

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS

MINUTES OF June 08, 2011
1:30 P.M.

President Clare Henry Day 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 Day.

ROLL CALL:

BOARD MEMBERS PRESENT:

Clare Henry Day, President
Melody McDonald, Vice President
John Longville, Director 1:43 p.m.
Bob Glaubig, Director
David E. Raley, Director
Manuel Aranda, Director

BOARD MEMBERS ABSENT:

Richard Corneille, Director

GENERAL COUNSEL PRESENT:

David B. Cosgrove, Rutan & Tucker, LLP

STAFF PRESENT:

Daniel Cozad, General Manager
Eunice L. Griffith, Administrative Manager

GUESTS PRESENT:

Don Lee, Tetra Tech
Charles Robert, Highland News
Dennis Johnson, Candidate, Division 3

1. PUBLIC PARTICIPATION

President Clare Henry Day 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 continued with published agenda items.

2. ADDITIONS/DELETIONS TO AGENDA

Item 3E was received after publication of the agenda.

It was moved by Director McDonald and seconded by Director Aranda to add ACWA Health Benefits Authority (HBA) Election to the Agenda. The motion carried 5-0 with Director Longville and Director Corneille noted absent from the vote.

3. OATH OF OFFICE

President Day called for Mr. Cozad to administer the Oath of Office to Director Bob Glaubig.

4. CONSENT CALENDAR

- Approval of the Board Minutes from May 18, 2011.

It was moved by Director McDonald and seconded by Director Aranda to approve minutes of the May 18, 2011 Board meeting. The motion carried 5-0 with Director Longville and Director Corneille noted absent from the vote.

- Unaudited Financials

It was moved by Director Raley and seconded by Director McDonald to approve the April Unaudited Financials. The motion carried 5-0 with Director Longville and Director Corneille noted absent from the vote.

- Update on Groundwater Charge Collections

Mr. Cozad referred the Board to a list of past due payments received and a list of customers with outstanding statements. He reported two significant collections from the delinquent list and noted that Staff is preparing invoices for second-half year billings.

It was moved by Director Longville and seconded by Director Aranda that the update of the Groundwater Charge Collections be received and filed. The

motion carried 5-0 with Director Longville and Director Corneille noted absent from the vote.

5. ACTION ITEMS, NEW BUSINESS

A. BOARD MEETING APPROVAL PROCESS – APPENDIX C

Mr. Cozad stated that clarification was needed on the last revision of Appendix C which addressed expenses but was not clear on Director Selected meetings requiring registration, flights or hotel accommodations.

Clarification was also needed on the Board policy which states the alternate only attends if the primary is unavailable to attend and on whether the policy pertains to ACWA JPIA as historically, both the primary and alternate attended.

Mr. Cozad reported that staff checked with ACWA JPIA, and there was no provision for an alternate. In ACWA JPIA, Board positions are based on the Director being elected and the Executive Committee does not have an alternate.

Current Board policy states that the District will pay for travel cost and per diem for designated primary for District Requested meetings. The same applies for the alternate if the primary cannot attend. An alternate can choose to attend a meeting in addition to the primary as a Director Selected meeting. Left unstated is whether there is a travel cost restriction on Director Selected meetings.

Staff recommended that any Director Selected meeting request requiring registration, flight or hotel accommodations be brought to the Board at its regularly scheduled meetings along with cost estimates.

It was moved by Director Raley and seconded by Director Longville that the Board is not pre approving out of town travel expenses for anyone other than the primary, designated director on a District Requested meeting or the alternate when the primary cannot attend.

Travel (requiring registration, flights and hotel accommodations) must be approved in all other circumstances. Directors must bring expenditure requests to regularly scheduled Board meeting in advance with cost estimates for all Director Selected meetings requiring travel. The motion carried 6-0 with Director Corneille noted absent from the vote.

The Board also agreed that the ACWA Washington DC Legislative Forum should state "Set by Board Action" and gave direction to Counsel and Staff to revise the Board Policy in accordance with the changes.

B. AGGREGATE MANAGEMENT FOR RECHARGE BASIN MAINTENANCE

President Day summarized Staff's recommendation for the Access Permit and Material Processing License changes negotiated with Ranch Rock.

It was moved by Director Longville and seconded by Director McDonald that the Board approve the Access Permit and Material Processing License changes with Ranch Rock for the remainder of the calendar year and to authorize the General Manager to execute the documents and receive and file the report. The motion carried 6-0 with Director Corneille noted absent from the vote.

C. COMMUNITY BASED STRATEGIC PLANNING OUTREACH

Mr. Cozad presented a preview of the current draft of the SBVWCD Community Based Strategic Plan, for information only. The Plan will be used to verify the actual needs of the community so that District strategic goals, plans and priorities can be adjusted accordingly. The current Strategic Plan presentation will be given to partners, water, mining, land resources and US Fish and Wildlife (USFWS).

Mr. Cozad is scheduled to present the Strategic Plan to the Redlands Municipal Advisory Committee on Monday, June 13th, to Upper Santa Ana in July and the Basin Technical Advisory Committee (BTAC) in August. He invited the Board to accompany him to meetings.

A simplified version of the Strategic Plan will be available on the District website.

D. CHAIR APPOINTMENTS

This item was taken out of order.

Staff recommends the Chair select Board members to serve on an Ad Hoc Audit Selection Committee. President Day appointed Director Raley and Director Corneille.

Mr. Cozad stated that all Board members are welcome to review the Audit proposals.

E. ACWA Health Benefits Authority Election

Mr. Cozad informed the Board that ACWA is holding an election for the HBA Board of Directors. The Board cast their vote as follows:

It was moved by Director McDonald and seconded by Director Day to vote for Dennis Michum for the Board of Director of the ACWA Northern California Agency, Position 1, one opposed Director Aranda with Director Corneille noted absent from the vote.

6. INFORMATION ITEMS:

A. Field Operations and Monthly Recharge Report

Mr. Cozad, noted changes to an updated version of the Monthly Recharge Report which includes in-river channel recharge. District staff is working with the City of Riverside to document a single method of calculation of the in-river channel recharge number, to be submitted to BTAC approval.

He also passed out a chart and noted that this is the third highest recharge in 100 years of District history and that Don Evenson, BBWM projects 30-40 CFS of native water through August. Also San Bernardino Valley is interested in space to sink water. District Field Staff has identified 3 or 4 areas to do advanced cleaning to use for State Project water. He projects wet ponds throughout summer. This means preparing ponds for another wet year. He also acknowledged that Field staff is doing a commendable job.

B. SB-235

Director Longville noted the Minority Consultant in the Assembly has made a modest recommendation that SB-235 be amended to state that "the vote by the governing Board to reduce total membership from 7 to 5 members would require a two-thirds vote, rather than a majority vote". This would mean SB-235 would have to go back to the Senate for concurrence and amendments.

Due to the change, he requested that the Board send a representative to testify at the hearing.

It was moved by Director McDonald and seconded by Director Raley that one day travel reimbursement to Sacramento be paid for Director Longville or a Designee to attend and testify at the Assembly Hearing of SB-235.

The motion carried 6-0 with Director Corneille noted absent from the vote.

C. Santa Ana Sucker (SAS) Update

Mr. Cozad reported the SAS Taskforce has not met since the last Board Meeting. The Taskforce is nearing the end of their 60 day notice to USFWS and beginning to work on a collaborative process with USFWS to offer an option to negotiate in lieu of, while the early parts of the lawsuit are going on, this has not been approved. Director McDonald added that Robert E. Martin will have a Congressional briefing next month with the staff of the California Delegation.

D. ACWA State Legislative Committee Bill Packet

Director McDonald reported the bill packet will arrive on June 10th and will be posted to the website.

E. General Managers Report

Mr. Cozad reviewed the written GM Report for May 13th – June 3rd and highlighted the following:

Staff is implementing the changes that the Board directed last month to employee health benefits.

Finance/Budget/Audit - Prepared an Audit RFP for proposal selection by the Audit Committee and will be sending it out. The Exchange plan has been completed – resulting from the Daily Flow report. Athena did a great job of tracking timesheets and pulling the Exchange Plan together. We are currently working on sinking of local water and state project water - in advance. The easement agreement is a five-year rolling average of cost and last year we spent very little money, state project water is outside this process.

On Facilities Maintenance/Aggregate Management, Randy Scott helped coordinate a good meeting with new people from USFWS, BLM and our likely Contractor from RBF on how we will put together, sign and approve an MOU. The plan is to have the BLM and USFWS as co-Lead Agencies on the EIS. We must have a clearly defined process before going back to the Taskforce.

Mr. Cozad extended congratulations to Director Aranda and Director Corneille, both unopposed in the upcoming All Mail Ballot Election, August 30, 2011.

F. Future Agenda Items and Staff Task requests from Directors

There was no report on this item.

7. MONTHLY BOARD MEMBER COMMITTEE ACTIVITY REPORTS, AND /OR COMMENTS BY BOARD MEMBERS

Director Raley reported attending the Big Bear Water Master Meeting on June 7th where he received a historical tour of Big Bear Lake.

Director Aranda invited the Board to a presentation he will give at Somerford Assisted Living.

Director Longville invited the Board to his home to see Susan's Desert Garden. He noted the garden was Susan's demonstration pilot to California State University San Bernardino (CSUSB). Mr. Cozad and Director Longville attended the Grand Opening and dedication of the garden on CSUSB. Parking for the garden is free, parking lot G.

Director Glaubig also noted that he attended the CSUSB garden on Saturday and was impressed.

Director McDonald attended the BTAC meeting and reported water supplies from the state is at 80%-85%. They are considering putting groundwater storage basins in Kern County and Mojave at a storage rate of \$200 per acre-foot at the request of the District. BTAC has decreased Santa Ana and increased Mill Creek recharge targets, both have been approved and are important to BTAC entities.

Director McDonald also noted of several bills from the State Legislature.

Director Day will be on vacation from June 15th-July 20th.

A. Board approval for Director Selected meetings with travel

It was moved by Director Longville and seconded by Director McDonald to approve 1 night hotel stay for Director Aranda while attending the WESTCAS 2011 Annual Conference in San Diego. The motion carried 6-0 with Director Corneille noted absent from the vote.

8. UPCOMING MEETINGS

There was no discussion on this item.

9. CLOSED SESSION

At 3:15 p.m., it was moved by Director Raley and seconded by Director McDonald to adjourn to Closed Session on the items in the agenda under the authority of Government Code.

1. Under authority of government code section 54956.8, the board may recess to a Closed Session for a Conference with Real Property Negotiators related to the East Branch Extension Easement, located in the Santa Ana and Mill Creek Spreading Grounds APN 0168-321-10; 0168-341-04; 0168-342-04, 06, 09; 0168-381-02; 0297-051-01, 02; 0297-011-07, and 0168-311-06. Real Property negotiators are Daniel B. Cozad and David B. Cosgrove for the District and Doug Headrick for SBVMWD.
2. The Board may convene in Closed Session to discuss exposure to litigation, under Government Code section 54956.9(b)(3)(b), relating to communications regarding mineral the lease status between the District and Cemex Construction Materials Pacific, LLC.
3. The Board may convene in Closed Session under Government Code section 54956.8, to discuss real property negotiations, relating to a potential

new lease on portions of property located in the Santa Ana River Wash, and depicted as "Cemex" in Figure 3.7 of the Final Environmental Impact Report for the Upper Santa Ana Wash Land Management and Habitat Conservation Plan, with Cemex Construction Materials Pacific, LLC. Daniel B. Cozad and David B. Cosgrove are the negotiators for the District. Scott Hess and Christine Jones are the negotiators for Cemex.

At 3:58 p.m. the meeting reconvened into Open Session with no reportable action under Government code 54957.1.

10. ADJOURN MEETING

At 3:58 p.m. the meeting adjourned to the next regular Board meeting scheduled for July 13, 2011 at 1:30 p.m., at District Headquarters, 1630 W. Redlands Blvd., Redlands, CA.

Daniel B. Cozad
General Manager