

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT  
BOARD OF DIRECTORS

BOARD MEETING  
AGENDA

**January 13, 2010 - 1:30 p.m.**

Location--1630 West Redlands Boulevard, Suite A, Redlands, California

Note: Copies of staff reports and other documents relating to the items on this agenda are on file at the District offices and are available for public review during normal District business hours. New information relating to agenda topics listed, received, or generated by the District after the posting of this agenda, but before the meeting, will be made available upon request at the District offices.

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**CALL TO ORDER**  
**PLEDGE OF ALLEGIANCE**  
**ROLL CALL**

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**1. PUBLIC PARTICIPATION**

*Members of the public may address the Board of Directors on any item that is within the jurisdiction of the Board; however, no action may be taken on any item not appearing on the agenda unless the action is otherwise authorized by Subdivision (b) Section 54954.2 of the Government Code.*

**2. ADDITIONS/DELETIONS TO AGENDA**

*Section 54954.2 provides that a legislative body may take action on items of business not appearing on the posted agenda under the following conditions: (1) an emergency situation exists, as defined in Section 54956.5; (2) a need to take immediate action and the need for action came to the attention of the District subsequent to the agenda being posted; and (3) the item was posted for a prior meeting occurring not more than five calendar days prior to the date action is taken on the item, and at the prior meeting the item was continued to the meeting at which action is being taken.*

**3. BOARD DISCUSSION ITEMS**

- Monthly Activity Reports, and/or Comments by Board Members

**4. CONSENT CALENDAR**

- Approval of the Board Minutes, December 11, 2009
- Approval of the Un-Audited Financial Reports, November 2009

**5. INFORMATION ITEMS:**

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It is the intention of the San Bernardino Valley Water Conservation District to comply with the Americans with Disabilities Act (ADA) in all respects. If you need special assistance with respect to the agenda or other written materials forwarded to the members of the Board for consideration at the public meeting, or if as an attendee or a participant at this meeting you will need special assistance, the District will attempt to accommodate you in every reasonable manner. Please contact Ms. Shanae Smith (909-793-2503) at least 48 hours prior to the meeting to inform her of your particular needs and to determine if accommodation is feasible. Please advise us at that time if you will need accommodations to attend or participate in meetings on a regular basis.

- A. Board Committee Reports
- B. Wash Plan Update (Randy Scott)
- C. Finance Supervisor's Report (Samantha Brown)
- D. Assistant General Manager's Report (Claud Seal)
- E. General Manager's Report (Robert Neufeld)

6. **ACTION ITEMS, NEW BUSINESS, FYI**

A. AMENDMENT TO ACCESS PERMIT TO LOCKHEED MARTIN CORPORATION

**Recommendation:** Approve amendment to access permit to Lockheed Martin Corporation for access onto the Crafton-Redlands site for the purpose of conducting environmental studies

B. CONSIDER REPORT AND RECOMMENDATION FROM RESOURCES COMMITTEE REGARDING WASH PLAN FISCAL ANALYSIS

**Recommendation:** Direct Staff to undertake in-house financial analysis of Wash Plan costs to complete, anticipated future revenues and total project costs

C. FOR REIMBURSEMENT OF COSTS ASSOCIATED WITH COMPLIANCE WITH LAFCO MANDATED PROGRAM

**Recommendation:** Direct Staff to prepare a claim for refund of state mandated costs regarding sphere of influence determination

D. PROPOSED CHANGE IN 2009-2010 ENGINEERING INVESTIGATION REPORT

**Recommendation:** Approve modifications to the 2009-2010 Engineering Investigation Report (EI) format

E. PROPOSED CHANGE IN ROCK AND AGGREGATES SALE POLICY

**Recommendation:** Approval to treat the transfer of ownership of District owned rock and mineral product to paying customers as a sales effort. Customers will be charged fair price for aggregates

F. POSSIBLE NOMINATION AND RESOLUTION OF THE SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT BOARD OF DIRECTORS FOR MELODY HENRIQUES-MCDONALD TO THE EXECUTIVE BOARD OF ACWA/JPIA

G. FYI-DISTRICT INVESTMENT POLICY FOR 2010

**Recommendation:**

- A. Direct Staff to research possible investment Alternatives to maximize District's return
- B. Direct Staff to bring back to full Board or refer to the Administrative Committee

## H. FYI-2009 LEGISLATIVE SUMMARY

### 7. UPCOMING MEETINGS:

1. January 14, 2010 – Upper Santa Ana Water Resources Association, District Office, 9:30 a.m.
2. January 21, 2010 – Highland Area Chamber of Commerce Community Awards and Installation Dinner, Dinner, Program and Silent Auction, Hampton Inn & Suites, Highland, CA, 7:00 p.m.
3. January 25, 2010 - Strategic Planning Workshop, District Office, 8:00 a.m. (7:30 a.m. continental breakfast)
4. January 25, 2010 - Baseline Feeder Committee Workshop, San Bernardino Valley Municipal Water District, 3:00 p.m.
5. January 25, 2010 - Association of the San Bernardino County Special Districts Dinner, Panda Inn, Ontario, 6:00 p.m.
6. January 27, 2010 - San Bernardino Area Chamber of Commerce Annual Installation Dinner, Hilton Hotel, San Bernardino, 5:30 p.m.
7. January 28, 2010 - Loma Linda Chamber of Commerce Annual Community Awards and Installation of Officers Dinner, Hilton Hotel, San Bernardino, Social Time and Silent Auction at 6:00 p.m., Dinner at 7:00 p.m.
8. January 28, 2010 - Advisory Commission of Water Policy, San Bernardino Valley Municipal Water District, 7:00 p.m.

### 8. CLOSED SESSION

Under the authority of Government Code Section 54956.8, the Board of Directors may recess to Closed Session to consider Real Property negotiations regarding the Mentone Property; if action is directed, the negotiators will be R. Robert Neufeld and David Cosgrove with the District;

**and/or**

Under the authority of Government Code Section 54956.9(c), the Board may recess to Closed Session to consider whether to initiate litigation;

**and/or**

Under the authority of Government Code Section 54956.9(b)(3)(a), and Section 54956.9(c), and Section 54956.9(b)(1), the Board may recess to Closed Session to confer with legal counsel regarding significant exposure to litigation in one case.

9. **ADJOURN MEETING.** The next regular Board meeting will be on January 27, 2010 at 1:30 p.m., at District Headquarters, 1630 W. Redlands Blvd., Ste. A, Redlands, CA.

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT  
BOARD OF DIRECTORS

MINUTES OF THE BOARD MEETING OF  
December 11, 2009  
9:00 A.M.

President Melody McDonald called the Board Meeting of the Board of Directors to order at 9:00 a.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  
Clare Henry Day, Director  
Arnold Wright, Director  
Richard Corneille, Director (9:06 a.m.)  
John Longville, Director  
David E. Raley, Director

BOARD MEMBERS ABSENT:

None

GENERAL COUNSEL PRESENT:

David Cosgrove, Rutan & Tucker, LLP

STAFF PRESENT:

R. Robert Neufeld, General Manager  
Claud Seal, Assistant General Manager/District Engineer  
Samantha Brown, Finance Supervisor  
Randy Scott, Wash Plan Project Manager  
Lisa Pierce, GIS Coordinator  
Shanae Smith, Executive Assistant II

GUESTS PRESENT:

Randy Van Gelder, San Bernardino Valley Municipal Water District  
Doug Headrick, San Bernardino Valley Municipal Water District  
John Rossi, Western Municipal Water District  
Erin Gilhuly, CV Strategies

Mark Shepherd, City of Redlands Resident  
Charles Roberts, Highland Community News

1. PUBLIC PARTICIPATION

President Melody 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

There were no additions/deletions to the agenda.

3. BOARD DISCUSSION ITEMS

President McDonald welcomed Director David E. Raley to Division 5 to the District, and returning Directors Clare Henry Day and John Longville, for their appointment to Divisions 2, and 4, respectively.

Director Aranda deferred his report to Agenda Item to be discussed later in the meeting.

President McDonald reported attending the Association of California Water Agencies Joint Powers' Authority (ACWA/JPIA) conference where she and Director Aranda attended the Executive Committee leadership workshop regarding management level training.

4. CONSENT CALENDAR

Minutes of the November 18, 2009, and the minutes of the November 23, 2009 Special Board meeting were reviewed.

**It was moved by Director Corneille and seconded by Director Day to approve the minutes from the Board meeting of November 18, 2009. The motion carried unanimously.**

**It was moved by Director Day and seconded by Director Longville to approve the minutes of the Special Board meeting of November 23, 2009. The motion carried 6-1-1, with Directors Corneille and Wright abstaining due to their absence at the meeting.**

5. SPECIAL PRESENTATION

Robert Neufeld reported that due to the Adoption of Resolution No. 3067 Denying LAFCO 3076 – Consolidation of San Bernardino Valley Water Conservation District and San Bernardino Valley Municipal Water (SBVMWD), the District had made a commitment to provide a level of service to its constituents that had not previously been provided. He noted he was instrumental in coordinating communications among the General Managers of the SBVMWD and Western Municipal Water District (WMWD) to improve their working relationships with the District, and the benefits and services provided to the local communities. He introduced John Rossi of WMWD, and Randy

Van Gelder and Doug Headrick of the SBVMWD. Mr. Neufeld also thanked Erin Gilhuly of CV Strategies, for her assistance with the presentation. Mr. Rossi said the purpose of the presentation was to inform the respective Boards of their General Managers' goals to implement a process for regional collaboration that would provide the citizens of the San Bernardino Basin Area (SBBA) with maximum water management planning, and maximum water resource flexibility. Questions from the Board were answered and discussed. Director Corneille commented that during the Integrated Regional Water Management (IRWMP) process, the Advisory Commission on Water Policy was a great forum for representation of elected officials from local water agencies, and that the program should be presented to the commission. A discussion ensued.

President McDonald requested self-introductions of all visitors attending the meeting.

## 6. INFORMATION ITEMS

### A. Board Committee

There were no Board Committee Reports for this meeting.

### B. Wash Plan Update

Randy Scott summarized the Ad Hoc Committee meeting for the HCP on December 2, 2009, to review revisions to the HCP and proposed options for funding. He said the administrative document revisions were being reviewed and refined by the consultant and will be submitted to staff in the upcoming week for continued review. He suggested an additional meeting of the Ad Hoc Committee to review and discuss those changes to be submitted to the full Board for consideration, for subsequent authorization to submit to the US Fish and Wildlife Service as part of the District's 10A-Permit application scheduled for January 2010. The Ad Hoc committee also discussed potential funding alternative strategies for the Wash Plan implementation costs. Mr. Scott answered questions from the Board. A discussion ensued.

### C. Finance Supervisor's Report

Samantha Brown announced Board meeting financials will be reported at the second Board meeting of the month to accurately depict expenses for the prior month. She reported that the accounting software was upgraded to the 2010 version to assist the District in obtaining more accurate and detailed financial reports. She also noted that on January 1, 2010, the District will have a new payroll provider that will help increase efficiency and decrease monthly payroll costs.

### D. Assistant General Manager's Report

Claud Seal distributed copies of the Santa Ana River Basin State water spreading activities assembled by Sam Fuller of SBVMWD, that have been included in District spreading activities reported at the Upper Santa Ana Water Resources (USAWRA) meeting.

Mr. Seal made the following announcements:

1. Field personnel are no longer spreading State Water Project (SWP) water in the District's Santa Ana River spreading basins. Over 1,115 AF of SWP water purchased from SBVMWD has been spread. Current spreading rate for additional water for SBVMWD is about 52 cfs per day. SWP water spreading began in Mill Creek last week; 328 AF spread to date. In addition, storm water run-off in the Mill Creek Spreading Grounds is being spread. Total water spread through December 9th was over 16,848 AF in all area spreading basins with a total spreading amount of 4,600 AF. The last of the water should be spread by the end of January, 2010.
2. The new John Deere JD-60D was delivered last Monday, November 30, 2009. The field crew has been using the opportunity to become more familiar with the excavator while cleaning out the channel upstream of the Cuttle Weir and the Inlet Structure.
3. The Cuttle Weir modifications and upgrades have been completed except for the placement of the log boom "skimmer."
4. The Mill Creek Spreading Grounds Aerial Survey has been flown and is being converted to digital print.
5. SBVMWD has issued an RFP for Environmental Documentation and Construction Documents for the "Enhanced Recharge In the Santa Ana River Spreading Basins." Three engineering firms have submitted proposals on the project. The District participated in the review.

Mr. Seal presented a slide show presentation of the improved Cuttle Weir structure and answered questions from the Board.

#### E. General Manager's Report

Mr. Neufeld expanded on Mr. Seal's report regarding the preparation of the Engineering Investigation Report mandated for the District's groundwater charge. He said in the past, engineering services were retained by Todd Engineers. He noted that hiring Ms. Pierce part-time will save considerable costs for the District, as the process will be completed internally.

Mr. Neufeld reported attending the ACWA Fall Conference where the water leaders of the state of California were in attendance. On December 4, 2009, Governor Schwarzenegger called on local water leaders to vote for the water bond on the November 2010 ballot. Mr. Neufeld clarified that the water bond has not yet passed, but has been approved by the legislature to be placed on the 2010 ballot. He said if the bond is not approved, the state of the economy will suffer significantly. He noted the District's role will be to educate its constituents regarding the importance of the approval of the bond. A discussion ensued regarding ACWA's public education campaign, and materials that will be available to local water agencies for distribution.



Mr. Neufeld reported that Mark Nuaimi is no longer Chairman of the San Bernardino LAFCO Board of Supervisors.

Mr. Neufeld reported that dialogue has begun with the Director of the Orange County Flood Control District (OCFCD) regarding the possibility of obtaining the U.S. Army Corp of Engineers (USACE) facilities at the Seven Oaks Dam (SOD).

## **7. ACTION ITEMS, NEW BUSINESS, FYI**

### **A. ELECTION OF OFFICERS**

**It was moved by Director McDonald and seconded by Director Aranda to nominate Clare Henry Day to the office of President. The motion carried unanimously.**

**It was moved by Director Corneille and seconded by Director Aranda to nominate Director McDonald as Vice President elect. The motion carried unanimously.**

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, Clare Henry Day was declared President.**

**it was moved by President Day and seconded by Director Aranda to close the nominations for the office of Vice President. The motion carried unanimously. As there were no further nominations, Melody McDonald was declared Vice President.**

### **B. APPOINTMENT OF COMMITTEES**

President Day made the following announcements:

- Vice President McDonald will replace Cheryl Tubbs on the Administrative Committee.
- The Resources Committee members will remain the same, with President Day as the alternate.
- The Outreach Committee members will remain the same, with President Day as the alternate.

A discussion ensued regarding Section 4060.4 of the Policy Handbook for the Conduct of Business of the Board that authorizes the Board President to modify standing committee appointments, or by vote of the full Board. A discussion ensued regarding Director Raley's interests and his background in finance as it relates to existing standing committees and his potential future appointments to said committees.

C. APPROVE AMENDMENT TO GENERAL COUNSEL CONTRACT

**It was moved by Director Corneille and seconded by Director Day to Authorize the General Manager to Execute an Amendment to the General Counsel Contract. The motion carried unanimously.**

D. APPROVE SCHEDULE OF 2010 BOARD MEETING CALENDAR

**It was moved by Director McDonald and seconded by Director Longville to Approve the Schedule of 2010 Board Meeting Calendar. The motion carried unanimously.**

Discussion ensued. Director Longville suggested that Board members be notified electronically of all modifications to the schedule of Board meetings to avoid conflicts in personal schedules. Director Corneille inquired about the need for two monthly meetings. He suggested that the Board use the time externally as opposed to the Board room. Mr. Neufeld said during the strategic planning process and subsequent implementation of the plan, the District will continue with the existing schedule to facilitate the meetings. President Day suggested that revisions to the schedule of Board meetings be made as the Board deemed necessary.

E. CONSIDER APPROVAL OF THIRD AMENDMENT TO W. MCMULLAN & ASSOCIATES CONTRACT FOR STRATEGIC PLANNING FACILITATOR AT THE REQUEST OF THE BOARD

Mr. Neufeld said this item was brought forward by the Board of Directors due to the depth of the strategic planning workshop.

**It was moved by Director McDonald and seconded by Director Longville to discuss staff's recommendation to amend the W. McMullan Associates Contract. The motion carried 5-1-1, with Director Raley opposed, and Director Wright abstained due to his absence at the meeting.**

President Day briefly summarized the elements outlined in the vision plan that needed to be accomplished, and the Board decided to continue the workshop at a later date. Director Raley said he was not present at the workshop. He reported that Mr. Mullen has forwarded the meeting materials for his review. He said that upon review of the materials, he deemed it unnecessary to schedule an additional meeting with the facilitator, and felt that as an alternative, the facilitator should submit a report; a subsequent meeting of the Board should be scheduled to review and refine the details of the report. Director Raley said that he would not support an additional \$8,000 to have the facilitator present. A discussion ensued regarding clarification of the contract amendment costs and support of the Board to complete the plan process.

**It was moved by Director McDonald and seconded by Director Longville to Approve the Third Amendment to W. McMullan Associates Contract. The**

**motion carried 5-1-1, with Director Raley opposed, and Director Wright abstaining due to his absence at the November 23, 2009 meeting.**

8. UPCOMING EVENTS

Mr. Neufeld announced the Department of Water Resources Grant Funding workshops to solicit comments on the draft guidelines and Proposal Solicit Packages (PSP) prepared for the Local Groundwater Assistance (LGA) and Proposition 50 Supplemental Integrated Regional Water Management (IRWM) funding. He said the workshop was free, but required Board approval for Board of Director attendance. Discussion ensued.

**It was moved by Vice President McDonald and seconded by Director Aranda to authorize one member of staff to attend the Department of Water Resources (DWR) Grant Funding workshop scheduled, January 7, 2010. The motion carried unanimously.**

9. CLOSED SESSION

**At 10:55 a.m., it was moved by Director Corneille and seconded by Director McDonald to adjourn to Closed Session, Government Code Section 54956.9(b)(3)(a), and Section 54956.0(c), and Section 54956.0(b)(1), confer with legal counsel regarding significant exposure to litigation in one case. The motion carried unanimously.**

The Closed Session adjourned at 11:32 a.m. and the regular meeting reconvened.

10. ADJOURN MEETING

At 11:32 a.m., the meeting adjourned to the Regular Board meeting scheduled for January 13, 2009, at 1:30 p.m., at 1630 W. Redlands Blvd., Redlands, CA.

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R. Robert Neufeld  
Secretary of the Board



# SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT

Established 1932

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To: Board of Directors

Prepared by: Samantha Brown, Finance Supervisor

Date: January 13th, 2010

Subject: November 2009 Financial Statements

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## **RECOMMENDATION**

Staff recommends that the Board of Directors approve, receive and file the November 2009 financial statements

## **BACKGROUND**

Board will now receive Financial Statements at the second regular Board meeting of every month for the prior month.

## **DISCUSSION**

*Attached is November 2009 Profit & Loss by Fund report.*

- General Fund Electricity, Water and Gas is only for the Mentone Property

*Attached is the November 2009 Profit & Loss Budget versus Actual report.*

- Cemex is not required to pay the Minimum Rent as long as their Royalties is greater than the \$2400 Minimum Rent payment.
- Water Conservation District Plaza account will no longer have activity, instead all activity will be in the Redlands Plaza Fund
- Groundwater Replenishment is the water bought from Muni, the budget will be re-classified to this account to accommodate the purchase
- Engineering Services is over budget due to requesting a Compilation of property maps

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BOARD  
OF  
DIRECTORS

Richard W. Corneille  
Clare Henry Day

Arnold L. Wright  
John Longville

David E. Raley  
Melody McDonald  
Manuel Aranda, Jr.

GENERAL  
MANAGER

R. Robert Neufeld

*Also attached is the 1<sup>st</sup> quarter Balance Sheet, as of November 30, 2009.*

- As requested we have separated out the LAIF Funds that are restricted to visibly see the LAIF Funds that cannot be used

Please note that there may be further changes to adjust to the auditor comments and format, however, these changes will likely be insignificant.

**San Bernardino Valley Water Conservation District**  
**Profit & Loss by Fund**  
November 2009

	General Fund	Redlands Plaza	TOTAL
<b>Ordinary Income/Expense</b>			
<b>Income</b>			
4020 · Groundwater Charge			
4021 · Assessments - Ag	46.80	0.00	46.80
4023 · Assessments - Non-Ag	105.07	0.00	105.07
<b>Total 4020 · Groundwater Charge</b>	<b>151.87</b>	<b>0.00</b>	<b>151.87</b>
4030 · Mining Income			
4031 · Cemex USA Plant Site Rent	1,499.98	0.00	1,499.98
4032 · Cemex Mining	4,271.40	0.00	4,271.40
<b>Total 4030 · Mining Income</b>	<b>5,771.38</b>	<b>0.00</b>	<b>5,771.38</b>
4050 · Property Tax	4,048.51	0.00	4,048.51
4065 · Redlands Plaza	0.00	9,558.66	9,558.66
4080 · Exchange Plan	10,260.43	0.00	10,260.43
4090 · Optimization Study Reimburse.	3,407.25	0.00	3,407.25
<b>Total Income</b>	<b>23,639.44</b>	<b>9,558.66</b>	<b>33,198.10</b>
<b>Gross Profit</b>	<b>23,639.44</b>	<b>9,558.66</b>	<b>33,198.10</b>
<b>Expense</b>			
5050 · Regional Programs			
5070 · Groundwater Replenishment	60,000.00	0.00	60,000.00
<b>Total 5050 · Regional Programs</b>	<b>60,000.00</b>	<b>0.00</b>	<b>60,000.00</b>
5100 · Professional Service			
5120 · Misc. Professional Services	19,981.27	0.00	19,981.27
5122 · Wash Plan Professional Services	11,233.90	0.00	11,233.90
5125 · Engineering Services	5,200.00	0.00	5,200.00
5140 · Legislative Services	4,000.00	0.00	4,000.00
5175 · Legal - Wash Plan	4,235.01	0.00	4,235.01
5180 · Legal	9,184.33	0.00	9,184.33
<b>Total 5100 · Professional Service</b>	<b>53,834.51</b>	<b>0.00</b>	<b>53,834.51</b>
5200 · Field Operations			
5210 · Equipment Maintenance	18.53	0.00	18.53
5220 · Maintenance Materials/Shop/Fld	108.48	0.00	108.48
5230 · Field Tools	81.38	0.00	81.38
5240 · Facility Maintenance	88.11	0.00	88.11
<b>Total 5200 · Field Operations</b>	<b>296.50</b>	<b>0.00</b>	<b>296.50</b>
5300 · Vehicle Operations			
5310 · Vehicle Maintenance	152.21	0.00	152.21
5320 · Fuel	583.48	0.00	583.48
<b>Total 5300 · Vehicle Operations</b>	<b>735.69</b>	<b>0.00</b>	<b>735.69</b>
5400 · Utilities			
5410 · Alarm Service	137.16	239.76	376.92
5420 · Electricity	166.80	1,315.75	1,482.55
5430 · Mobile Phone	536.76	0.00	536.76
5440 · Telephone	772.84	0.00	772.84
5450 · Natural Gas	9.58	123.76	133.34
5460 · Water	307.72	0.00	307.72
5470 · Internet Services	420.12	0.00	420.12
<b>Total 5400 · Utilities</b>	<b>2,350.98</b>	<b>1,679.27</b>	<b>4,030.25</b>

**San Bernardino Valley Water Conservation District**  
**Profit & Loss by Fund**  
November 2009

	General Fund	Redlands Plaza	TOTAL
<b>6000 · General Administration</b>			
6001 · General Administration - Other	337.08	0.00	337.08
6009 · Licenses	438.74	0.00	438.74
6015 · Mentone House Maintenance	116.76	0.00	116.76
6016 · Redlands Plaza Maintenance	0.00	1,441.13	1,441.13
6018 · Janitorial Services	653.00	0.00	653.00
6019 · Janitorial Supplies	39.68	0.00	39.68
6021 · Office Equipment Maint.	322.41	0.00	322.41
6024 · Computer Equipment Maint.	1,250.00	0.00	1,250.00
6030 · Office Supplies	611.71	0.00	611.71
6033 · Office Equipment Rental	828.62	0.00	828.62
6039 · Postage and Overnight Delivery	103.19	0.00	103.19
6042 · Payroll Processing	107.99	0.00	107.99
6045 · Bank Service Charges	25.00	0.00	25.00
6051 · Uniforms	407.25	0.00	407.25
6090 · Subscriptions/Publications	246.95	0.00	246.95
6093 · Memberships	1,173.00	0.00	1,173.00
<b>Total 6000 · General Administration</b>	<b>6,661.38</b>	<b>1,441.13</b>	<b>8,102.51</b>
<b>6100 · Benefits</b>			
6110 · Vision Insurance	152.18	0.00	152.18
6130 · Dental Insurance	655.30	0.00	655.30
6140 · State Unemployment Insurance	79.78	0.00	79.78
6150 · Medical Insurance	8,953.66	0.00	8,953.66
6160 · Social Security/Medicare Taxes	3,774.51	0.00	3,774.51
6170 · PERS Retirement	11,753.34	0.00	11,753.34
<b>Total 6100 · Benefits</b>	<b>25,368.77</b>	<b>0.00</b>	<b>25,368.77</b>
<b>6200 · Salaries</b>			
6230 · Regular Salaries	70,550.24	0.00	70,550.24
<b>Total 6200 · Salaries</b>	<b>70,550.24</b>	<b>0.00</b>	<b>70,550.24</b>
<b>6400 · Board of Directors' Expenses</b>			
6401 · Directors' Fees	6,898.00	0.00	6,898.00
6405 · Meeting Support Expense(food,be	1,622.06	0.00	1,622.06
6410 · Mileage	149.60	0.00	149.60
6415 · Air Fare	1,336.50	0.00	1,336.50
6420 · Other Travel	108.00	0.00	108.00
6425 · Meals	385.00	0.00	385.00
6430 · Lodging	1,820.96	0.00	1,820.96
<b>Total 6400 · Board of Directors' Expenses</b>	<b>12,320.12</b>	<b>0.00</b>	<b>12,320.12</b>
<b>6500 · Administrative/Staff Expenses</b>			
6505 · Mtg. Support Expense (food, bev	142.73	0.00	142.73
6510 · Mileage	770.89	0.00	770.89
6515 · Air Fare	918.80	0.00	918.80
6520 · Travel, Other (rental car, taxi	119.49	0.00	119.49
6525 · Meals	1,054.23	0.00	1,054.23
6530 · Lodging	1,595.88	0.00	1,595.88
6540 · Training Registrations	59.00	0.00	59.00
<b>Total 6500 · Administrative/Staff Expenses</b>	<b>4,661.02</b>	<b>0.00</b>	<b>4,661.02</b>
<b>Total Expense</b>	<b>236,779.21</b>	<b>3,120.40</b>	<b>239,899.61</b>
<b>Net Ordinary Income</b>	<b>-213,139.77</b>	<b>6,438.26</b>	<b>-206,701.51</b>
<b>Other Income/Expense</b>			
<b>Other Expense</b>			
<b>7000 · Construction</b>			
7040 · Canals & Pipelines	19,170.00	0.00	19,170.00
<b>Total 7000 · Construction</b>	<b>19,170.00</b>	<b>0.00</b>	<b>19,170.00</b>
<b>7100 · Land &amp; Buildings</b>			
7140 · Mentone Property (Shop)	840.00	0.00	840.00
<b>Total 7100 · Land &amp; Buildings</b>	<b>840.00</b>	<b>0.00</b>	<b>840.00</b>

**San Bernardino Valley Water Conservation District**  
**Profit & Loss by Fund**  
November 2009

	<u>General Fund</u>	<u>Redlands Plaza</u>	<u>TOTAL</u>
7400 · Professional Services			
7419 · Legal Water Rights	7.22	0.00	7.22
7438 · Engineering Services -Other	4,359.88	0.00	4,359.88
Total 7400 · Professional Services	<u>4,367.10</u>	<u>0.00</u>	<u>4,367.10</u>
Total Other Expense	<u>24,377.10</u>	<u>0.00</u>	<u>24,377.10</u>
Net Other Income	<u>-24,377.10</u>	<u>0.00</u>	<u>-24,377.10</u>
Net Income	<u><u>-237,516.87</u></u>	<u><u>6,438.26</u></u>	<u><u>-231,078.61</u></u>



**San Bernardino Valley Water Conservation District**  
**General Fund Profit & Loss Budget vs. Actual**  
July through November 2009

	General Fund			
	Jul - Nov 09	Budget	\$ Over Bud...	% of Budget
Ordinary Income/Expense				
Income				
4010 · Interest Income				
4012 · LAIF	17,551.14	100,000.00	-82,448.86	17.6%
Total 4010 · Interest Income	17,551.14	100,000.00	-82,448.86	17.6%
4020 · Groundwater Charge				
4021 · Assessments - Ag	8,393.46	19,252.00	-10,858.54	43.6%
4023 · Assessments - Non-Ag	184,500.65	624,295.00	-439,794.35	29.6%
Total 4020 · Groundwater Charge	192,894.11	643,547.00	-450,652.89	30.0%
4030 · Mining Income				
4031 · Cemex USA Plant Site Rent	6,000.90	18,000.00	-11,999.10	33.3%
4032 · Cemex Mining	17,203.05	25,000.00	-7,796.95	68.8%
4033 · Cemex USA Minimum Rent	0.00	30,000.00	-30,000.00	0.0%
4034 · Redlands Aggregate 5% Royalty	9,000.00	36,000.00	-27,000.00	25.0%
Total 4030 · Mining Income	32,203.95	109,000.00	-76,796.05	29.5%
4040 · Miscellaneous Income	415.47	1,000.00	-584.53	41.5%
4050 · Property Tax	5,360.94	45,000.00	-39,639.06	11.9%
4055 · SBVMWD Easement Agreement Reimb	0.00	13,000.00	-13,000.00	0.0%
4060 · Property Income				
4062 · Mentone Property	2,076.93	2,100.00	-23.07	98.9%
4063 · Water Conserv. Dist. Plaza	0.00	60,000.00	-60,000.00	0.0%
Total 4060 · Property Income	2,076.93	62,100.00	-60,023.07	3.3%
4080 · Exchange Plan	16,344.80	25,000.00	-8,655.20	65.4%
4085 · AB 303 Grant	0.00	100,000.00	-100,000.00	0.0%
4090 · Optimization Study Reimburse.	31,969.04	0.00	31,969.04	100.0%
Total Income	298,816.38	1,098,647.00	-799,830.62	27.2%
Gross Profit	298,816.38	1,098,647.00	-799,830.62	27.2%
Expense				
5050 · Regional Programs				
5070 · Groundwater Replenishment	60,000.00	0.00	60,000.00	100.0%
5080 · LAFCO Contribution	9,895.82	10,000.00	-104.18	99.0%
5081 · Wash Plan	0.00	50,000.00	-50,000.00	0.0%
Total 5050 · Regional Programs	69,895.82	60,000.00	9,895.82	116.5%
5100 · Professional Service				
5120 · Misc. Professional Services	44,700.06	100,000.00	-55,299.94	44.7%
5122 · Wash Plan Professional Services	49,644.30	125,000.00	-75,355.70	39.7%
5125 · Engineering Services	12,180.00	10,000.00	2,180.00	121.8%
5130 · Aerial Photography & Surveying	0.00	25,000.00	-25,000.00	0.0%
5140 · Legislative Services	20,000.00	60,000.00	-40,000.00	33.3%
5145 · Environmental Services	0.00	6,500.00	-6,500.00	0.0%
5170 · Audit & Accounting	18,000.00	18,000.00	0.00	100.0%
5175 · Legal - Wash Plan	28,596.06	25,000.00	3,596.06	114.4%
5180 · Legal	63,446.75	100,000.00	-36,553.25	63.4%
5185 · Special Counsel	35,886.50	60,000.00	-24,113.50	59.8%
Total 5100 · Professional Service	272,453.67	529,500.00	-257,046.33	51.5%
5200 · Field Operations				
5210 · Equipment Maintenance	846.36	1,500.00	-653.64	56.4%
5220 · Maintenance Materials/Shop/Fld	563.17	2,500.00	-1,936.83	22.5%
5230 · Field Tools	664.43	1,000.00	-335.57	66.4%
5240 · Facility Maintenance	277.26	5,000.00	-4,722.74	5.5%
5250 · Emergency Repairs	0.00	5,000.00	-5,000.00	0.0%
Total 5200 · Field Operations	2,351.22	15,000.00	-12,648.78	15.7%

**San Bernardino Valley Water Conservation District**  
**General Fund Profit & Loss Budget vs. Actual**  
July through November 2009

	General Fund			
	Jul - Nov 09	Budget	\$ Over Bud...	% of Budget
<b>5300 · Vehicle Operations</b>				
5310 · Vehicle Maintenance	1,987.95	7,500.00	-5,512.05	26.5%
5320 · Fuel	3,457.48	12,000.00	-8,542.52	28.8%
<b>Total 5300 · Vehicle Operations</b>	<b>5,445.43</b>	<b>19,500.00</b>	<b>-14,054.57</b>	<b>27.9%</b>
<b>5400 · Utilities</b>				
5410 · Alarm Service	274.17	2,500.00	-2,225.83	11.0%
5420 · Electricity	406.96	15,000.00	-14,593.04	2.7%
5430 · Mobile Phone	1,431.27	4,000.00	-2,568.73	35.8%
5440 · Telephone	4,300.64	10,000.00	-5,699.36	43.0%
5450 · Natural Gas	40.00	1,200.00	-1,160.00	3.3%
5460 · Water	1,265.40	2,000.00	-734.60	63.3%
5470 · Internet Services	2,231.14	6,000.00	-3,768.86	37.2%
<b>Total 5400 · Utilities</b>	<b>9,949.58</b>	<b>40,700.00</b>	<b>-30,750.42</b>	<b>24.4%</b>
<b>6000 · General Administration</b>				
6001 · General Administration - Other	337.08	400.00	-62.92	84.3%
6002 · Website	8,570.70	15,000.00	-6,429.30	57.1%
6003 · Property Tax	108.51	250.00	-141.49	43.4%
6006 · Permits	50.00	500.00	-450.00	10.0%
6009 · Licenses	438.74	500.00	-61.26	87.7%
6010 · Surety Bond	0.00	1,800.00	-1,800.00	0.0%
6012 · Office Maintenance	300.47	500.00	-199.53	60.1%
6015 · Mentone House Maintenance	226.54	750.00	-523.46	30.2%
6018 · Janitorial Services	2,833.59	8,000.00	-5,166.41	35.4%
6019 · Janitorial Supplies	227.33	500.00	-272.67	45.5%
6021 · Office Equipment Maint.	1,204.94	1,500.00	-295.06	80.3%
6024 · Computer Equipment Maint.	2,823.93	5,000.00	-2,176.07	56.5%
6030 · Office Supplies	2,507.72	7,500.00	-4,992.28	33.4%
6033 · Office Equipment Rental	4,469.99	9,000.00	-4,530.01	49.7%
6036 · Printing	8,019.51	9,000.00	-980.49	89.1%
6039 · Postage and Overnight Delivery	399.61	1,500.00	-1,100.39	26.6%
6042 · Payroll Processing	1,089.00	3,000.00	-1,911.00	36.3%
6045 · Bank Service Charges	104.76	200.00	-95.24	52.4%
6048 · Furniture & Accessories	0.00	1,500.00	-1,500.00	0.0%
6051 · Uniforms	481.10	1,000.00	-518.90	48.1%
<b>6060 · Outreach</b>				
6061 · WRI Contribution	0.00	6,000.00	-6,000.00	0.0%
6062 · Water Contributions	58.60	1,500.00	-1,441.40	3.9%
6064 · Business Expos	0.00	750.00	-750.00	0.0%
6065 · Wtr Cons. Gardens	300.00	1,750.00	-1,450.00	17.1%
<b>Total 6060 · Outreach</b>	<b>358.60</b>	<b>10,000.00</b>	<b>-9,641.40</b>	<b>3.6%</b>
6087 · Educational Reimbursement	0.00	500.00	-500.00	0.0%
6090 · Subscriptions/Publications	1,685.11	4,000.00	-2,314.89	42.1%
6091 · Public Notices	783.20	1,200.00	-416.80	65.3%
6093 · Memberships	9,146.50	13,000.00	-3,853.50	70.4%
<b>Total 6000 · General Administration</b>	<b>46,166.93</b>	<b>96,100.00</b>	<b>-49,933.07</b>	<b>48.0%</b>
<b>6100 · Benefits</b>				
6110 · Vision Insurance	760.90	1,650.00	-889.10	46.1%
6120 · Workers' Comp. Insurance	6,326.00	9,000.00	-2,674.00	70.3%
6130 · Dental Insurance	2,709.06	6,000.00	-3,290.94	45.2%
6140 · State Unemployment Insurance	79.78	1,200.00	-1,120.22	6.6%
6150 · Medical Insurance	38,231.02	96,000.00	-57,768.98	39.8%
6160 · Social Security/Medicare Taxes	16,353.77	40,000.00	-23,646.23	40.9%
6170 · PERS Retirement	64,112.39	125,000.00	-60,887.61	51.3%
6190 · Life Insurance	4,605.00	5,000.00	-395.00	92.1%
<b>Total 6100 · Benefits</b>	<b>133,177.92</b>	<b>283,850.00</b>	<b>-150,672.08</b>	<b>46.9%</b>

**San Bernardino Valley Water Conservation District**  
**General Fund Profit & Loss Budget vs. Actual**  
 July through November 2009

	General Fund			
	Jul - Nov 09	Budget	\$ Over Bud...	% of Budget
<b>6200 · Salaries</b>				
6210 · Overtime	1,222.97	2,500.00	-1,277.03	48.9%
6220 · Contingency/Temporary	0.00	12,000.00	-12,000.00	0.0%
6230 · Regular Salaries	267,467.15	525,000.00	-257,532.85	50.9%
<b>Total 6200 · Salaries</b>	<b>268,690.12</b>	<b>539,500.00</b>	<b>-270,809.88</b>	<b>49.8%</b>
<b>6300 · Insurance</b>				
6310 · Property Insurance	0.00	2,500.00	-2,500.00	0.0%
6320 · General Liability Insurance	26,586.00	26,500.00	86.00	100.3%
<b>Total 6300 · Insurance</b>	<b>26,586.00</b>	<b>29,000.00</b>	<b>-2,414.00</b>	<b>91.7%</b>
<b>6400 · Board of Directors' Expenses</b>				
6401 · Directors' Fees	39,586.11	54,200.00	-14,613.89	73.0%
6405 · Meeting Support Expense(food,be	2,199.35	800.00	1,399.35	274.9%
6410 · Mileage	782.10	2,000.00	-1,217.90	39.1%
6415 · Air Fare	1,336.50	2,000.00	-663.50	66.8%
6420 · Other Travel	137.00	500.00	-363.00	27.4%
6425 · Meals	1,124.50	2,000.00	-875.50	56.2%
6430 · Lodging	3,069.58	4,800.00	-1,730.42	63.9%
6435 · Conf/Seminar Registrations	2,343.62	6,000.00	-3,656.38	39.1%
<b>Total 6400 · Board of Directors' Expenses</b>	<b>50,578.76</b>	<b>72,300.00</b>	<b>-21,721.24</b>	<b>70.0%</b>
<b>6500 · Administrative/Staff Expenses</b>				
6505 · Mtg. Support Expense (food, bev	854.88	1,000.00	-145.12	85.5%
6510 · Mileage	946.82	500.00	446.82	189.4%
6515 · Air Fare	1,322.19	2,100.00	-777.81	63.0%
6520 · Travel, Other (rental car, taxi	276.49	500.00	-223.51	55.3%
6525 · Meals	1,769.94	2,000.00	-230.06	88.5%
6530 · Lodging	1,595.88	5,000.00	-3,404.12	31.9%
6535 · Conf/Seminar Registrations	1,391.00	4,000.00	-2,609.00	34.8%
6540 · Training Registrations	258.00	2,000.00	-1,742.00	12.9%
<b>Total 6500 · Administrative/Staff Expenses</b>	<b>8,415.20</b>	<b>17,100.00</b>	<b>-8,684.80</b>	<b>49.2%</b>
<b>Total Expense</b>	<b>893,710.65</b>	<b>1,702,550.00</b>	<b>-808,839.35</b>	<b>52.5%</b>
<b>Net Ordinary Income</b>	<b>-594,894.27</b>	<b>-603,903.00</b>	<b>9,008.73</b>	<b>98.5%</b>
<b>Other Income/Expense</b>				
<b>Other Expense</b>				
<b>7000 · Construction</b>				
7010 · Materials	0.00	3,000.00	-3,000.00	0.0%
7020 · Protective Fencing	0.00	50,000.00	-50,000.00	0.0%
7030 · Concrete Structures	0.00	100,000.00	-100,000.00	0.0%
7040 · Canals & Pipelines	62,616.28	500,000.00	-437,383.72	12.5%
7050 · Basins	0.00	50,000.00	-50,000.00	0.0%
<b>Total 7000 · Construction</b>	<b>62,616.28</b>	<b>703,000.00</b>	<b>-640,383.72</b>	<b>8.9%</b>
<b>7100 · Land &amp; Buildings</b>				
7110 · Buildings	0.00	25,000.00	-25,000.00	0.0%
7130 · Mentone Property (House)	0.00	2,000.00	-2,000.00	0.0%
7140 · Mentone Property (Shop)	840.00	2,000.00	-1,160.00	42.0%
<b>Total 7100 · Land &amp; Buildings</b>	<b>840.00</b>	<b>29,000.00</b>	<b>-28,160.00</b>	<b>2.9%</b>
<b>7200 · Equipment &amp; Vehicles</b>				
7210 · Computer Hardware	0.00	3,000.00	-3,000.00	0.0%
7220 · Computer Software	0.00	6,500.00	-6,500.00	0.0%
7230 · Field Equipment	0.00	12,500.00	-12,500.00	0.0%
7240 · Office Equipment	0.00	2,000.00	-2,000.00	0.0%
7250 · New Vehicle	0.00	70,000.00	-70,000.00	0.0%
<b>Total 7200 · Equipment &amp; Vehicles</b>	<b>0.00</b>	<b>94,000.00</b>	<b>-94,000.00</b>	<b>0.0%</b>

**San Bernardino Valley Water Conservation District**  
**General Fund Profit & Loss Budget vs. Actual**  
 July through November 2009

	General Fund			
	<u>Jul - Nov 09</u>	<u>Budget</u>	<u>\$ Over Bud...</u>	<u>% of Budget</u>
7400 · Professional Services				
7419 · Legal Water Rights	11,922.16	25,000.00	-13,077.84	47.7%
7438 · Engineering Services -Other	14,955.19	100,000.00	-85,044.81	15.0%
Total 7400 · Professional Services	<u>26,877.35</u>	<u>125,000.00</u>	<u>-98,122.65</u>	<u>21.5%</u>
Total Other Expense	<u>90,333.63</u>	<u>951,000.00</u>	<u>-860,666.37</u>	<u>9.5%</u>
Net Other Income	<u>-90,333.63</u>	<u>-951,000.00</u>	<u>860,666.37</u>	<u>9.5%</u>
Net Income	<u><u>-685,227.90</u></u>	<u><u>-1,554,903.00</u></u>	<u><u>869,675.10</u></u>	<u><u>44.1%</u></u>

**San Bernardino Valley Water Conservation District**  
**Combined Balance Sheet**  
As of November 30, 2009

	<u>Nov 30, 09</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
1010 · Bank of America - Checking	275,473.57
1015 · Redlands Plaza Bank	33,787.49
1020 · Petty Cash	200.00
1030 · LAIF	2,144,676.66
1031 · LAIF - Restricted	5,000,000.00
<b>Total Checking/Savings</b>	<u>7,454,137.72</u>
<b>Accounts Receivable</b>	
1200 · Accounts Receivable	248,000.00
<b>Total Accounts Receivable</b>	<u>248,000.00</u>
<b>Other Current Assets</b>	
1450 · Prepaid Expenses	2,000.00
<b>Total Other Current Assets</b>	<u>2,000.00</u>
<b>Total Current Assets</b>	<u>7,704,137.72</u>
<b>Fixed Assets</b>	
1500 · Land	109,133.15
1510 · Buildings	791,136.13
1520 · Vehicles	140,484.14
1530 · Office Equipment	167,918.73
1540 · Field Equipment	114,615.81
1550 · Concrete Basins	330,191.74
1560 · Capital Assets - Redlands	343,563.00
1600 · Accumulated Depreciation	-595,932.00
<b>Total Fixed Assets</b>	<u>1,401,110.70</u>
<b>TOTAL ASSETS</b>	<u><u>9,105,248.42</u></u>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
2000 · Accounts Payable	140,194.03
<b>Total Accounts Payable</b>	<u>140,194.03</u>
<b>Other Current Liabilities</b>	
2130 · Short Term Compensated Absences	19,518.00
2210 · Security Deposits - Redlands PI	5,825.00
<b>Total Other Current Liabilities</b>	<u>25,343.00</u>
<b>Total Current Liabilities</b>	<u>165,537.03</u>
<b>Long Term Liabilities</b>	
2700 · Deferred Revenue	5,000,000.00
2715 · Compensated Absences	58,554.00
<b>Total Long Term Liabilities</b>	<u>5,058,554.00</u>
<b>Total Liabilities</b>	<u>5,224,091.03</u>
<b>Equity</b>	
3001 · Fund Balance	4,540,742.10
Net Income	-659,584.71
<b>Total Equity</b>	<u>3,881,157.39</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>9,105,248.42</u></u>



# SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT

Established 1932

1630 West Redlands Boulevard, Suite A  
Redlands, CA 92373-8032  
(909) 793-2503  
Fax: (909) 793-0188

P.O. Box 1839  
Redlands, CA 92373-0581  
Email: [info@sbvwcd.dst.ca.us](mailto:info@sbvwcd.dst.ca.us)  
[www.sbvwd.dst.ca.us](http://www.sbvwd.dst.ca.us)

**TO: Board of Directors**  
**FROM: R. Robert Neufeld, General Manager**  
**DATE: January 13, 2010**  
**RE: Amendment to Access Permit to Lockheed Martin**

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## **RECOMMENDATION:**

Staff recommends that the Board approve the amendment package for the Lockheed Martin Access Permit that is being submitted.

## **DISCUSSION:**

In light of our current financial situation Staff is recommending that every opportunity to enhance the District's Revenue sources be explored and considered. The General Manager has discussed with Legal Counsel the feasibility of increasing the fees we charge for all access permits, easements, material removal, etc., as a possible new Revenue source. While some adjusted or amended amounts may appear to be small in the aggregate they will provide some additional funds for our operations.

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BOARD  
OF  
DIRECTORS

Richard W. Corneille  
Clare Henry Day

Arnold L. Wright  
John Longville

David E. Raley  
Melody McDonald  
Manuel Aranda, Jr.

GENERAL  
MANAGER

R. Robert Neufeld

## SECOND AMENDMENT TO ACCESS PERMIT

This Second Amendment to the August 20, 2004 Access Permit granted by the San Bernardino Valley Water Conservation District ("District") and accepted by Lockheed Martin Corporation ("Lockheed Martin" or "Permittee") (collectively "Parties") is entered on this \_\_\_\_ day of January, 2010.

### RECITALS

**WHEREAS**, on August 20, 2004, the District approved and Lockheed Martin accepted an Access Permit for ingress and egress onto the Crafton-Redlands site (as defined therein) for purposes of conducting environmental studies in accordance with Order 94-11 of the California Regional Water Quality Control Board, Santa Ana Region ("Board"), and implementing the Work Plan approved by the Board on January 22, 1996, and amended on July 9, 2004;

**WHEREAS**, the parties entered into an "Amendment to Access Permit" on or about January 15, 2008, extending the original expiration date of the Access Permit from December 31, 2004 to December 31, 2009;

**WHEREAS**, the Parties desire to extend the term of the Access Permit beyond its December 31, 2009 expiration date;

**WHEREAS**, Lockheed Martin desires to discharge purge water on-site from its sampling activities and operations at the Crafton-Redlands site, to which the District does not object;

**NOW, THEREFORE**, in consideration of the above recitals that are incorporated herein by this reference and pursuant to Section 12.4 of the Access Permit, the Parties agree to the following:

### AGREEMENT

1. The term of the Access Permit shall be extended by two (2) years to December 31, 2011.
2. Subsection 11.4 shall be amended under "General Covenants and Conditions", to the Access Permit, as follows:

11.4. In consideration of the grant of this Second Amendment to Access Permit, Permittee shall reimburse District the sum of Two Thousand Five Hundred Dollars (\$2,500.00) to offset District's expenses in preparing and entering into the Second Amendment.
3. This Second Amendment incorporates by reference all the provisions set forth in the August 20, 2004 Access Permit, and the January 15, 2008 Amendment.
4. The terms of this Amendment shall be effective on retroactively to January 1, 2010, and shall be binding upon the Parties and their successors and assignees.

APPROVED:

San Bernardino Valley Water  
Conservation District

By: \_\_\_\_\_

Its: \_\_\_\_\_

ACCEPTED:

Lockheed Martin Corporation

By: \_\_\_\_\_

Its: \_\_\_\_\_



# SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT

Established 1932

1630 West Redlands Boulevard, Suite A  
Redlands, CA 92373-8032  
(909) 793-2503  
Fax: (909) 793-0188

P.O. Box 1839  
Redlands, CA 92373-0581  
Email: [info@sbvwcd.dst.ca.us](mailto:info@sbvwcd.dst.ca.us)  
[www.sbvwd.dst.ca.us](http://www.sbvwd.dst.ca.us)

**TO: Board of Directors**  
**FROM: Staff**  
**DATE: January 13, 2010**  
**RE: Resources Committee Recommendation Regarding Wash Plan Financial Analysis**

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## **RECOMMENDATION:**

Following the recommendation of the Resources Committee, instruct staff to undertake an analysis of the finances on the Wash Plan. This analysis will include an examination of the estimated costs to bring the Wash Plan to completion, the anticipated revenues to be derived from potential mining operations after the Wash Plan completion, and an analysis of the total costs versus rate of return on the Wash Plan effort from its inception.

## **DISCUSSION:**

After the posting of the Resources Committee agenda for its meeting of January 7, 2010, the Bureau of Land Management asked about the District's position with respect to retaining the appraiser for the appraisal of the properties to be involved in the land exchange. Because of the current status of the Wash Plan account and finances, this touched off a broader discussion of the Wash Plan's existing financial status, and the prospective economic benefits to be derived from its completion.

Currently, the amount of funds on deposit with the Wash Plan is less than the accrued obligations to the outstanding consultant invoices. Prior to approaching the entire Wash Plan Task Force with the Conservation District's recommendation as Project Manager, the Resources Committee identified the benefits that might flow from analyzing the entire Wash Plan financial status. This included the staff's best estimates for the costs to complete the Wash Plan, both to the District alone and to the remaining Wash Plan participants. It also included an estimate of potential revenues to be derived from the relocated mining operations once the Wash Plan is complete. Finally, all cumulative Wash Plan expenditures could be compared to the financial returns to be expected from the effort. Although there are numerous non-fiscal issues and benefits that might flow from the Wash Plan, the Resources Committee felt there was some benefit to be obtained from a straight financial analysis of return on investment.

The Resources Committee voted unanimously to recommend to the Board to have staff undertake this analysis, in-house. Given current financial constraints, it makes little sense to incur additional consultant costs on such an analysis, and prior studies in connection with the

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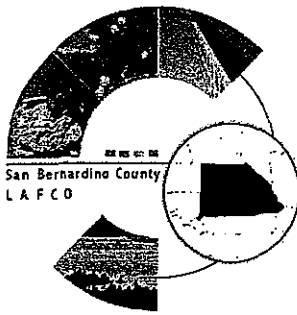
R. Robert Neufeld



Board of Directors  
January 13, 2010  
Page 2

land exchange appraisals, consolidation studies, and the like can be utilized by staff to prepare a type of discounted cash flow analysis, that might serve as a planning tool for how to address the Wash Plan's existing financial situation.

The Resources Committee will be bringing this recommendation to the full Board, for direction to staff.



# LOCAL AGENCY FORMATION COMMISSION

215 North "D" Street, Suite 204 • San Bernardino, CA 92415-0490

(909) 383-9900 • Fax (909) 383-9901

E-mail: [lafoo@lafoo.sbcounty.gov](mailto:lafoo@lafoo.sbcounty.gov) • [www.sbclafoo.org](http://www.sbclafoo.org)

*Established by the State of California to serve the Citizens, Cities, Special Districts and the County of San Bernardino*

December 14, 2009

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Board of Supervisors

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Special District

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## STAFF

KATHLEEN ROLLINGS-McDONALD  
Executive Officer

SAMUEL MARTINEZ  
Senior LAFCO Analyst

MICHAEL TUERPE  
LAFCO Analyst

*Vacant*  
Clerk to the Commission

ANGELA M. SCHELL  
Deputy Clerk to the Commission

REBECCA LOWERY  
Deputy Clerk to the Commission

## LEGAL COUNSEL

CLARK H. ALSOP

TO: General Managers of All Independent Special Districts in San Bernardino County

Forwarded for your review is information related to submitting claims to the State Controller's Office (SCO) for reimbursement of costs associated with compliance with LAFCO mandated programs. The specific parameters are that on 11/30/2009 the SCO released the mandated program's claiming instructions and parameters & guidelines (P's & G's). The program allows reimbursement of costs incurred by independent special districts participating in the LAFCO process related to sphere of influence updates. The guidelines indicate that the following mandated activities may be claimed:

- Collecting information on special district's functions or services.
- Drafting, reviewing, and revising written statements.
- Filing written statements with the LAFCO.
- Preparing, attending, and presenting written statements at the LAFCO meetings.

The State is allowing local agencies to file initial reimbursement claims for fiscal years 2001/02 through 2008/09. The reimbursement claims are due to the SCO by 3/30/2010 before a late filing penalty is assessed.

While LAFCOs are ineligible claimants in this process, we also have no background in this process. LAFCO staff wanted to be sure the districts were aware of this process and we have discussed it with the County Auditor/Controller-Recorder's (ACR) office. ACR has offered to provide assistance to those district's unfamiliar with the processing of these types of claims or who have other questions on processing. For those questions contact Mr. Jai Prasad of the Auditor/Controller-Recorder's office at (909) 386-8854 or by mail at 222 West Hospitality Lane, San Bernardino, CA 92415-0018.

Sincerely,

KATHLEEN ROLLINGS-McDONALD  
Executive Officer

Attachment



# SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT

Established 1932

1630 West Redlands Boulevard, Suite A  
Redlands, CA 92373-8032  
(909) 793-2503  
Fax: (909) 793-0188

P.O. Box 1839  
Redlands, CA 92373-0581  
Email: [info@sbvwcd.dst.ca.us](mailto:info@sbvwcd.dst.ca.us)  
[www.sbvwd.dst.ca.us](http://www.sbvwd.dst.ca.us)

**TO: Board of Directors**  
**FROM: Claud Seal, Jr., AGM/District Engineer**  
**DATE: January 13, 2010**  
**RE: Proposed Change In 2009-2010 Engineering Investigation Report (EI) Format**

---

## **RECOMMENDATION**

Approval to allow District Staff to modify the 2009-2010 Engineering Investigation (EI) Report Format.

## **BACKGROUND**

District Engineering desires to modify the previously used EI report format to rearrange the sequence of chapter topical areas, and to add sections that will explain contents of the report as well as provide current and past cost data.

## **FISCAL IMPACT**

A change in the EI formatting will answer previously unanswered questions and address District water delivery costs, activities, underground recharge, and other items not previously included in past EI reports. See the attached recommended format sheet.

## **AMPLIFYING INFORMATION**

Staff feels more information of an explanatory effort will benefit the District and the public. No outside resources will be needed this year to produce the EI Report.

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R. Robert Neufeld

## **Recommended Format Sheet**

The following Chapters are proposed for inclusion in the new EI Report. Major subjects that have not been included in last year's, or previous year's versions are underlined. The listing may change as we near completion of EI publication due to lack of support data and/or time. Please let me know if you anticipate a problem with the inclusion of any of the new sections, or would like to add more chapter topics to the list. Please keep in mind the time elements in gathering pertinent information, assembling and analyzing the information, composing and editing the descriptions and conclusions, and displaying the pertinent information within the whole document.

Proposed Chapters/Sections:

1.0 Executive Summary

2.0 Introduction

3.0 Fall 2008 and Fall 2009 Groundwater Elevation Contours

4.0 Task 1 –(Old Task 3) Total Groundwater Production for the Past Water Year (July 1, 2007 to June 30, 2008)

5.0 Task 2 – (New) Total Groundwater Production for the Preceding Water Year (July 1, 2008 to June 30 2009)

6.0 Task 3 – (Old Task 1) Past Annual Change in Storage (Fall 2007 to Fall 2008)

7.0 Task 4 – (New) Preceding Water Year Annual Change in Storage (Fall 2008 to Fall 2009)

8.0 Task 5 -- (Old Task 2) Accumulated Change in Storage (Fall 1994 to Fall 2009)

9.0 Task 6 – (Old Task 4) Estimate of the Annual Change in Storage for the Current Water Year (July 1, 2009 to June 30, 2010)

12.0 Task 7 – (Old Task 5) Estimate of the Annual Change in Storage for the Ensuing Water Year (July 1, 2010 to June 30, 2011)

13.0 Task 8 – (Old Task 6) Average Annual Change in Storage for the Immediate Past ten Years (July 1, 1999 to June 30, 2009)

14.0 Task 9 - (Old Task 7) Estimated Amount of Agricultural Water and Other Than Agricultural Water to be Withdrawn for the Ensuing Water Year (July 1, 2009 to June 30, 2010)

15.0 Task 10 – (Old Task 8) Estimated Amount of Water For Surface Distribution for the Ensuing Water Year (July 1, 2009 to June 30, 2010)

16.0 Task 11 -- (Old Task 9) Estimated Amount of Water For Replenishment of the Groundwater Supplies for the Ensuing Water Year (July 1, 2009 to June 30, 2010)

17.0 Task 12 -- (New) SBVWCD Operational Costs vs. Income

## 18.0 Task 13 – (New) Discussion and Analyses

### 18.1 Events of 2009

### 18.2 Precipitation Data Used For Predicted Basin Consumption

### 18.3 Underground Recharge Values

### 18.4 2009 SBVMWD DWR SAR Permit

### 18.5 Enhanced Lower SAR Spreading Plans

## 19.0 General Findings

## 20.0 Conclusions



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[www.sbvwd.dst.ca.us](http://www.sbvwd.dst.ca.us)

**TO: Board of Directors**  
**FROM: Claud Seal, Jr., AGM/Engineer**  
**DATE: January 13, 2010**  
**RE: Proposed Change in Rock and Aggregates Sales Policy**

---

## **RECOMMENDATION**

Approval to allow District staff to treat the transfer of ownership of any District owned rock and mineral product to paying customers as a sales effort. The District will charge customers a fair price for the aggregates.

## **BACKGROUND**

The District desires to implement a royalty rate for payment of the sale of any rock, sand, or aggregate materials from any of its properties. The removal and cleaning of rock, sand, and silt from District spreading basins shall be paid by the District as a separate maintenance expense.

## **FISCAL IMPACT**

A change in this policy will aid in earning revenues for the District. It will allow directed, selected mining, and will allow the District to establish sales values and prices on any of its saleable rock and aggregates assets. Market demand exists, even now during the recession. District will initiate pricing at 1.00 \$/ton. San Bernardino County Flood Control District (SBCFCD) currently charges 0.82 \$/ton.

## **AMPLIFYING INFORMATION**

As the market develops for the District's aggregates, specialty rock sizes, boulders, landscape-sized materials, etc., the District will be increasing its pricing so the profit margin will be enlarged.

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R. Robert Neufeld





ASSOCIATION OF CALIFORNIA WATER AGENCIES  
**JOINT POWERS**  
INSURANCE AUTHORITY

5620 Birdcage Street, Ste 200, Citrus Heights, CA 95610-7632

*e-letter*

**To:** JPIA Directors, Alternates, and Others  
**From:** Sylvia Robinson, Publications & Web Editor  
**Date:** January 4, 2010  
**Subject:** 2010 Executive Committee Election Notice

Notice is hereby given that there will be an Executive Committee election during the JPIA's Board of Directors' meeting to be held on May 3, 2010, at the spring conference in Monterey, California.

This election will fill two Executive Committee member positions, each for a three-year term, and one Executive Committee member position for the remainder of its term, one year. The incumbents are Merle Aleshire of Valley Center Municipal Water District, Joe Dion of Citrus Heights Water District, and Melody McDonald of San Bernardino Valley Water Conservation District.

The election will also fill the office of President for the remainder of its term (one year) and the office of Vice President for a three-year term. The incumbent Vice President is Joan Finnegan of Municipal Water District of Orange County.

Candidates for the election must be elected or appointed directors of the JPIA member that they represent and must have been appointed by that member to be on the JPIA's Board of Directors. Further, candidates for the election must also be representatives of JPIA members that participate in all three of the pooled Programs: Liability, Property, and Workers' Compensation.

The candidates must also each receive concurring in nomination resolutions from **five** other JPIA members. However, JPIA members may **concur** in the nomination of as many candidates as they wish. When asking other JPIA members to concur in a nomination, it would be helpful to them to include some information about the Director and his/her background.

The submission of the nominating resolution, the five concurring in nomination resolutions, and the candidate's statement of qualifications is the sole responsibility of the nominating member. These nominations must reach the JPIA office at 5620 Birdcage Street, Suite 200, Citrus Heights, CA 95610 by the close of the business day (4:30 pm) on **Friday, March 19, 2010**.

Final notice of the qualified candidates will be included as part of the Board of Directors' meeting packet, which will be mailed on or before April 19, 2010, to those who request a meeting packet.

The nominating procedures and copies of the nominating and concurring in nomination resolutions can be found on the JPIA's web site at <http://www.acwajpia.com/CurrentNews.aspx> or at <http://www.acwajpia.com/CmExecutive.aspx>.

## **RESOLUTION NO. 418**

### **A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT**

#### **NOMINATING ITS ACWA/JPIA BOARD MEMBER TO THE EXECUTIVE COMMITTEE OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES JOINT POWERS INSURANCE AUTHORITY ("ACWA/JPIA")**

**WHEREAS**, this District is a member district of the ACWA/JPIA that participates in all three of its Programs: Liability, Property, and Workers' Compensation; and

**WHEREAS**, the Bylaws of the ACWA/JPIA provide that in order for a nomination to be made to ACWA/JPIA's **Executive Committee**, the member district must place into nomination its member of the ACWA/JPIA Board of Directors for such open position;

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the San Bernardino Valley Water Conservation District that its member of the ACWA/JPIA Board of Directors, Melody A. Henriques-McDonald, be nominated as a candidate for the **Executive Committee** for the election to be held on May 3, 2010.

**BE IT FURTHER RESOLVED** that the ACWA/JPIA staff is hereby requested, upon receipt of the formal concurrence of five other member districts to effect such nomination.

**BE IT FURTHER RESOLVED** that the District Secretary is hereby directed to transmit a certified copy of this resolution to the ACWA/JPIA at 5620 Birdcage Street, Suite 200, Citrus Heights, California 95610-7632, forthwith.

**ADOPTED** this 13th day of January, 2010.

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President, Board of Directors

---

Secretary





**Association of California Water Agencies**

Leadership Advocacy Information Since 1910

## **MEMORANDUM**

**December 14, 2009**

**TO: ACWA Public Water Agency Members**

**FROM: Ronald L. Davis, State Legislative Director**

**SUBJECT: 2009 Legislative Summary**

The Association of California Water Agencies is pleased to provide you with two complementary copies of the 2008 Legislative Summary, which are enclosed. This annual summary of legislation provides concise and relevant information to water agency operations on legislation that was enacted in 2009. We hope you find it useful.

If you have any questions regarding the Legislative Summary, please contact Antonio Alfaro at (916) 441-4545. We look forward to continuing to provide you with the information, assistance, and representation that meet your needs. If you have any suggestions about how we can better do this, please let us know.

Additional copies of the Legislative Summary may be ordered on our website at [www.acwa.com](http://www.acwa.com) under *products and publications* or by filling out the enclosed order form and returning it to ACWA: P.O. Box 2408, CA 95812-2408. The cost for ACWA members is \$7.00 and \$11.25 for non-members.