

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS MEETING

MINUTES OF JANUARY 10, 2024
1:30 p.m.

President McDonald called the Board of Directors meeting to order at 1:30 p.m. in person, by teleconference, and by 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: 1:45 p.m.)

BOARD MEMBERS ABSENT:

None

STAFF PRESENT:

Betsy Miller, General Manager
David Cosgrove, District Counsel
Milan Mitrovich, Land Resources Manager
Katelyn Scholte, Principal Engineer
Angie Quiroga, Senior Administrative Analyst
Athena Laroche, Administrative Specialist

Anna Frey, Assistant Biologist
Laura Torres, Assistant Engineer
Caryn Iwanaga, Intern
Zach Blum, Intern

GUESTS PRESENT:

T. Milford Harrison, San Bernardino Valley Municipal Water District
June Hayes, San Bernardino Valley Municipal Water District
Susan Longville, San Bernardino Valley Municipal Water District
Gil Botello, San Bernardino Valley Municipal Water District
Ellen Cross, Strategy Driver
David E. Smith, East Valley Water District
Thomas Crowley
Trevor Slazas

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 or deletions to the posted agenda.

3. GUEST RECOGNITIONS/SELF INTRODUCTIONS

4.

The Board and staff made self-introductions. President McDonald introduced online attendees.

5. DISTRICT COMMITTEE APPOINTMENTS

President McDonald opened this item for discussion. Following a review of Appendix B: Standing Committees, she requested comments from Board members, shown on package page 6. There were no changes suggested to Appendix B, therefore all existing appointments will remain in effect until next year.

President McDonald requested feedback from the Board on Appendix C: Roster of Organizations and Committees with Assigned Representatives, as shown on package page 7. Item 9A has been revised to state the new name of the workshop, "Resources & Engineering Workshop," and 9B has been renamed to "Policy & Administration Workshop" with the deletion of Item 9C, "Resources Workshop." Item 13 has been renamed to the Program for the Expansion of Recharge Capacity (PERC) Policy Committee. No additional changes were recommended.

6. CONSENT CALENDAR

It was moved by Director Corneille and seconded by Director Stewart to approve the Consent Calendar: Item A: Board Minutes, December 13, 2023; and Item B: Expenditure Report, December 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**

7. COMMITTEE REPORTS/ACTION ITEMS

A. UNAUDITED FINANCIAL REPORTS FOR DECEMBER 2023

Ms. Quiroga reviewed this item beginning package page 23. She reviewed the Expenditure Report for December 2023, noting an expenditure of \$354,568.04 and \$201,191.72 for Empire Equipment Services for the Mill Creek Diversion & Debris Management Project. She highlighted Q3 Consulting, Inc. expenditures of \$39,748.86 from GL 7126 PERC Engineering/Professional Services, Tryco General Engineering in the amount of \$7,800 from GL 7140 Mentone Property for the fire hydrant installation for Mentone Shop, Water Systems Consulting in the amount of \$11,771.25 from GL 7126 and 5120 Miscellaneous Professional Services, CS-NK Construction in the amount of \$21,145.33 from GL 7140, DUDEK in the amount of \$6,847.27 from GL 5123 Habitat Management, and G3 Quality, Inc. in the amount of \$28,246.50 expended from GL 7150 Mill Creek Diversion. Ms. Quiroga reviewed expenditures for R&S Overhead Doors in the amount of \$3,953.42 from GL 7110 Property Capital and Redlands Ford in the amount of \$80,783.38 from GL 7230 Field Equipment. The expenditure report on package page 23 begins with check number 24571 and ends with check number 24632.

She reviewed the graph financials on package page 33. GL 4010 Interest Income increased by \$338,000, and GL 4030 Mining Income increased by \$247,000 from November 2023. Ms. Quiroga said that the expenses incurred during December were not significant. She reviewed the District's cash status, noting the transfer of \$3,000,000 from Citizens into CAMP.

It was moved by Director Corneille and seconded by Director Stewart to approve the Unaudited Financial Reports for December 2023. 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

B. STATEMENT OF INVESTMENT POLICY 2024

Ms. Miller introduced this item for discussion, noting its inclusion on package page 38. She noted that the Board may annually renew their delegation in accordance with Section. C.4 of Resolution No. 604, which defines the General Manager's responsibility and authority. The Finance & Administration Committee reviewed the Statement of Investment Policy (Policy) at their July 26 and November 15 meetings. The Policy was also examined by PFM, with minimal changes recommended, as shown on package page 38. These revisions were related to changes in regulations for government investments. The Committee recommended approval of these revisions as presented, and staff requests renewal of the General Manager's delegation of authority.

It was moved by Director Raley and seconded by Director Longville to approve the Statement of Investment Policy 2024 and renew the delegation of authority for investment management responsibility to the General Manager for 2024. 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**

C. AMENDMENT TO 2003 AGREEMENT WITH ROBERTSON'S READY MIX TO INCLUDE ADVANCED TRANSFER PREMISES UNDER THE ORIGINAL 1992 LEASE

Mr. Cosgrove reviewed this item, noting its inclusion on package page 51. In 1992, the original sand and gravel lease was entered into with Robertson's Ready Mix (Robertson's), including a \$5 million prepaid royalty to the District. The planned mining was delayed by listing of the San Bernardino kangaroo rat (SBKR) under the Endangered Species Act in the mid-1990s. In 2003, an updated agreement was approved that included a phased transfer of the original lease premises based on the Wash Plan. In order to begin mining in early 2024, Robertson's proposed that a 58-acre parcel be permitted through the California Department of Fish and Wildlife (CDFW); a map of the area is included on package page 59. The agreement before the Board today clarifies the ability for mining to begin on the 58-acre premises with Wash Plan and CDFW permits in advance of the complete planned land transfer. Mr. Cosgrove noted that staff requests the Board find that the EIR/EIS for the Upper Santa Ana River Wash Habitat Conservation Plan adequately addresses the approval of the Amendment under the California Environmental Quality Act.

Director Raley requested information on the financial aspects of the agreement. Mr. Cosgrove indicated that this agreement does not change the financial aspects of the 1992 agreement. Director Corneille asked if the pre-paid royalty would be released upon signing this agreement. Mr. Cosgrove spoke in the affirmative. Discussion on the certificate of inclusion ensued. Vice President Stewart asked if this process may be needed again if the planning mining area is not fully mined. Mr. Cosgrove said it is possible but is not expected to be needed. Vice President Stewart asked if the District is able to sink water on leased lands. Mr. Cosgrove stated that the District reserves the right to flood areas if necessary to preserve its water operations on leased properties under the 1992 agreement.

It was moved by Director Longville and seconded by Director Corneille to approve the Amendment to the 2003 Agreement, authorizing the Board President to sign on the District's behalf, and make a finding that the EIR/EIS for the Upper Santa Ana River Wash Habitat Conservation Plan adequately addresses the approval of the Amendment under the California Environmental Quality Act. The motion carried 5-0, with those present voting in the affirmative.

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

D. AGREEMENT FOR CONSULTING ENGINEERING SERVICES WITH E-PUR LLC

Ms. Miller introduced this item for discussion, noting its inclusion on package page 60. The agreement would allow John Lambie to support the District and Program for Expansion of Recharge Capacity (PERC) engineering functions following the retirement of the previous PERC Engineer. She noted that Mr. Lambie has extensive experience with modeling and sentiment transport and is a licensed civil engineer in California, Oregon, and Washington. Ms. Miller said that an update on this approach was provided to the PERC Policy Committee. The proposed contract is for a minimum of 27 hours per week from mid-January to mid-May, with an additional 13 hours per week if needed. The total compensation for the agreement over four months is up to \$90,489. Director Corneille spoke in support of the agreement, requesting that the agreement include a key employee provision for Mr. Lambie. Director Stewart spoke in support of this request and expressed concern over the broadness of the duties included within the agreement. Mr. Cosgrove said that the agreement would be updated to include the key employee provision and noted that the scope was intended to be inclusive.

It was moved by Director Corneille and seconded by Director Longville to authorize an Agreement for Consulting Engineering Services with E-PUR LLC to support the PERC and other District engineering needs in an amount not to exceed \$90,489, with the addition of a key employee provision for John Lambie. The motion carried 5-0, with those present voting in the affirmative.

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

E. DISTRICT BOARD PRIORITIES FOR 2024

Ms. Miller introduced this item for discussion, noting its inclusion on package page 66. This is an annual item brought to the Board in January. The District has completed six of the 2023 District Board Priorities:

- Priority 1: Existing Groundwater Recharge Operations
- Priority 3: Mill Creek Diversion Permits (401, 404, 408, 1600, ESA)
- Priority 4: Mill Creek Diversion Construction Complete
- Priority 7: Wash Plan Natural Resources Management Plan

- Priority 9: Five-Year Strategic Plan Update
- Priority 10: Renew Groundwater Council Agreement

She reviewed the Board Priorities for 2024 on package page 69. Director Corneille expressed his approval of the updated format and stated that Priority 9: Wash Plan Trails MOU should also include initiation of permitting or other project needs. Ms. Miller said that we will add permitting to that item. Vice President Stewart discussed the addition of a Trails Management Plan to identify a plan for operating the trails. Ms. Miller noted that the District prepared a Trails Master Plan with details of management included in the MOU and the five-party agreement. The Board requested Priority 9 be revised to "Wash Plan Trails MOU, Permitting and Operations Plan." Director Corneille asked if Priority 14: Apply and/or Secure Grant Funds is related to PERC or other District activities. Ms. Miller stated that it is intended to include PERC, operations and maintenance, and natural resource grants. The Board agreed with the priority as written.

Director Raley and President McDonald said the trails are a priority for the District. Director Longville expressed his desire to see the trails open expeditiously. Vice President Stewart discussed the Salt and Nutrient Management Plan. Ms. Miller indicated that this is an effort led by San Bernardino Valley Municipal Water District, for which the District is providing comments related to our mission. Vice President Stewart requested that sediment removal be added as a priority item. Ms. Miller noted that this is included in Priority 7: Facilities Management Plan, noting that staff is looking at grant funding for sediment removal. Vice President Stewart stated that he would like to see Mill Creek sediment removal as a separate priority. Ms. Miller indicated that Priority 7 will likely be finalized in Q1 or Q2 of this year and will guide the prioritization of maintenance across District facilities. Mr. Cosgrove stated that the District lacks statutory authority to open trails under LAFCO; therefore, the MOU is required to implement this goal.

It was moved by Director Corneille and seconded by Director Stewart to approve the District Board Priorities for 2024 with revisions. 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. COMMUNICATIONS AND ENGAGEMENT PLAN SCOPE OF WORK

Ms. Miller presented this item for discussion, noting its inclusion on package page 70. After approval of the Strategic Plan, the Board directed staff to develop a plan to raise awareness and foster engagement with the Plan initiatives. Ellen Cross from Strategy Driver reviewed and discussed various tasks and approaches to achieve this goal as listed on package pages 70 through 72.

Director Corneille noted his interest in the District sharing our Strategic Plan, accomplishments, and initiatives with city councils, the Board of Supervisors, service clubs, and chambers of commerce. Director Longville noted his support of sharing our role, functions, and purpose with other agencies. Discussion on the history of the District ensued. Vice President Stewart said the Communications and Engagement Plan contract should have gone to the Outreach Committee before coming to the Board. Ms. Miller noted that the Communication and Engagement Plan will be developed with input from the Outreach Committee and offered to delay the adoption of the project contract pending the convening of an Outreach Committee. Director Longville spoke in favor of approving the contract today. The Board requested that the trail communications be included in the Plan. President McDonald thanked Director Longville for sharing history on this topic and spoke in support of inter-agency collaboration.

It was moved by Director Longville and seconded by Director Stewart to approve the scope of work for a Communications and Engagement Plan with each task listed on package pages 71 to 72, with close coordination with the Outreach Committee. 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. RESOLUTION NO. 619 HONORING MR. THOMAS J. CROWLEY, P.E., ON HIS RETIREMENT

This item was taken out of order.

President McDonald introduced this item for discussion, noting its inclusion on package page 73. She read Resolution No. 619 aloud and thanked Mr. Crowley for his years of service to the region. Mr. Cosgrove expressed his appreciation and gratitude for Mr. Crowley. Mr. Crowley discussed his career history and his experience working for the Conservation District, and thanked the Board and the District.

It was moved by Director Corneille and seconded by Director Raley to approve Resolution No. 619, honoring Thomas J. Crowley, P.E., on his retirement. The motion carried 4-0, with Director Longville noted absent from the vote.

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

H. RESOLUTION NO. 620 HONORING COLONEL DAVID E. RALEY, USAF, RETIRED, ON HIS 90TH BIRTHDAY

President McDonald introduced this item for discussion, noting its inclusion on package page 76. She read Resolution No. 620 aloud. The Board wished Director Raley a happy birthday and thanked him for his service to the District. Director Raley thanked the Board. Ms. Miller read aloud a note from Heather Dyer wishing Director Raley a happy birthday. David Smith of East Valley Water District wished Director Raley a happy birthday.

It was moved by Director Corneille and seconded by Director Longville to approve Resolution No. 620 Honoring Colonel David E. Raley, USAF, Retired, on His 90th Birthday. 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**

8. INFORMATION ITEMS

A. ENGINEERING UPDATE

Ms. Scholte presented this item, noting its inclusion on package page 79. She reported that staff is awaiting delivery of the building for the Mentone Shop improvements as well as the septic permit from the County.

Ms. Scholte reviewed the Mill Creek Diversion and Debris Management Improvement Project. The project has been completed and operational. President McDonald requested a video of the system in operation. Ms. Scholte said that field staff will need more drills to operate the gates.

Ms. Scholte reviewed the Enhanced Recharge Project.

Ms. Scholte said that the PERC Engineer updated the project costs and descriptions before his retirement, which will be reviewed with the PERC Policy Committee. She noted that staff turnover at the San Bernardino County Flood Control District (FCD) may impact some PERC project schedules.

She reviewed the current status of the PERC projects as follows:

- Waterman and Twin Creek – The focus is on the sediment transport models, which will be used in the hydraulic modeling upon completion.
- Plunge and Oak Creek – The sediment transport model is underway. Significant comments were provided to CASQ on the hydrology study. We are waiting for updates from CASQ.

- Mill and Bledsoe Creek – The focus is on integrating the percolation test results into the hydraulic models. Ms. Scholte expects the average annual hydrology study for Bledsoe Creek soon, noting that it does not appear to be a viable site at this time. This item was received and filed.

B. ENVIRONMENTAL UPDATE

Mr. Mitrovich introduced this item for discussion, noting its inclusion on package page 81. He said that new data on the San Bernardino kangaroo rat (SBKR) are available following the USGS analysis of our monitoring work. He said the next Preserve Management Committee will be held on January 25. Mr. Mitrovich reviewed the slender-horned spinyflower (SHSF) activities. He stated that staff requested a three-year extension on the 2081 (a) permit to continue SHSF work. He discussed bulking and outplanting in brief. Vice President Stewart asked if we could repeat the bulking and seed collection. Mr. Mitrovich noted that the three-year extension would cover this work. He discussed the BLM fuels management grant, including the contract with Nakae & Associates. Mr. Mitrovich discussed the Secretary of the Interior's visit and thanked all those who participated. This item was received and filed.

C. GENERAL MANAGER'S REPORT AND MONTHLY RECHARGE REPORT

Ms. Miller indicated that the written General Manager's Report was included on package pages 84 through 89. She stated the District has recharged 17,845 AF for this water year as of this morning. She reported that the Enhance Recharge Facilities had begun taking water. Ms. Miller said staff had yet to hear back from the City of Redlands staff on the trails MOU, so we are working to schedule a meeting with the City Manager. Suite I passed its mold and remediation test, and the final restoration is underway. Ms. Miller thanked Laura Torres, Assistant Engineer, and President McDonald for attending Career Day at Dominguez Elementary. The District's monthly successes on package page 86 were reviewed. The Monthly Recharge Report was shown on package page 90. This item was received and filed.

D. FUTURE AGENDA ITEMS AND STAFF TASKS

These were discussed previously.

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

Vice President Stewart attended the SBVMWD Resource & Engineering Workshop on November 14 and the Finance & Administration Committee on November 15. He attended a Big Bear Watermaster meeting on November 20.

Director Corneille attended the Secretary of the Interiors visit on December 16, Redlands Rise and Shine on January, and a meeting with the GM on the PERC engineer replacement on the same day

Director Raley attended the Redlands Rise and Shine on January 4 and signed expenditures on December 14.

President McDonald attended the Women in Water on December 14, the SBVMWD Board meeting on January 2, and the SBVMWD Policy and Administration Committee on January 4.

Director Longville made no report.

10. UPCOMING MEETINGS

There were none discussed.

11. CLOSED SESSION

It was moved by Director Corneille and a second by Director Raley, adjourned to Closed Session. The motion carried 5-0, with those present voting in the affirmative.

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

Mr. Cosgrove announced that the meeting would adjourn to Closed Session to discuss all posted agenda items.

At 4:01 p.m., the meeting reconvened into an open session. Mr. Cosgrove noted that there was no reportable action during the closed session under Government Code section 54957.1.

12. ADJOURN MEETING

It was moved by Director Corneille and a second by Director Longville, adjourn. The motion carried 5-0, with those present voting in the affirmative.

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

At 4:02 p.m., the meeting adjourned to the Board meeting scheduled for 1:30 p.m. on February 14, 2024, in-person, teleconference, and Zoom meeting.



Betsy Miller
General Manager