

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS

MINUTES OF January 8, 2014
1:30 P.M.

President Corneille 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 Corneille.

ROLL CALL:

BOARD MEMBERS PRESENT:

Richard Corneille, President
Melody McDonald, Vice President
David E. Raley, Director
Manuel Aranda, Director
John Longville, Director (Arrived 1:40 p.m.)

BOARD MEMBERS ABSENT:

None

GENERAL COUNSEL PRESENT:

David Cosgrove, Rutan & Tucker, LLP

STAFF PRESENT:

Daniel Cozad, General Manager
Athena Medina, Administrative Services Specialist
Jeff Beehler, Land Resource Manager

GUESTS PRESENT:

Hector Hernandez, Highland Community News
Michelle Diamond, Tetra Tech

1. PUBLIC PARTICIPATION

President Corneille 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 or deletions.

3. DISTRICT STANDING COMMITTEE APPOINTMENTS

President Corneille introduced the committee appointments noting the appointments did not depend on the revisions that were shown for Appendix B in the package. Vice President McDonald indicated that any change in responsibilities of the committees could be discussed at the Administrative Committee on January 15th. President Corneille indicated he had obtained feedback from the Directors as to which committee(s) they desire to be on. Board Policy Section 4060 was handed out for information. These appointments are for a two year term.

The President then appointed the members to the committees as follows:

- Administration Committee: Chair- Melody McDonald, Member-David Raley, Alternate-John Longville
- Resources Committee: Chair- Richard Corneille, Member- Manny Aranda, Alternate-David Raley
- Outreach and Communications Committee: Chair- Manny Aranda, Member-John Longville, Alternate-Melody McDonald

President Corneille also reappointed an Ad Hoc committee as follows:

- Ad Hoc Audit Committee: Chair-Richard Corneille, Member-David Raley, Alternate-Melody McDonald

Vice President McDonald asked if the Ad Hoc committee would make a recommendation as to what auditors the District will select. President Corneille stated that the District is going through the procurement process and an RFP issued on January 6th. He reminded them that the District policy provided for a new audit firm every three years. There will be a selection committee that consists of himself, Director Raley and Mr. Cozad. Mr. Cozad indicated that the final selection will come back to the full Board for consideration.

4. CONSENT CALENDAR

- A. Approval of the Board Minutes from December 11, 2013
- B. Approval of Check Register, December 2013

It was moved by Director Aranda and seconded by Vice President Corneille to approve Consent Calendar. The motion carried 4-0 with Director Longville noted absent from the vote.

5. ACTION ITEMS

A. UNAUDITED FINANCIALS, DECEMBER 2013

Mr. Cozad noted that the largest expenditure was to Burgeson's for the repairs and replacement of the HVAC systems which were vandalized. ACWA/JPIA has issued the District a check to reimburse the District for this expenditure of \$15,508_ except for the \$1,000 deductible. President Corneille noted the difference between the Wash Plan Revenue and Expenses from the graph versus the Profit & Loss to Date vs. Annual Budget report. Mr. Cozad stated that they are different because one report is on accrual basis and one is adjusted to show a cash basis.

He indicated that the Wash Plan is accrual basis and believes the characterization may need to be reviewed with the accountant. Part of the contribution for prior costs was paid by SBVMWD. Discussion ensued. Mr. Cozad said that at year end this will all balance out. Vice President McDonald suggested the contribution should go into reserves from where the loan came. President Corneille asked for clarification on 4065 and 4066 for Redlands Plaza. He asked if they should be separate GL's or if they were rolled together. Staff will review this item. Director Raley asked for the status of the Wash Plan finances. Mr. Cozad stated that the District is operating within budget and there does not seem to be any issues. Director Aranda thanked Staff for their attention to detail in preparing the financials and keeping us within budget.

It was moved by Director Raley and seconded by Director Aranda to approve the Unaudited Financials for December 2013. The motion carried unanimously.

B. STRATEGIC PLAN REVIEW AND DISTRICT BOARD PRIORITIES FOR 2014

Mr. Cozad presented a brief PowerPoint on this item. He noted that every year in January the Board reviews Board's Priorities and since the District adopted a Strategic Plan he would like to review them together to illustrate how they tie together. He reviewed the seven Strategic Plan goals and believes they are still valid. There are twenty-two items listed under District Priorities. Review and discussion followed:

Sphere of Influence: This item has been filed with LAFCO. Currently LAFCO is waiting on other entities to submit their documentation for the MSR review. An update is expected this month.

Plunge Creek: Waiting on DWR to announce funding awards which will include funding award amounts. A RFP for engineering work will need to be done once awarded. Director Raley asked if we can complete the project on our own. Mr. Cozad indicated that it is possible but a budget and funding source would need to be identified. If we did it independently, we would likely need to phase construction over a longer period of time. President Corneille stated he heard that the amount of money proposed and amount SAWPA may get is approximately half of what was originally estimated. Mr. Cozad indicated that this is a preliminary funding decision from DWR. SAWPA is confident they will be fully funded. This is a beneficial project for habitat and water conservation. DWR is estimating it will make award announcements in late January or February.

Harmony Development: Director Aranda asked for Staff to elaborate on this item. Mr. Cozad said that this project is where Sunrise Ranch and/or the County of Orange will be developing housing. Lewis Group was contracted to obtain entitlements for development of this area. The District is not directly involved. Water and Sewer will be provided by EVWD.

District of Distinction/Transparency Certificate: Board training has been completed but will be revisited. Staff needs to compile the submittal and additional efforts are required.

Wash Plan Trail/Concept Design: This is a new item. Staff would like to try to focus on it this summer. District Staff has met with cities on trails. President Corneille suggested that this be done with the Wash Plan update. Mr. Beehler indicated that the location and the footprint for trails are in the Wash Plan. What is not in the Wash Plan is staging, security, responsibility and maintenance. Mr. Beehler has suggested an added connection to finish off Cone Camp Road; that is not in the current plan. Mr. Cosgrove stated that the trails are defined in various areas of the Wash Plan. Discussion ensued. President Corneille suggested this item should be a higher priority than a 3 and should be done concurrently with the Wash Plan EIS. Mr. Cozad said that engineering interns can potentially work on identifying trails implementation details. Once a concept is developed the costs can be identified. Director Raley stated that the District should be more proactive in implementing the trails system and identifying a nonprofit or municipality to take responsibility for it. President Corneille said that consultant help may be required to define the details. Directors indicated that the trails are already being used illegally without District permission. One priority should be to raise community awareness. Mr. Cozad stated that our maintenance roads are being used unlawfully by the public (i.e. running, hiking, riding bikes and motorcycles.) We can analyze the needs in order for it to be implemented. The District does not have the authority to engage in park and trail activity without activating latent powers in our organic act which would have to be authorized by LAFCO. Staff will return to the Board next month with elements of a plan for development on this item.

Items removed from list: President Corneille noted that there are some ongoing routine items not specific project and that is why Item 13: Other Revenue Sources should be removed from the list because the District has balanced the budget and it is an ongoing task. Also, Item 17: Sale of Excess Property (22 acres); this should be removed because the sale of the land seemed to be a difficult task. The District was refunded the exclusive agent's retainer fee. Item 20: Solar and Wind Evaluation – Vice President McDonald asked about wind evaluation. Mr. Cozad indicated that solar assessment has been completed, but wind work has not been investigated yet. Mr. Cozad said a strategy needs to be developed to address the possibility of developing wind energy. Vice President McDonald indicated that the District has the space to possibly obtain wind energy. This item is removed as a 2014 priority, but should be brought back in future years if an opportunity occurs. Item 21: Cooperative Joint Projects – should be removed because this is an ongoing item. Item 9: Field Security, Habitat and Invasive Plant Issues – This item revised because field security it is an ongoing task.

Discussion ensued. It was the consensus of the Board to move Item 18: Wash Plan Trail Plan/Concept Design up to Item 6. and assign existing Items 6 and 7 as priority 2.

C. DISTRICT RECORDS DESTRUCTION

Vice President McDonald confirmed with Staff that no historically significant documents are being destroyed. Staff indicated the only items being destroyed are expenditures from 1953-2001.

It was moved by Director Aranda and seconded by Director Longville to approve the Destruction of the items listed within staff memo. The motion carried unanimously.

D. DISTRICT WEBSITE UPDATE

Mr. Cozad reviewed the website on the projector. He noted that the text on the website is easy to edit. Mr. Cozad noted that the BoardMember@sbvwcd.org will go to info, but falls in line with requirement to have Board email. The Category of Board Agenda/Board Agenda Packages needs to say "Board Agendas". The dates of the documents will need to be updated since all documents were updated recently; the "What's New" section is not accurate. Mr. Cozad reviewed the "Transparency" page which has been added to help the public understand the District and contributes to the requirements to obtain the Districts of Distinction certificate. The Board requested the following changes:

- Addition of the District organization chart
- Addition of a link from the "Board of Directors" page to the "Transparency" page
- Add all Form 700's next to each Directors name
- Budgets need to be uploaded and a final review of "Budget/Financials" page.
- 2012-2013 Directors Compensation spreadsheet needs to be fixed to be more legible
- "Wash Plan" page links and minutes need to be added
- A link to the District's Operations and Maintenance Manual needs to show up in more than one location
- Have items open in browser rather than having to download documents
- Initial paragraph needs to be updated

President Corneille commended Staff on their efforts and said that he is pleased with the new website. President Corneille indicated that staff needs to be sure that the Wash Plan info is easily accessible, and that the site be maintained so that information is current.

The District Website was approved by concurrence with revisions noted to be incorporated when launching new site.

6. INFORMATION ITEMS

A. GENERAL MANAGER'S REPORT

Mr. Cozad reviewed the General Manager's report. The strategic plan goals numbers have been added to the General Manager report. President Corneille requested that Staff follow up on the tour to be scheduled with Supervisor Ramos. Director Aranda offered to follow-up and invite Supervisor Ramos to the tour.

B. MONTHLY RECHARGE REPORT

Mr. Cozad stated that available water is being recharged. It is still very dry.

C. WASH PLAN REPORT

Mr. Beehler stated that the Wash Plan Report is included in package. The Wash Plan PowerPoint presentation was reviewed in detail. The Financial Accountability slide should be revised to simplify explanation. Vice President McDonald requested that more legends be

included on well map and make them one color. President Corneille requested an introductory slide that shows the District's responsibilities and role and how they tie to the benefits of the plan.

D. FUTURE AGENDA ITEMS & STAFF TASK REQUEST FROM DIRECTORS

There were none discussed.

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

Director Longville made no report.

Vice President McDonald attended SBVMWD Board Meetings. She also attended BTAC meeting where Tom Crowley of WWWD made a presentation on the IRWMP and President Corneille presented a letter from the Advisory Commission in regard to ACWA SWAP.

Director Raley attended the CSDA Governance Training.

Director Aranda will attend CSDA Education Committee, SBACC Installation, and Loma Linda Chamber Installation Dinner.

President Corneille attended the Advisory Commission meeting where the Commission recommended to the SBVMWD Board that they support the ACWA Statewide Water Action Plan, and recommended approval of the BTAC 2014 Water Management Plan. He also attended CSDA Governance Training. He handed out a form called *Assessing Governing Board Effectiveness* to Board, General Counsel and Executive Staff. He suggested that Staff compile completed questionnaires filled out by those that attended the Governance Training and put together a summary for discussion at the February Board meeting. President Corneille requested feedback from the Board. Deadline to return the survey is January 10th.

8. UPCOMING MEETINGS

On March 13, 2014, Advisory Commission on Water Policy and presentation on Wash Plan by Mr. Cozad or Mr. Beehler. Vice President McDonald and President Corneille have a presentation on the District and the Wash Plan scheduled for the City of Highland Chamber on June 24th .

9. ADJOURN MEETING

It was moved by Director Longville and seconded by Vice President McDonald to adjourn. The motion carried unanimously.

At 4:07 p.m. the meeting adjourned to the next regular Board Meeting scheduled for February 12, 2014 at 1:30 p.m. at District Headquarters, 1630 W. Redlands Blvd., Redlands, CA.


Daniel B. Cozad
General Manager