

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS

MINUTES OF THE BOARD MEETING OF
August 26, 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
Cheryl Tubbs, Director
Clare Henry Day, Director
Arnold Wright, Director
John Longville, Director

BOARD MEMBERS ABSENT:

Richard Corneille, Director

GENERAL COUNSEL PRESENT:

David Cosgrove, Rutan & Tucker, LLP

STAFF PRESENT:

R. Robert Neufeld, General Manager
Claud Seal, Assistant General Manager/District Engineer
Colleen Theuer, Admin. Mgr/Recording Secretary

GUESTS PRESENT:

None

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 6A, *Consider Approval of New Employee Position*, be removed from the agenda, to be brought back to the Board at a later date.

It was moved by Director Day and seconded by Director Tubbs to approve the request to remove Item 6A, *Consider Approval of New Employee*, from the agenda. The motion carried 6-0, with Director Corneille noted absent.

3. BOARD DISCUSSION ITEMS

Director Tubbs reported attending an ad hoc committee meeting in which William McMullan, of W. McMullan & Associates, was interviewed regarding strategic planning for the District. A contract with Mr. McMullan would be considered as an action item later in the meeting. Director Tubbs also reported attending an ad hoc committee meeting regarding post-consolidation issues, and an Administrative Committee meeting, in which job descriptions and recruitment were discussed.

Director Day reported attending the ad hoc committee meeting regarding strategic planning, and the Administrative Committee meeting regarding job descriptions and recruitment.

Director Aranda reported that Supervisor Derry would be a keynote speaker at the Annual Loma Linda State of the Community Luncheon, to take place December 8, 2009.

Director Wright reported attending the Administrative Committee meeting.

Director Longville reported attending the ad hoc committee meeting regarding post-consolidation issues.

President McDonald reported that she attended several meetings, including the Highland Chamber of Commerce luncheon; the Advisory Commission on Water Policy; the San Bernardino Valley Municipal Water District Board meeting; the Upper Santa Ana Water Resources Association meeting; and a meeting at the District office with Justin Landon, from Congressman Jerry Lewis' office.

4. CONSENT CALENDAR

This item had been tabled from the August 12, 2009 meeting. The minutes from the meeting of July 9, 2009 was briefly discussed, and minor word changes were noted.

It was moved by Director Tubbs and seconded by Director Day to approve the minutes from the July 9, 2009 meeting, as amended. The motion carried 6-0, with Director Corneille noted absent.

This item had been tabled from the August 12, 2009 meeting. The minutes from the meeting of July 13, 2009 were briefly discussed, and minor word changes were noted.

It was moved by Director Tubbs and seconded by Director Day to approve the minutes from the July 13, 2009 meeting, as amended. The motion carried 6-0, with Director Corneille noted absent.

This item had been tabled from the August 12, 2009 meeting. The minutes from the meeting of July 22, 2009 were briefly discussed, and minor word changes were noted.

It was moved by Director Day and seconded by Director Longville to approve the minutes from the July 22, 2009 meeting, as amended. The motion carried 6-0, with Director Corneille noted absent.

The minutes from the meeting of August 12, 2009 were discussed. Further clarification was requested for Item 6F(3) *Discussion and Possible Action Regarding Redlands Plaza Property Management*. Staff was directed to review the recording of the meeting and to bring this item to the next Board meeting on September 9, 2009 for approval.

It was moved by Director Tubbs and seconded by Director Day to table the minutes from the August 12, 2009 Board meeting, in order to seek further clarification on Item 6F(3), and to bring this item to the next Board meeting on September 9, 2009. The motion carried 6-0, with Director Corneille noted absent.

5. INFORMATION ITEMS

A. Board Committee Reports

Director Tubbs discussed strategic planning for the District and the recommendation later in the meeting for a facilitator for this purpose. She reported receiving a call from Dennis Johnson of Highland, who would like to attend District committee meetings so that he could provide input in the strategic planning process, particularly with regards to parks and trails. Director Day recalled that ESRI did a previous study on parks and recreation on our property. Mr. Neufeld said Mr. McMullan submitted as a supplement to his proposal an item on outreach to community leaders.

B. Wash Plan Update

Mr. Cosgrove reported that he participated in the meeting with Justin Landon, of Congressman Jerry Lewis' office, by conference call. The purpose of the meeting was to update Mr. Landon on the progress and timeline of the Wash Plan. Several issues were discussed, including aspects of the land appraisal for the land exchange. Also discussed was the legislation the District had given to Congressman Lewis' office more than a year ago, which would ensure that the land exchange could occur and that all of that land in the exchange could be used for water conservation purposes, under the 1909 Act, and under which the District originally established many of the spreading

basins. The legislation also contains directives on how the appraisal should be conducted. Mr. Landon asked for a copy of the legislation and indicated that it could be placed in a current bill being proposed by Senator Feinstein. Discussion ensued, and Mr. Cosgrove answered questions from the Board.

Randy Scott continued with an update of the Wash Plan. He discussed in length the continuing progress of the Environmental Impact Statement (EIS) and the Habitat Conservation Plan (HCP). He noted that he was pleased with the work being done by Jones & Stokes on the HCP, and indicated that he was optimistic that an internal Administrative Draft would be completed at the end of September 2009. Mr. Scott distributed a schedule with remaining components of the Wash Plan, that included the timeline for the EIS, which indicated that the Record of Decision would be completed by March 2010. The HCP and Incidental Take Permit schedule timeline indicated completion by October 2010. Mr. Scott said a meeting with the Wash Plan Task Force would be scheduled in mid-October.

C. Operations and Maintenance Report

Mr. Seal said that beginning August 24, 2009 the District began spreading 2,000 acre-feet of state project water, and that the District was working with the San Bernardino Valley Municipal Water District (SBVMWD) and other purchasers of state water to spread the water as quickly as possible. He said that water spreading has ceased in Mill Creek spreading grounds due to flows being taken by upstream users. Director Tubbs asked about the IRWMP targets and how the spreading of the 2,000 acre-feet of water would affect those targets. Mr. Neufeld replied that a meeting between the parties of BTAC was held last week at East Valley Water District to finalize the commitment on the part of each of the parties, and the targets were discussed at that time; staff was assured that it would have no impact and that the IRWMP was a tool that could be modified. Discussion ensued. Mr. Cosgrove said he would draft a letter to BTAC asking them for approval for extending the targets.

D. Assistant General Manager's Report

Mr. Neufeld reported that a final meeting regarding the Optimization Study will take place on August 31, 2009.

Mr. Seal reported that he and Mr. Neufeld attended the water conference in Ontario. He also attended a SBVMWD Engineering Workshop. At this meeting, in reference to the Optimization Study, SBVMWD asked staff if the District would consider financially participating in capital improvements and/or modifications recommended in the Optimization Study to the District system. The District has a "capture and conveyance" system that SBVMWD has permission to use, and new easements would need to be written after each improvement has been completed, with SBVMWD included as a participant. Mr. Seal said he anticipated presenting to the Board more details of the proposed improvements within the next several months.

Using a power point presentation, Mr. Seal reported on the Big Bear Watermaster meeting that took place on August 24, 2009, at Big Bear.

E. General Manager's Report

Mr. Neufeld reported that the District had received notice from LAFCO that their meeting on September 16, 2009 would include, under their Consent Calendar, a review and adoption of Resolution No. 3067 denying LAFCO 3076 for consolidation of the District with SBVMWD. The meeting would be at 9:00 a.m. at the San Bernardino City Hall. Mr. Neufeld also noted that he would be meeting with the LAFCO Executive Director, Kathleen Rollings-McDonald, next week to discuss the next Municipal Services Review (MSR) for the District, which will take place in the fall of 2011. A brief discussion ensued regarding the reversal of the District's Zero Sphere of Influence. Mr. Neufeld said that this could be done either by a request to LAFCO or at the next MSR. Discussion continued. The role of LAFCO with regards to the implementation of the Wash Plan was also discussed. Mr. Neufeld said he would be discussing these items with Ms. Rollings-McDonald at their meeting.

Mr. Neufeld reported on the Administrative Committee meeting of August 18, 2009 in which he received approval from the committee to retain a consultant to review the functions of the Administrative Manager (AM) position, as the AM would be retiring in October 2009. Discussion ensued regarding the possible separation of the accounting function of the position and the current software used for the accounting function. The consultant retained is Cindy Navaroli of Platinum Consulting Group, who will assist in developing the new job description and with recruitment.

Ms. Theuer reported on a CalPERS circular regarding the current economic environment and its impact on future employer rates.

Mr. Neufeld reported that of the 2,000 acre-feet of state project water that the District has purchased, it was agreed between SBVMWD and the City of Redlands that the District will spread 1,000 AF in the Santa Ana River and 1,000 in the Mill Creek basin.

6. ACTION ITEMS, NEW BUSINESS, FYI

A. Consider Approval of New Employee Position

This item was removed from the agenda at the beginning of the meeting.

B. Consider ACWA Region 9 Election for the 2010-2011 Term

The ACWA Region 9 election for the 2010-2011 term was discussed. The District had a choice of casting a vote for ACWA's recommended slate of candidates, or casting a vote for individual candidates.

It was moved by President McDonald and seconded by Director Tubbs to cast a vote for the ACWA Region 9 slate of candidates recommended by

the Region 9 nominating committee. The motion carried 6-0, with Director Corneille noted absent.

- C. Consider ACWA Committee Appointment Nominees for the 2010-2011 Term

Discussion ensued regarding ACWA committee appointment nominees for the 2010-2011 Term. Board members who were interested in the committees were asked to submit their names to Staff, and Staff would then bring these names back to the Board meeting on September 9, 2009.

It was moved by Director Day and seconded by Director Aranda to table this item, ACWA Committee Appointment Nominees, until the Board meeting on September 9, 2009. The motion carried 6-0, with Director Corneille noted absent.

- D. Consider CSDA Election for Representative to CSDA Board of Directors in Region 5, Seat A

The District received a mail ballot from CSDA for the election of a CSDA representative to their Board of Directors in Region 5, Seat A. The ballot listed several candidates.

It was moved by Director Tubbs and seconded by Director Aranda to decline to cast a vote for a representative to the CSDA Board of Directors in Region 5, Seat A. The motion carried 6-0, with Director Corneille noted absent.

- E. Consider Approval of Resolution No. 453 Supporting the Nomination of Director Peer Swan (Irvine Ranch Water District) as Vice President of ACWA

Discussion ensued regarding the request from Irvine Ranch Water District to support their director, Peer Swan, as Vice President of ACWA. After discussion, the following motion was made:

It was moved by Director Day and seconded by Director Wright to approve Resolution No. 453, concurring in the support of the Irvine Ranch Water District's director Peer Swan for Vice President of ACWA. The motion carried 6-0, with Director Corneille noted absent.

Director Longville was excused from the meeting at 3:45 p.m.

- F. FYI – Report from the General Manager Regarding the Hiring of Planning Facilitator

Mr. Neufeld led a discussion on the retention of a planning facilitator for strategic planning for the District. He asked Director Aranda, as chair of the Ad Hoc Committee for Strategic Planning, to report on the meeting with William McMullan, of W. McMullan & Associates, who was interviewed by the committee as a consultant for this purpose.

Director Aranda reported on the interview and presentation from Mr. McMullan. He recommended the District retain his firm. However, as this item was listed on the agenda as an information item, and the contract meeting with Mr. McMullan took place after the posting of the agenda, the Board would need to make a finding to add it to the agenda as an action item.

It was moved by Director Day and seconded by Director Tubbs for the Board to make a finding to add to the agenda, as an action item, the approval of a contract with William McMullan, of W. McMullan & Associates, as Planning Facilitator for Strategic Planning; this item arose after the posting of the agenda (Item G). The motion carried 5-0, with Directors Corneille and Longville noted absent.

- G. Approve Contract with William McMullan as Planning Facilitator for Strategic Planning

Discussion ensued. Director Tubbs said there was a discrepancy in the amount of the contract from what was indicated at the ad hoc committee meeting and what was being presented to the Board. The contract indicates a total amount of \$36,455, including reimbursable expenses; Director Tubbs said that in their discussions with Mr. McMullan, it was her understanding that the contract amount would be less than \$30,000. Discussion continued.

It was moved by Director Tubbs and seconded by Director Day to direct staff to indicate to Mr. McMullan that the Board would be willing to enter into a contract not to exceed \$30,000, including reimbursable expenses; and to authorize that the Board president to sign the contract, with approval from the General Manager and General Counsel. The motion carried 5-0, with Directors Corneille and Longville noted absent.

Staff was directed by the Board to convey to Mr. McMullan that the work should be completed so that the plan could be adopted by the end of the calendar year.

7. UPCOMING EVENTS

Upcoming events were discussed. President McDonald announced that she was scheduled to attend the Public Officials Workshop in Indian Wells on September 24-26; however, she would be unable to attend, and requested that Director Aranda attend in her place.

It was moved by Director Day and seconded by Director Wright to approve the attendance of the Public Officials Workshop by Director Aranda, replacing President McDonald. The motion carried 5-0, with Directors Corneille and Longville noted absent.

Director Aranda was excused at 4:15 p.m.

Discussion continued on the listed Schedule of Events.

It was moved by Director Day and seconded by President McDonald to approve the attendance by Director Tubbs to the Chino Basin Watermaster meeting on September 28-29, 2009. The motion carried 4-0, with Directors Corneille, Longville, and Aranda noted absent.

8. CLOSED SESSION

There was no Closed Session for this meeting.

9. ADJOURN MEETING

At 4:20 p.m., the meeting adjourned to the regular Board Meeting scheduled for September 09, 2009, at 1:30 p.m., at District Headquarters, 1630 W. Redlands Blvd., Redlands, CA.

R. Robert Neufeld
Secretary of the Board