H. CSDA CALL FOR NOMINATIONS FOR SEAT C, SOUTHERN NETWORK

President McDonald introduced this item for discussion, noting its inclusion on package page 78. As there was no interest from board members present, no action was taken.

I. REBRANDING OF ACTIVE RECHARGE TRANSFER PROJECTS (ARTP) TO PROJECTS FOR THE EXPANSION OF RECHARGE CAPACITY (PERC)

Ms. Miller introduced this item for discussion and indicated its inclusion on package page 84. Staff has been successfully working with outreach consultants to communicate District projects to the public. Based on discussions with consultants and Valley Municipal, the current name of the Active Recharge Transfer Projects (ARTP) has impeded clear communication of the value and benefits of these projects. In response, staff worked with partner agencies and consultants to rebrand ARTP, with updates presented to both the ARTP Policy Committee and the Operations Committee. Both committees concurred with rebranding of ARTP to Projects for the Expansion of Recharge Capacity (PERC) and recommended that this item be forwarded to the Board. Ms. Miller indicated that the District would have additional coordination with Western Municipal Water District and San Bernardino County Flood Control District. She noted that no changes were recommended to the ARTP agreement at this time and requested feedback from the Board. Director Corneille spoke in support of the rebranding to PERC, noting it describes the function of the district well. President McDonald also spoke in support of PERC. Ms. Miller said that she believes that PERC is an acronym that staff and the community will utilize. A discussion ensued regarding other rebranding names that were considered.

It was moved by Director Corneille and seconded by Vice President Stewart to approve the updated brand materials as presented. The motion carried 4-0 with all Board members present voting in the affirmative. Director Raley was noted absent from the vote.

President McDonald: Yes

Vice President Stewart: Yes

Director Longville: Yes

Director Raley: Absent

Director Corneille: Yes

7. INFORMATION ITEMS

A. ENVIRONMENTAL UPDATE

Mr. Mitrovich provided an update on this item, noting its inclusion on package pages 88 to 91. He reviewed Wash Plan implementation tasks. Actions related to slender horned spineflower and San Bernardino kangaroo rat were discussed with USFWS on February 21. USFWS staff have volunteered to support spring fieldwork. A field visit has been scheduled with USFWS management for March 29. An additional Safe Harbor Agreement meeting with USFWS was held on February 28. Mr. Mitrovich noted

that staff interviewed candidates for the Engineering/GIS/Biology Intern position and has selected two candidates. Both candidates will begin on March 15. Director Corneille asked for additional information on the intern positions. Mr. Mitrovich noted that interns are part-time hourly staff who work up to 960 hours per fiscal year at a current rate of \$17.24 per hour. He provided a review of staff's tour of the property that was disturbed by D.R. Horton on February 9. A conceptual restoration plan has been discussed with IERCD staff. A discussion ensued regarding methods to avoid trespass. This item was received and filed.

B. WASH PLAN TRAILS STATUS REPORT

Ms. Miller introduced this item for discussion, noting its inclusion on package page 92. She said that the City of Redlands provided feedback on the MOU and the five-party agreement. The district has yet to receive comments from the mining companies on the five-party agreement at this time, and it is still under review.

C. ENGINEERING UPDATE

This item can be found on package page 93. Ms. Scholte reported that the fire flow testing for the Mentone Shop has been completed and the architect and contractor have submitted all necessary permit applications to the County. She provided an update on the Mill Creek Diversion and Debris Management Project, highlighting that staff is collaborating with the COE to obtain the necessary permits. Staff is working hard to ensure that the project is prepared to proceed as soon as the permitting process is complete. Ms. Scholte also shared an update on the Active Recharge Transfer Projects (ARTP). She mentioned that the average annual analysis for the Waterman, Twin Creek, and Lynwood Basins, which will determine the projects' cost-benefit ratio, is the primary focus at this time. The hydrology for large storm events has been resubmitted to the San Bernardino County Flood Control District (FCD) and is awaiting their approval. The geotechnical testing has been completed, and a draft infiltration study has been received. Many of the basins infiltrate well. Ms. Scholte reviewed the status of the Plunge and Oak Creek tasks, stating that the current focus is on the average annual analysis. Geotechnical testing has already been completed, and the hydrologic model for Mill, Bledsoe, and Cook Creeks is currently in progress. The permitting process for the seismic refraction study at Cook Creek is also ongoing. Director Corneille reported that the ARTP Policy Committee, which includes himself, Susan Longville, and Tom Crowley, has reviewed the ARTP projects. Staff provided a comprehensive report, including aerial footage of some of the projects, and Director Corneille expressed his appreciation for their work. President McDonald also thanked the staff for their information and expressed his appreciation for their efforts.

D. BOARD PRESIDENT MONTHLY VERBAL UPDATE

President McDonald passed on this item.

E. GENERAL MANAGER'S REPORT AND MONTHLY RECHARGE REPORT

Ms. Miller introduced this item for discussion, noting that it can be found on package pages 94 to 96, and the monthly recharge report is on package page 97. She reported that the amount recharged in Mill

Creek is 2,309 acre-feet (AF), in Santa Ana River it's 14,778 AF, and in Plunge Creek it's 1,397 AF as of this morning. Ms. Scholte mentioned that there is an additional 1,000 AF of Santa Ana River water available that the District can utilize by working with Bear Valley Mutual Water Company and the City of Redlands to spread in the Lockheed area. She also noted that staff is trying to draw down water in the Borrow Pit and keep Basin 10 dry in preparation for the Enhanced Recharge project construction. Once the lining is complete in Enhanced Recharge Phase 1A, staff can coordinate to send water to Waterman Basins or the Mill Creek facility. Vice President Stewart asked whether there is any detriment to taking SWP water. Ms. Scholte replied that the District is taking only 10 cubic feet per second (CFS) of SWP water so there is no impact to other recharge at this time. President McDonald asked about the quality and quantity of water behind Seven Oaks Dam (SOD). Ms. Scholte indicated that the elevation is currently at approximately 2,200 feet and said the water quality is better than in previous years.

Ms. Miller reviewed a water leak reported by a Redlands Plaza tenant. She stated that staff is working with JPIA to resolve the issue. Additionally, Ms. Miller reported on outreach activities, including staff attending the Chino Basin Water Conservation District's Groundwater and Sustainability Tour on February 16. IERCD has presented five in-person water conservation education programs on the District's behalf, with President McDonald attending the program presented at Mariposa Elementary. She commended IERCD on their efforts. Ms. Miller stated that the District is working with IERCD to host a community project for Earth Day on April 22. Staff, IERCD, and the San Bernardino County Museum of Natural History are exploring the possibility of a waterwise garden partnership. She noted that today is National Women's Day. This item was received and filed.

F. STRATEGIC PLANNING VERBAL UPDATE

This item was taken out of order.

Ellen Cross and Maria Pascoal from Strategy Drivers, Inc. gave a PowerPoint presentation through Zoom on their role as facilitators for the Strategic Plan update. The planning process consists of three stages: 1) Surveys/Interviews, 2) Workshops (3), and 3) Draft/Final Strategic Plan. The surveys and interviews will cover the mission, vision, and values (MVV), opportunities and challenges, and desired outcomes. The workshops will focus on 1) Draft MVV, 2) Finalizing MVV and developing goals, and 3) Prioritizing actions to achieve the goals. Ms. Cross presented the draft schedule, which began on the day of the meeting, with the updated strategic plan expected to be completed by mid-September. Vice President Stewart requested a sample plan completed by Strategy Drivers to better understand their methodology. Ms. Cross agreed to provide links to previously completed plans for the Board and staff to review. President McDonald asked whether Strategy Drivers will send information to the Board before the workshops. Ms. Cross replied that around twelve questions, developed with staff's assistance, will be sent to obtain feedback from each Board member. President McDonald expressed support for the proposed process, and the Board thanked Strategy Driver for their presentation.

G. FUTURE AGENDA ITEMS & STAFF TASKS

There were none.

8. MONTHLY BOARD MEMBER MEETING REPORTS

Director Stewart attended the Ad Hoc Trails Committee and Outreach & Communications Committee meetings held on February 9. He also attended the Bear Valley Mutual Water Company annual meeting on February 21.

Director Corneille attended the Ad Hoc Trails Committee and Outreach & Communications Committee meetings held on February 9 virtually as a guest. He attended the ACWA Regulatory Committee winter meeting on February 15, Active Recharge Transfer Projects (ARTP) Policy Committee on February 28 and Redlands Rise N Shine on March 3.

Director Longville attended the Outreach & Communications Committee meeting held on February 9, the Mayor of San Bernardino event on February 15 and Valley Municipal Board meeting on February 21. He attended State of the Women presentation at Cal State San Bernardino on March 4.

President McDonald attended the Valley Municipal Board meeting on March 7, ACWA State Legislative Committee on March 3 and ACWA Region 9 meeting on March 7. She attended the Valley Municipal Policy and Administration Workshop on March 2, Valley Municipal Board meeting on February 21 and Association of San Bernardino County Special District (ASBCSD) Board meeting on February 20. She attended the IERCD Presentation at Mariposa Elementary on February 16, Meeting with General Manager on February 15 and Valley Municipal Resources and Engineering Workshop on February 14. She attended the ACWA State Legislative Committee on February 10 and Valley Municipal Board of Directors Workshop on February 9.

9. UPCOMING MEETINGS

No meetings were discussed.

10. CLOSED SESSION

It was moved by Director Corneille and second by Director Longville to enter into Closed Session. The motion carried 5-0, with all Directors present voting in the affirmative.

President McDonald: Yes

Vice President Stewart: Yes

Director Longville: Yes

Director Raley: Absent

Director Corneille: Yes

Mr. Cosgrove announced that the meeting would adjourn to closed session to discuss Items 1, 3 and 4 on the posted agenda.

At 4:34 p.m. the meeting reconvened into open session. Mr. Cosgrove noted that under Government Code 549571.1 while in Closed Session the Board took no reportable action.

11. ADJOURN MEETING

It was moved by Director Corneille and seconded by Director Longville to adjourn. The motion carried 4-0, with all Directors present voting in the affirmative. Director Raley was noted absent from the vote.

President McDonald: Yes

Vice President Stewart: Yes

Director Longville: Yes

Director Raley: Absent

Director Corneille: Yes

At 4:37 p.m., the meeting adjourned to the regular Board meeting scheduled for 1:30 p.m. on April 12, 2023, via Zoom and in-person.



Betsy Miller
General Manager