

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS

MINUTES OF THE REGULAR BOARD MEETING OF
December 9, 2005
10:00 A.M.

President Cheryl Tubbs called the Regular Meeting of the Board of Directors to order at 10:00 a.m. All present stood for the pledge of allegiance, led by President Tubbs.

ROLL CALL:

BOARD MEMBERS PRESENT:

Cheryl Tubbs, President
Clare Henry Day, Vice President
Manuel Aranda, Jr., Director
Glenda Douglas, Director
Richard Corneille, Director
Melody Henriques-McDonald, Director
Arnold Wright, Director

BOARD MEMBERS ABSENT:

None

GENERAL COUNSEL PRESENT:

David B. Cosgrove, Esq.

STAFF PRESENT:

Lawrence M. Libeu, General Manager/Board Secretary
Tom Crowley, Assistant General Manager
Colleen Theuer, Assistant to the General Manager/Recording Secretary

GUESTS PRESENT:

Ralph Simoni, California Advocates
James Walker, Tetra Tech

1. PUBLIC PARTICIPATION

President Tubbs announced this as the time for any persons present, who so desire, to make an oral presentation to the Board of Directors. Mr. Cosgrove announced that Marc Luesebrink, from the law firm Manatt, Phelps, Phillips, LLP, who has been

assisting the District on the Santa Ana River Water Rights issue, is the proud father of a new baby boy. President Tubbs offered congratulations. The meeting then proceeded with the published agenda items.

2. BOARD DISCUSSION ITEMS

Director Aranda reported that he attended the LAFCO Committee meeting regarding consolidation, and a Progressive Open House and Toy Drive, sponsored by Supervisor Biane, Assemblyman Emmerson, and Senator Dutton. Director Corneille reported that he attended the LAFCO Committee meeting, the District Resources Committee meeting, and one day of the ACWA Conference. Directors Wright and Day reported that they attended the Resources Committee meeting. President Tubbs reported and discussed the LAFCO meetings she had attended, and said that in January she and Mr. Libeu will be meeting with Supervisor Hansberger regarding the consolidation matter. She also attended the Highland Chamber State of the Community Luncheon. Director Henriques-McDonald reported that she attended the Special Districts meeting; the Highland Chamber Luncheon; the ACWA Fall Conference; and the LAFCO hearing and committee meetings. Director Douglas reported that she also attended the LAFCO hearing and the Highland Chamber Luncheon.

3. APPROVAL OF THE MINUTES

There was a brief discussion on the minutes for the November 17, 2005 meeting, and a minor correction was noted.

It was moved by Director Corneille and seconded by Director Henriques-McDonald to approve the minutes of the regular meeting of November 2, 2005 and the minutes of the special meeting of November 17, 2005 as amended. The motion carried unanimously.

4. BOARD COMMITTEE REPORTS

Mr. Libeu reported that the Resources Committee met on December 6, 2005. Vice President Day was elected Chairman; attendees were Directors Corneille, Wright, and Aranda (alternate). Discussion included future maintenance of ponds; no recommended action was taken at this time.

5. GENERAL MANAGER'S REPORT

Mr. Libeu summarized his written report. He discussed the retention of a special consultant for an analysis regarding possible consolidation of the District with another entity, noting that Mr. Ciampa, of the firm Management Partners, Inc., met with Mr. Cosgrove, Jess Senecal, and himself to discuss the matter. He said a time-budget would be forthcoming. With regard to a fiscal analysis on the District being studied by the firm Soren McAdam Christenson LLP, Mr. Libeu indicated that a preliminary

analysis had been completed and a draft would be delivered to the District the third week of December.

6. OPERATIONS AND MAINTENANCE REPORT

Mr. Crowley summarized his written report and answered questions from the Board. He explained the change in the table format for the Recharge Summary; discussion followed. Regarding the presentation of the Seven Oaks Dam Water Quality Study at the Upper Santa Ana Water Resources Association meeting of November 17, Directors Aranda and Corneille asked that Mr. Crowley provide a report at the next Board meeting on the Seven Oaks Dam Water Quality Impact Study and the potential impact to the District, as well as a report on the Integrated Regional Groundwater Management Plan.

Director Corneille inquired as to the reason the San Bernardino Valley Municipal Water District (Muni) was spreading State Water Project (SWP) water on District property. Mr. Crowley said that Muni had sought permission from the District to spread water in the SAR ponds as a result of over-pumping by the City of Riverside (Riverside) in 2003-04. Riverside and Western Municipal Water District (Western), through the Watermaster, had pursued an over-extraction and had wanted to extend the over-extraction numbers. Since the Watermaster had not approved this action, Western, through the Metropolitan Water District, purchased SWP water to spread in the basin to offset some of the over-extraction that had taken place in 2003-04. This water would not be coming out of the Conservation District's SWP account. As for a paper trail, Mr. Crowley said that Muni has a weekly report indicating where the SWP was being spread. Mr. Cosgrove suggested an email be sent to Muni confirming that the SWP currently being spread in the Conservation District's ponds is by request of Muni, and not a part of the District's account.

7. CONSENT CALENDAR

The financial statements were briefly discussed.

It was moved by Vice President Day and seconded by Director Henriques-McDonald to approve the Consent Calendar, consisting of the Expenditures for November 2005 and the Un-audited Financial Reports for November 2005. The motion carried unanimously.

8. BOARD LETTERS, ACTION ITEMS, NEW BUSINESS, FYI

A. Report on Groundwater Charge Receipts

Mr. Libeu discussed the current status of the groundwater assessments that the District has received so far for the period January 1, 2005 to June 30, 2005. He noted that the majority of the delinquent assessments were from small well producers, but that the most significant delinquency was the City of Redlands. Options for pursuing the delinquent accounts were discussed. Mr. Libeu also discussed handling the upcoming

assessment statements for the period of July 1, 2005 to December 31, 2005. Both matters would be further discussed at the January Board meeting, upon receiving the financial analysis report from Soren McAdam Christenson LLP.

It was moved by Director Henriques-McDonald and seconded by Director Corneille to receive and file the report on the Groundwater Charge Receipts. The motion carried unanimously.

B. Election of Officers

It was moved by Director Douglas and seconded by Director Aranda to nominate Vice President Clare Henry Day for the office of President.

Vice President Day declined to be nominated to office due to his wife's illness.

It was moved by Director Wright and seconded by Vice President Day to nominate President Cheryl Tubbs for the office of President.

After discussion, the following motions took place:

It was moved by Director Corneille and seconded by Director Aranda to close the nominations for the office of President. The motion carried unanimously. As there were no further nominations, Cheryl Tubbs was declared President.

It was moved by Director Henriques-McDonald and seconded by Vice President Day to nominate Director Aranda for Vice President; it was moved by Director Corneille and seconded by Vice President Day to close the nominations. The motion carried unanimously. As there were no further nominations, Manuel Aranda was declared Vice President.

C. Approve Schedule of Board Meetings for 2006

It was moved by Director Corneille and seconded by Director Henriques-McDonald to approve the schedule of Board meetings for 2006. The motion carried 6-0, with Director Wright having left the meeting momentarily.

9. SPECIAL PRESENTATION

Mr. Simoni, of California Advocates, Inc., presented a legislative report for the year 2005. He spoke of the special election that took place in November and its adverse effects on Governor Schwarzenegger. He said only 1/3 of the bills that were introduced passed. Senator Ortiz reintroduced her bill on special district government sanctions, but it was stalled in the Senate. Assemblyman Simon Salinas, Chair of the Assembly Local Government Committee, introduced a bill that would provide for modest local

governance reform, not just for special districts, but also included cities and counties. He continued his discussion, noting other bills that had been introduced.

10. CLOSED SESSION

It was moved by Director Aranda and seconded by Director Henriques-McDonald to adjourn to Closed Session, at 11:20 a.m., as provided by the authority of Government Code Section 54956.9(a) to consider the Application No. 31371 before the State Water Resources Control Board to appropriate waters of the Santa Ana River; and/or under the authority of Government Code Section 54956.9(a), the Board of Directors may recess to Closed Session to consider the applications by Southern California Edison before the Federal Energy Regulatory Commission to re-license hydroelectric plants on the Santa Ana River, Mill Creek, and Lytle Creek.

and/or

Under the authority of Government Code Section 54956.9 (b)(3)(a), and Section 54956.9(c), the Board may recess to Closed Session to confer with legal counsel regarding significant exposure to litigation in one case.

and/or

Under the authority of Government Code Section 54956.8, the Board of Directors may recess to Closed Session to consider lease and/or Real Property negotiations with Robertson's Ready Mix; if action is directed, the negotiators will be Lawrence Libeu and David Cosgrove with the District; and Dennis Troesh of Robertson's Ready Mix.

and/or

Under the authority of Government Code Section 54956.8, the Board of Directors may recess to Closed Session to consider lease and/or Real Property negotiations with CEMEX, USA; if action is directed, the negotiators will be Lawrence Libeu and David Cosgrove with the District; and Tom Powell and Christine Jones of CEMEX, USA.

and/or

Under the authority of Government Code Section 54956.8, the Board of Directors may recess to Closed Session to consider Real Property negotiations re: easement agreement with San Bernardino Valley Municipal Water District/Western Municipal Water District concerning the District's Santa Ana River facilities; if action is directed, the negotiators will be Lawrence Libeu and David Cosgrove with the District; Robert Reiter and

David Aladjem with the San Bernardino Valley Municipal Water District; and John Rossi with Western Municipal Water District.

and/or

Under the authority of Government Code Section 54957 and 54957.6, the Board of Directors may recess to Closed Session to consider public employee items. The motion carried unanimously.

At 11:50 a.m., it was moved by Director Henriques-McDonald and seconded by Director Douglas to reconvene into Open Session. In accordance with Government Code Section 54957.1, there was no reportable action taken.

11. ADJOURN MEETING

At 11:50 a.m., the meeting adjourned to the Board meeting scheduled for **Wednesday, January 11**, 2005 at District Headquarters, 1630 W. Redlands Blvd., Ste. A, Redlands, CA, at 1:30 p.m.

Board Secretary