

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS

MINUTES OF THE BOARD MEETING OF
March 11, 2009
1:30 P.M.

President Melody McDonald called the Board Meeting of the Board of Directors to order at 1:30 p.m. All present stood for the pledge of allegiance, led by President McDonald.

ROLL CALL:

BOARD MEMBERS PRESENT:

Melody McDonald, President
Manuel Aranda, Vice President (2:45 p.m.)
Cheryl Tubbs, Director
Clare Henry Day, Director
Arnold Wright, Director
Richard Corneille, Director
John Longville, Director

BOARD MEMBERS ABSENT:

None

GENERAL COUNSEL PRESENT:

David Cosgrove, Rutan & Tucker

STAFF PRESENT:

R. Robert Neufeld, General Manager
Claud Seal, Assistant General Manager/District Engineer
Colleen Theuer, Admin. Mgr/Recording Secretary
Randy Scott, Project Manager, Wash Plan

GUESTS PRESENT:

Greg Gage, San Bernardino Valley Municipal Water District
Charles Roberts, Highland Community News

1. PUBLIC PARTICIPATION

President McDonald announced this as the time for any persons present, who so desire, to make an oral presentation to the Board of Directors. Hearing none, the meeting proceeded with the published agenda items.

2. ADDITIONS/DELETIONS TO AGENDA

Mr. Neufeld requested that Item 6D, *Discussion and Possible Action on District Bank Account*, be removed from the agenda; and he requested that an addition, Item 6G, *LAFCO Deposit for Independent Financial Analysis*, be added.

3. BOARD DISCUSSION ITEMS

Director Tubbs reported attending several ad hoc committee meetings, in addition to an Administrative Committee meeting, which met to start the review process of updating job descriptions and the employee manual. She also attended the Optimization Study Group meeting.

Director Day reported that he attended several ad hoc committee meetings and the Administrative Committee meeting.

Director Wright reported attending the Administrative Committee meeting.

Director Longville reported attending the ACWA Washington D.C. Conference.

President McDonald reported attending the Upper Santa Ana Water Resources Association meeting; the ACWA Washington D.C. Conference; the Highland Chamber of Commerce Breakfast; the Inland Empire Utilities Agency Breakfast; and the San Bernardino Valley Municipal Water District Board meeting. She commented on President Milligan's remarks regarding Supervisor Derry and the District. She noted that she also sat in on the Administrative Committee meeting.

4. CONSENT CALENDAR

The minutes from the February 11, 2009 Board meeting were briefly discussed. A minor word change was noted.

It was moved by Director Corneille and seconded by Director Tubbs to approve the minutes from the February 11, 2009 Board meeting, as amended. The motion carried 5-1-0, with Director Corneille abstaining due to his absence from the meeting and Director Aranda noted absent.

It was moved by Director Day and seconded by Director Wright to approve the un-audited financial reports for February, 2009. The motion carried 6-0, with Director Aranda noted absent.

5. INFORMATION ITEMS

A. Board Committee Reports

Director Tubbs reported on the Administrative Committee meeting held on February 17, 2009. The discussion involved the updating of job descriptions and the employee manual. The committee planned to meet again in two weeks to review the changes suggested on the job descriptions.

B. Wash Plan Update

Randy Scott updated the Board on the Wash Plan, indicating that progress was being made on the EIS. The second Administrative Draft had been received and comments were due by March 13, 2009. Mr. Scott said that they have recently learned, after the timetable for the completion of the EIS had been developed, that there would be a delay associated with the BLM review process. A state level review and a Washington level review are required, with the turnaround time of about 4-6 weeks. The optimum date for release of the document would be May 1, 2009; the worst case scenario would be June 1, 2009. This delay causes the completion timetable to be extended by approximately three weeks. Discussion ensued. Mr. Scott indicated that the next Task Force meeting was scheduled for March 24, 2009 at 10:00 a.m. at the District office. He indicated he would be bringing recommendations for preparing the HCP to the next Board meeting.

C. Operations and Maintenance Report

Mr. Seal reported that field personnel had been importing soil and compacting it on roads in the Mill Creek Spreading Grounds area. He noted that higher flows had been observed with the increased rainfall on both Santa Ana and Mill Creek sources, resulting in more flows into the spreading areas. Valve improvements and upgrades at the North Fork Box had not yet been made; repair crews were scheduled to be on site later in the month.

D. Optimization Study Update

Mr. Seal reported that staff, MWH engineers, and SBVMWD engineers met in the field on Friday, February 22, at the Cuttle Weir and the north side of the borrow pit areas for inspection and discussions about identifying and designing remedies to deal with some of the problem areas of water runoff. The group met again on Monday, March 9 at the District office to begin the finalization process of the study and report. Discussion included a "floating tree" problem, and suggestions were made to try and deflect the floating trees. MWH had proposed a "floating log" that would be tethered at both ends to deflect the floating trees; however, staff has asked for an engineering analysis before proceeding.

Mr. Neufeld said that at the last Optimization Study meeting, the idea of creating a wetlands area in the borrow pit was discussed, since the general consensus has been

that the borrow pit is not conducive to spreading. The group generally was amenable to the concept; however this was not within the scope of the Optimization Study.

E. Assistant General Manager's Report

Mr. Seal reported that the Engineering Investigation Report (EI) had been completed, as well as the Big Bear Watermaster Report. He said that the District has hired a part-time person to do GIS work and to complete the drawings for the EI. Also, he noted that the website is in the process of being updated.

F. General Manager's Report

Mr. Neufeld reported that he would be out of the office the week of March 16-20, 2009. He noted that he had attended the Legislative meeting at Loma Linda Chamber of Commerce. He reported that a pipe burst on the hot water heater at the District, flooding a small area of the hallway and front lobby. A claim has been filed with JPIA.

Mr. Neufeld announced that the ACWA Spring Conference would be May 19-22 in Sacramento.

Mr. Neufeld discussed an option offered from the Registrar of Voters to change District elections to a mail ballot, possibly affecting a cost savings of \$14,000 per election. Discussion ensued. The District is only charged a fee when a Director is challenged; just \$28,000 has been paid out by the District over the last nine years. No action was taken on this item.

Director Tubbs asked for an update on consultants hired by the District. Mr. Neufeld explained. Director Aranda inquired as to the status of the consultant Mathis Consulting Group and the three contracts signed with them for a total of \$50,000. Discussion ensued. Mr. Neufeld said he would bring back to the Board additional information regarding Mathis Consulting Group. Director Tubbs asked that the Board be made aware of any contracts signed.

6. ACTION ITEMS, NEW BUSINESS, FYI

A. Annual Engineering Investigation Report

Using visual aids, Mr. Seal presented the Annual Engineering Report and answered questions from the Board. Following Mr. Seal's presentation, Mr. Neufeld made a presentation regarding the groundwater rates. He said an increase in the rates would be necessary because of the dramatic drop in the District's mining revenues. He noted that maintaining the current groundwater rate, and without funding any capital projects, the District would still need to draw from reserves to maintain current services. In considering the groundwater rates, the District would need to consider whether to fully fund, partially fund, or not fund at all the several capital projects proposed for fiscal year 2009-2010. He proposed several rate change options for the Board to consider. A lengthy discussion ensued. After discussion, the following motion was made:

It was moved by Director Longville and seconded by Director Tubbs to direct staff to publish the rates for the proposed groundwater charge at an 18% increase, \$2.18 for agricultural use and \$7.85 for non-agricultural use. The motion carried unanimously.

B. Consider Nomination for LAFCO Alternate Special Districts Member Position

Mr. Neufeld discussed the LAFCO Alternate Special Districts member position open for nominations.

It was moved by President McDonald and seconded by Director Aranda to nominate Director John Longville for the position of Special Districts Alternate member of LAFCO. The motion carried unanimously.

C. Approve Amendment to Conflict of Interest Code

Mr. Neufeld explained the necessity to amend the Conflict of Interest Code by adding a provision related to consultants to the Disclosure Categories Appendix. Director Tubbs pointed out that the category for *Project Manager* in the Appendix needed to be deleted since it was included within the added provision.

It was moved by Director Tubbs and seconded by Director Day to approve Resolution No. 449 and the Disclosure Categories Appendix as amended, for the District Conflict of Interest Code. The motion carried unanimously (roll call vote).

D. This item was removed earlier in the meeting.

E. Consider Meeting Dates for Standing Committees

There was a discussion on the Standing Committees schedule of meetings.

It was moved by Director Aranda and seconded by Director Wright to establish that all standing committees meet once a quarter. The motion failed, 3 for (Aranda, Wright, Day) and 4 opposed (Tubbs, Corneille, Longville, McDonald).

It was moved by Director Corneille and seconded by Director Tubbs to establish that all standing committees meet twice a year. The motion carried unanimously.

F. FYI - Change in COBRA Law

This was an information only item.

G. LAFCO Deposit for Independent Financial Analysis

This item was added at the beginning of the meeting. The District received a request from LAFCO for a payment of \$12,500 for the Independent Financial Analysis related to the consolidation issue.

It was moved by Director Longville and seconded by Director Corneille to approve the payment of \$12,500 to LAFCO for the Independent Financial Analysis related to the consolidation issue. The motion carried unanimously.

7. UPCOMING EVENTS

There was no discussion on the upcoming events.

8. CLOSED SESSION

At 4:35 p.m., it was moved by Director Tubbs and seconded by Director Day to adjourn to Closed Session, under Government Code Section 54956.8, consider Real Property negotiations with the City of Redlands regarding potential well sites along Orange Avenue; Government Code Section 54956.9(a), confer with legal counsel regarding the renewal of the temporary urgency permit No. 21212, filed with the State Water Resources Control Board; Government Code Section 54956.9(c), consider whether to initiate litigation; and Government Code Section 54956.9(a), confer with legal counsel regarding Case No. SCVSS 147526 San Bernardino Valley Water Conservation District vs. San Bernardino County Local Agency Formation Commission. The motion carried unanimously.

At 5:15 p.m., the meeting reconvened into Open Session. Under Government Code Section 54957.1, there was no reportable action taken.

9. ADJOURN MEETING

At 5:15 p.m., the meeting adjourned to the Board meeting scheduled for March 25, 2009, at 1:30 p.m., at District Headquarters, 1630 W. Redlands Blvd., Redlands, CA.

R. Robert Neufeld
Secretary of the Board