

SANTA ANA RIVER - MILL CREEK COOPERATIVE WATER PROJECT
MINUTES OF THE 137th MEETING OF THE MANAGEMENT COMMITTEE

December 6, 2023

The 137th Meeting of the Management Committee was called to order by acting Chairperson David Cosgrove at 11:00 a.m. via Zoom and in person at the Conservation District.

Attendees:

Betsy Miller	San Bernardino Valley WCD
Dave Cosgrove	San Bernardino Valley WCD
Katelyn Scholte	San Bernardino Valley WCD
Laura Torres	San Bernardino Valley WCD
Angie Quiroga	San Bernardino Valley WCD
Richard Corneille	San Bernardino Valley WCD
David B. Knight	Lugonia Water Company
John Harris	City of Redlands
Mike Plinski	San Bernardino Valley MWD
Wen Huang	San Bernardino Valley MWD
George Hanson	Bear Valley Mutual Water Company
Sam Fuller	Bear Valley Mutual Water Company
Jennifer Ares	Yucaipa Valley Water District

APPROVAL OF MINUTES OF 136th MEETING ON JUNE 21, 2023

It was moved by George Hanson and seconded by Betsy Miller to approve the minutes of the 136th Meeting held on June 21, 2023, with minor revisions noted. The motion carried with those present voting in the affirmative.

REVIEW OF STATUS OF ANY OBJECTIONS TO PROCEDURAL PROCESS FOR WITHDRAWAL REQUESTS CONSIDERED ON 6-21-23

Mr. Cosgrove reviewed introduced this item for discussion. He indicated that this is a follow-up meeting from June 21, with consideration of the requests for withdrawal by City of Redlands and East Valley Water District from the Exchange Plan group. In both cases, the requested withdrawal was put to a vote among the parties present, subject to various stated procedural objections, including a question of whether the Management Committee was the proper forum for decision, or whether the withdrawals should be submitted to the legislative bodies of each member for decision. The objections being noted, the matter proceeded to a vote of those present, and neither request achieved the unanimous consent required under the original 1977 Exchange Plan agreement. Mr. Cosgrove discussed the withdrawal process briefly, highlighting that the original agreement was largely silent on specifying procedures for consideration of a request for withdrawal, and explained that on June 21, the matter was brought before the Management Committee for a vote, in an attempt to follow what decision-making protocols that

were in the original agreement. He related that the June 21 meeting adjourned with an invitation for objecting parties to consult with legal counsel, and to submit any formal objection to the manner of proceeding that then occurred. Mr. Cosgrove reported no party submitted any written procedural objections to date, and asked the group how it would like to proceed.

Mr. Hanson indicated that he is the representative for Bear Valley Mutual Water Company, Redlands Water Company, and Crafton Water Company. He expressed his unease with any final vote on the withdrawal requests until after he discussed it with the Boards of each company. Mr. Cosgrove said that he believed the process by which the votes had been considered was legally defensible, but that the overall goal was not to have the Conservation District as Project Manager dictate procedure, nor have parties dispute procedural grounds, but rather formulate a manner of going forward that would fairly place the withdrawal issues before all parties and give all concerned parties sufficient time to follow any needed processes to have confidence in the result.

Ms. Ares spoke in support of taking the withdrawal requests to the Yucaipa Valley Water District Board. She spoke in support of allowing the withdrawal by the requesting agencies.

Mr. Cosgrove suggested two options for going forward: 1) Agendize with the Management Committee a reconsideration of the two withdrawal requests to make sure that each signatory's representative has the opportunity to seek guidance or authority from their legislative body on how to vote; or 2) Submit each of the two individual requests to each member agency's Board for approval. Discussion ensued, with the consensus being the matter should be presented back to the Management Committee after an opportunity for representatives to consult with their legislative bodies.

It was moved by George Hanson and seconded by John Harris to reconsider the agreement withdrawal requests made by the City of Redlands and the East Valley Water District, and each respective Board give their representative authority to vote at the Management Committee at its next Meeting and direct the Project Manager to provide all materials related to the withdrawals requests to each member agency. The motion carried with all those present voting in the affirmative, as follows.

Bear Valley Mutual Water Company: Yes

City of Redlands: Yes

Crafton Water Company: Yes

East Valley Water District: Absent

Lugonia Water Company: Yes

North Fork Water Company: Absent

Redlands Water Company: Yes

San Bernardino Valley Municipal Water District: Yes

San Bernardino Valley Water Conservation District: Yes

Yucaipa Valley Water District: Yes

SCE CONSORTIUM AND EAST END FACILITIES ACQUISITION UPDATE

Mr. Huang provided a verbal update. He said that both San Bernardino Valley Municipal Water District and Southern California Edison are motivated to move forward with the acquisition. The consortium members include San Bernardino Valley Municipal Water District, San Bernardino Valley Water Conservation District, Bear Valley Mutual Water Company, Crafton Water Company, and East Valley Water District. Mr. Huang said that the consortium should have a draft agreement in January. However, additional details are not available at this time. He spoke on the integration of regional facilities in brief.

CONTINUED DISCUSSION RE EXCHANGE PLAN AGREEMENT UPDATE

Mr. Cosgrove introduced this item for discussion. He requested feedback from the Committee on whether we should review the presentation or defer this matter to the next Meeting.

It was moved by John Harris and seconded by George Hanson to table this matter for a period of five months. The motion carried with those present voting in the affirmative.

- Bear Valley Mutual Water Company: Yes**
- City of Redlands: Yes**
- Crafton Water Company: Yes**
- East Valley Water District: Absent**
- Lugonia Water Company: Yes**
- North Fork Water Company: Absent**
- Redlands Water Company: Yes**
- San Bernardino Valley Municipal Water District: Yes**
- San Bernardino Valley Water Conservation District: Yes**
- Yucaipa Valley Water District: Yes**

NEXT STEPS

The group then resolved to request the Project Manager to schedule a follow-up meeting of the Management Committee in approximately five months.

ADJOURNMENT

There being no further business, the Meeting was adjourned at 11:28 a.m.

Respectfully submitted,


David Cosgrove, Acting Chairperson

