

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS

MINUTES OF August 10, 2011
1:30 P.M.

President 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
Richard Corneille, Director
Bob Glaubig, Director
John Longville, Director 1:38 p.m.
David E. Raley, Director
Manuel Aranda, Director

BOARD MEMBERS ABSENT:

None

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

1. PUBLIC PARTICIPATION

President 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

There were no additions/deletions to the agenda.

3. CONSENT CALENDAR

- Approval of the Board Minutes

It was moved by Director McDonald and seconded by Director Raley to approve minutes from the July 13, 2011 meeting. The motion carried 6-0 with Director Longville noted absent from the vote.

- Unaudited Financials

It was moved by Director Corneille and seconded by Director McDonald to approve the July Unaudited Financials. The motion carried 6-0 with Director Longville noted absent from the vote.

- Update on Groundwater Charge Collections

Mr. Cozad reported that most of the second half billing was paid by the due date. About one third of the payments, have not been received. As projected in the budget, less production is expected than in the previous period. Staff is calling producers with outstanding charges from January and will bring back recommendations after consulting with General Counsel to identify how to address non paying producers.

4. ACTION ITEMS, NEW BUSINESS

A. WORKSHOP ON THE COLLABORATIVE AGREEMENT WITH SBVMWD/WESTERN MUNICIPAL WATER DISTRICT

Based on Board request for more details, Mr. Cozad provided the 5th draft with annotations of the Joint agreement. The purpose behind the Collaborative partnership is to pull together a different way of working between Districts. SBVMWD will bring the land and SBVMWD will bring the ability to construct capital assets that are needed to recharge additional water. This agreement contemplates a Joint Operations Committee that would meet at least bi-annually to discuss operations. The current focus is to get the concepts down and have General Counsels work toward a written agreement.

Discussion ensued on the existing easement agreement with SBVMWD which only allows recharging native, Santa Ana water. The '75 Spreading Agreement allows recharging State Project Water. It was noted that the inclusion of Mill Creek would be consistent with the overall goal to make the region operationally flexible and enable management of all types of water for the maximum availability of water supplies.

Mr. Cozad will present the Board's position, that rather than including Mill Creek in the land lease, the Joint agreement will only cover water at Mill Creek. If there are specific request for additional land use in the future, the Board will consider approval at that time. The agreement should include that the District will operate and maintain the new and existing percolation basins. The Board also had further questions about the proposed lease amount and requested that the agreement include, all plans for construction of new facilities will require Board review and approval.

The next steps are, after all three Districts provide input and changes, the draft agreement will be reviewed by each District and a joint meeting will be scheduled.

B. APPOINT AUDIT COMMITTEE AND SCHEDULE INITIAL MEETING

President Day appointed Director Corneille and Director Raley to serve on the Ad Hoc Audit Committee. The meeting will be scheduled by the Board Secretary.

C. ACWA OFFICERS CANDIDATE NOMINATIONS

This item was discussed and filed.

5. INFORMATION ITEMS:

A. Field Operations and Monthly Recharge Report

Mr. Cozad, noted a total of 54,002 acre feet of water recharged YTD, including 3,423 of in-river channel recharge water. Robertson's and Cemex pits both contain water. Field staff is keeping an eye out for algae growth to prevent reduction in percolation of water. If there is algae growth, action may be required to help sink the water faster. He also reported weekend loitering, stealing of thousands of pounds of steel gates and vandalism on District properties, especially in Mill Creek. Field staff is working to minimize these losses, but is limited by budgetary constraints. Large boulders will be used in the future to help prevent trespassing and theft.

B. SB-235

Director Longville reported that Senator Gloria Mcleod was successful in getting SB-235 adopted. He informed the Board that an assessment must be made to add a provision

(stipulating a specific time during which you cannot make the reduction) if the reduction takes place near an election.

Mr. Cozad reported that Governor Brown signed SB-235 and it will become law, effective January, 2012.

C. Santa Ana Sucker (SAS) Update

This item will be discussed in Closed Session.

D. ACWA State Legislative Committee Bill Packet

It was noted that the most recent Bill packet has been posted on the website.

E. General Managers Report

Mr. Cozad reviewed the GM report (July 9th -August 5th) and highlighted the following item:

The new electrically automated gates were installed by Field staff at Cuttle Weir last week. The new gates will help avoid repetitive motion issues and allow gates to be operated more quickly. Intern, Ryan Hejka, worked with the manufacturer, provided measurements, coordinated delivery of parts and helped with the installation.

F. Future Agenda Items and Staff Task requests from Directors

President Clare reminded the Board of the retirement ceremony for Bud Wright on Friday, August 12, 2011.

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

Director Raley and Director Aranda attended the BTAC meeting.

Director Aranda also reported meeting with Assemblyman Mike Morrell to share information on the status of water in the State of California. He also reviewed the Redistricting criteria adopted by the Board of Supervisors on May 24, 2011.

Director McDonald attended the SAS Taskforce meeting, the Highland Chamber of Commerce (HCC) luncheon and the BTAC meeting.

Director Glaubig attended the HCC luncheon. Director Glaubig and Mr. Cozad met with John Jacquess, and Sean Kelleher from the City of Highland and Maureen Snelgrove, from San Bernardino County Parks. The purpose of the meeting was to gather input

related to trails and recreation components to be used as part of the Strategic Plan Review. The meeting included discussion of the differences between District and Highland proposed trails, infrastructure improvements for a new housing development, possible funding of open space and improvements of District diversion facilities and progress on the Santa Ana River trail.

A. Board approval for Director Selected meetings with travel

Director McDonald informed the Board that she is interested in attending the ACWA Fall Conference and the 6th Annual ACWA Region 8, 9 and 10 Joint Event on October 19, 20, 2011 in San Diego and will forward required information for Board approval. No travel was authorized.

7. UPCOMING MEETINGS

There was no report on this item.

8. CLOSED SESSION

At 3:45 p.m. it was moved by Director McDonald and seconded by Director Aranda to adjourn to Closed Session for each item listed on the posted agenda. The motion carried unanimously.

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 the mineral 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.

4. The Board may convene in Closed Session to discuss exposure to litigation, under Government Code section 54956.9(b)(3)(e).
5. Under authority of government Code section 54956.9(c) the Board may meet in Closed Session to decide whether to initiate litigation.

At 4:30 p.m., the meeting reconvened into Open Session.

Pursuant to Government Code Section 54957.1, the following actions were reported from Closed Session:

It was moved by Director Raley and seconded by Director Longville to send a notice terminating any and all aggregate agreements with TerraCal consistent with any remaining applicable terms, and provide an opportunity to remove any on site equipment and lock the contractor out of the site. The motion carried.

Upon a move by Director Aranda and second by Director McDonald, the Board unanimously voted to file litigation on the Santa Ana Sucker.

9. ADJOURN MEETING

At 4:30 p.m. the meeting adjourned to a special Board meeting scheduled for August 31, 2011 at 1:30 p.m., at District Headquarters, 1630 W. Redlands Blvd., Redlands, CA.

Daniel B. Cozad
General Manager