

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT  
BOARD OF DIRECTORS MEETING

MINUTES OF DECEMBER 13, 2023

9:30 a.m.

President McDonald called the Board of Directors meeting to order at 9:30 a.m. in person, by teleconference, and by Zoom meeting. All those in attendance stood for the pledge of allegiance led by President McDonald.

ROLL CALL:

BOARD MEMBERS PRESENT:

Melody McDonald, President  
Richard Corneille, Director  
David E. Raley, Director  
John Longville, Director (Arrival: 10:18 a.m.)

BOARD MEMBERS ABSENT:

Robert Stewart, Vice President

STAFF PRESENT:

Betsy Miller, General Manager  
Katelyn Scholte, Principal Engineer  
Milan Mitrovich, Land Resources Manager  
Angie Quiroga, Senior Administrative Analyst  
Athena Laroche, Administrative Specialist  
David Cosgrove, District Counsel

GUESTS PRESENT:

Paul Kielhold, San Bernardino Valley Municipal Water District  
T. Milford Harrison, San Bernardino Valley Municipal Water District  
June Hayes, San Bernardino Valley Municipal Water District  
Maria Pascoal, Strategy Driver  
Ellen Cross, Strategy Driver  
David E. Smith, East Valley Water District  
Willow Green, Tetra Tech  
Terry Shea, Rogers, Anderson, Malody & Scott, LLP  
Randy Do, PCTronics  
John Lambie

1. PUBLIC PARTICIPATION

President McDonald announced that any persons present, who so desired, may make an oral presentation to the Board of Directors. There being none, the meeting continued with the posted agenda items.

2. ADDITIONS/DELETIONS TO AGENDA

There were no additions or deletions to the posted agenda.

3. GUEST RECOGNITIONS/SELF INTRODUCTIONS

The Board and staff made self-introductions. President McDonald introduced online attendees.

4. CONSENT CALENDAR

**It was moved by Director Corneille and seconded by Director Raley to approve the Consent Calendar: Item A: Board Minutes, November 8, 2023; and Item B: Expenditure Report, November 2023. The motion carried 3-0, with all Board members present voting in the affirmative. Director Longville and Vice President Stewart were noted to be absent from the vote.**

**President McDonald: Yes  
Vice President Stewart: Absent  
Director Corneille: Yes  
Director Longville: Absent  
Director Raley: Yes**

5. COMMITTEE REPORTS/ACTION ITEMS

A. FINANCE & ADMINISTRATION COMMITTEE VERBAL REPORT

Director Raley provided a verbal update on the Finance & Administration Committee meeting held on November 15. The Committee reviewed the 1<sup>st</sup> Quarter Unaudited Financial Reports for FY24 and quarterly investment report and recommended both items be forwarded to the Board for approval without changes. The Committee reviewed the staff recognition item and supports the closure of the District Office between Christmas and New Year's, as well as provision of an additional three days of annual leave for full-time staff to recognize the significant accomplishments completed in 2023. The Investment Policy was reviewed, and no changes are recommended at this time. Staff met with PFM to review the current investments; staff also evaluated hiring consultants to manage the District's investments, but due to significant costs is proceeding with in-house management with planned reviews by an outside firm such as PFM. The Committee reviewed Appendix B with no changes, and Appendix C with minor changes.

**B. AD HOC AUDIT COMMITTEE VERBAL REPORT**

Director Corneille provided a verbal update of the Ad Hoc Audit Committee meeting held on November 16. He noted that the Committee reviewed the draft audit report with Rogers, Anderson, Malody & Scott (RAMS). Ms. Miller indicated that the new GASB 96 requirement, Subscription Liability, was incorporated into this year's audit report. This item will be reviewed in more detail under Item 5E. Director Corneille said that RAMS stated that the audited statements were presented fairly and all internal controls were in place.

**C. 1<sup>ST</sup> QUARTER UNAUDITED FINANCIAL REPORTS FOR FY 2023-2024**

Ms. Quiroga reviewed this item, noting its inclusion on package page 27. Revenue is at 38% of what is expected for the first quarter of the fiscal year ending September 30, 2023. Expenses for the first quarter are at 22%, slightly below what was anticipated. Ms. Quiroga reviewed the Quarterly Investment Report on package page 31. She noted a net change in investments of \$512,512. Staff has separated the Program for the Expansion of Recharge Capacity (PERC) and General Fund investments for UBS Financial Services, shown on package page 31. The descriptions of investments are shown on package page 32.

**It was moved by Director Corneille and seconded by Director Raley to approve the 1<sup>st</sup> Quarter Unaudited Financial Reports for FY24. The motion carried 3-0, with all Board members present voting in the affirmative. Director Longville and Vice President Stewart were noted absent from the vote.**

**President McDonald: Yes  
Vice President Stewart: Absent  
Director Corneille: Yes  
Director Longville: Absent  
Director Raley: Yes**

**D. UNAUDITED FINANCIAL REPORTS, NOVEMBER 2023**

Ms. Quiroga introduced this item for discussion, noting its inclusion on package page 33. She stated that initial payments have been received for GL 4050 Property Tax. She noted significant expenditures under GL 6320 General Liability Insurance of \$54,000 and GL 7126 PERC Eng/Prof Services in the amount of \$21,000 for Tetra Tech. The District expended approximately \$15,000 for computer upgrades for engineering staff, District Counsel, and the Senior Administrative Analyst. Additional items were noted within the memo. Ms. Quiroga reviewed the graph financials on package page 35; the total revenue received through November was \$3,354,810. GL 5050 Basin Cleaning is over budget at this time due to basin maintenance being completed in advance of the rainy season. She noted that we are within budget for the overall fiscal year. The Board thanked Ms. Quiroga for her report.

**It was moved by Director Raley and seconded by Director Corneille to approve the Unaudited Financial Reports for November 2023 as**

**presented. The motion carried 3-0, with all Board members present voting in the affirmative. Director Longville and Vice President Stewart were noted absent from the vote.**

**President McDonald: Yes  
Vice President Stewart: Absent  
Director Corneille: Yes  
Director Longville: Absent  
Director Raley: Yes**

**E. FY23 DISTRICT AUDIT**

Terry Shea of RAMS presented this item for discussion, noting its inclusion beginning on package page 40. He said that two new GASB requirements since 2022 have increased the complexity of the audit reports. Mr. Shea noted that it was a clean, unmodified opinion. He reviewed the Statements of Revenues, Expenses, and Changes in Net Position, noting that the change in net position is \$1,254,191. The net position at the end of the year was \$14,412,946. The new GASB requirement, GASB 96, relates to subscription-based information technology services. A review of the audit continued. The pension liability was reviewed as noted on package pages 99 to 100. Ms. Miller stated that FY23 did not have any unfunded accrual liability from CalPERS; however, based on how the actuarial was completed, the audit shows a net pension liability of \$231,088. The Board thanked Mr. Shea for his presentation.

**It was moved by Director Corneille and seconded by Director Raley to approve the Fiscal Year 2023 Audit Report as presented and direct the General Manager to file the Audit Report with the County Clerk. The motion carried 3-0, with all Board members present voting in the affirmative. Director Longville and Vice President Stewart were noted absent from the vote.**

**President McDonald: Yes  
Vice President Stewart: Absent  
Director Corneille: Yes  
Director Longville: Absent  
Director Raley: Yes**

**F. CAPITAL PURCHASE OF FORD F-250**

Ms. Miller presented this item for discussion, noting its inclusion on package page 124. She said that on July 12, the Board authorized the purchase of a Ford F-350 in an amount not to exceed \$74,500. Unfortunately, the truck meeting the approved specifications for cab size is unavailable. The dealership has a 2023 Ford F-250 crew cab at an additional cost of \$5,665. She mentioned that the memo incorrectly states it is a Ford F-350. President McDonald shared her understanding of the limited availability. Director Corneille asked if the District would trade in the old district vehicle. Ms. Miller indicated that it will be kept for the Natural Resources team to utilize. She said that District Natural Resource staff currently use their own vehicles when going out into the field and obtain mileage reimbursement from

the District. Director Raley asked what prompted the need to purchase a new vehicle. Ms. Miller stated that field staff has large equipment that cannot be loaded onto their current F-150's, and were forced to make multiple trips from the shop to their field sites to complete projects. She said loading the larger equipment onto the new truck to perform maintenance directly in the field will increase efficiency.

**It was moved by Director Corneille and seconded by Director Raley to approve the purchase of a 2023 F-250 in an amount not to exceed \$81,000. The motion carried 3-0, with all Board members present voting in the affirmative. Director Longville and Vice President Stewart were noted absent from the vote.**

**President McDonald: Yes  
Vice President Stewart: Absent  
Director Corneille: Yes  
Director Longville: Absent  
Director Raley: Yes**

**G. 2024 PER DIEM RATE**

Ms. Miller introduced this item for discussion, noting its inclusion on package page 126. The Finance & Administration Committee reviewed this item at their November 15 meeting. The Committee recommends that the Board increase the 2024 per diem rate by \$12 to \$270 for the calendar year, and approve Resolution No. 618.

**It was moved by Director Raley and seconded by Director Corneille to increase the Board per diem rate by \$12.00 to \$270 for calendar year 2024, and approve Resolution No. 618. Director Longville and Vice President Stewart were noted absent from the vote.**

**President McDonald: Yes  
Vice President Stewart: Absent  
Director Corneille: Yes  
Director Longville: Absent  
Director Raley: Yes**

**H. PROGRAM FOR THE EXPANSION OF RECHARGE CAPACITY FIRST AGREEMENT AMENDMENT**

Mr. Cosgrove introduced this item for discussion, noting its inclusion on package page 128. He said that the amendment, which will extend the Program for the Expansion of Recharge Capacity by five years, was approved by the San Bernardino Valley Municipal Water District Board at their meeting yesterday with compliments to District staff on the progress toward partnership goals.

**It was moved by Director Corneille and seconded by Director Raley to approve the First Amendment to the Partnership Agreement for Joint Active Recharge Project Development under the Upper Santa Ana River**

**Habitat Conservation Plan and authorize the Board president to sign on the District's behalf. Director Longville and Vice President Stewart were noted absent from the vote.**

**President McDonald: Yes  
Vice President Stewart: Absent  
Director Corneille: Yes  
Director Longville: Absent  
Director Raley: Yes**

**I. CONTRACT WITH GEOSCIENCE FOR GROUNDWATER MODELING**

This item was included on package page 134. Ms. Miller stated that the contract with GeoScience would allow the District to expand use of the existing Integrated Model to better understand our recharge efforts and their effects on groundwater depth and storage. Funds for this item are included in the FY24 budget under GL 5120 Professional Services. Contracted tasks involve extending the current calibrated model from 1966-2016 to 1912-2023, running the extended model 1) with current calibrations and 2) without the District's recharge using annual data collected since 1912, and preparing draft and final technical reports describing the modeled results. Total costs for the project tasks will not exceed \$194,847. The work is anticipated to be completed in the summer of 2024 and presented at the 3<sup>rd</sup> Annual Groundwater Conference, which will be held in San Francisco in June. President McDonald spoke in support of the modeling and was excited to see it presented at the conference. She noted that the District had recharged 1.4 million acre-feet since its inception. Director Corneille noted this work's timeliness and interest in communicating this valuable information to our constituents. Ms. Miller noted the complimentary tasks included in the WaterSmart grant that the District applied for in October, which would also cover some of these costs if awarded. President McDonald asked for information on the conference to be shared with the Board.

**It was moved by Director Corneille and seconded by Director Raley to authorize a Contract Services Agreement for Professional Services with GeoScience to modify the Integrated Santa Ana River Model to incorporate expanded groundwater recharge activity in an amount not to exceed \$194,847. Vice President Stewart was noted absent from the vote.**

**President McDonald: Yes  
Vice President Stewart: Absent  
Director Corneille: Yes  
Director Longville: Yes  
Director Raley: Yes**

**J. STAFF RECOGNITION FOR 2023**

Ms. Miller reviewed this item beginning package page 147. The Finance & Administration Committee recommended Board approval of this item following review at their November 15 meeting. Ms. Miller

stated that the recommendation was developed in response to the direction to review options for staff recognition from our Board at their November meeting. The recommendation includes: 1) award 24 hours of leave to each full-time District employee and 2) authorize the closure of the District office from December 27-29, 2023. This proposal allows employees who wish to take the full week of the Christmas holiday off without using their current leave balance while ensuring that no one is required to work during this week to cover the three open office days between Christmas and New Year's holidays. This provides maximum flexibility for employees who may wish to utilize this leave at a different time of year, who may wish to cash out the extra leave for additional pay, or who may wish to work in between the holidays. Staff are coordinating a plan for communication during the office closure. The cash value of the awarded staff time is \$15,241, which is funded by the District's Compensated Absences Reserve for employees who choose to cash out awarded leave. Mr. Cosgrove noted the justification for these expenses for both retention and as an incentive for future performance. Director Corneille asked if this was a one-time occurrence. Ms. Miller said that the approval of this item is for 2023. President McDonald spoke in support of this item. Director Corneille asked if field staff would be available during this timeframe. Ms. Miller answered in the affirmative, noting that some field staff have elected to work.

**It was moved by Director Longville and seconded by Director Corneille to approve the award of 24 hours of leave for each full-time District employee and authorize the closure of the District office from December 27-29, 2023. Vice President Stewart was noted absent from the vote.**

**President McDonald: Yes  
Vice President Stewart: Absent  
Director Corneille: Yes  
Director Longville: Yes  
Director Raley: Yes**

**K. APPROVAL OF THE STRATEGIC PLAN UPDATE**

This item was included on package page 149. Ms. Cross asked for any feedback from the Board on the final plan. President McDonald expressed her support for the approval of the final plan and thanked Strategy Driver for their efforts. She said it was a great team effort, and that time was well spent on this document. Director Corneille stated that he would like to discuss the distribution and outreach efforts for the strategic plan at the next meeting. Director Longville addressed the importance of publicizing this document. Director Longville suggested the development of a white paper that summarizes key elements of our history, accomplishments, and functions of the District.

**It was moved by Director Corneille and seconded by Director Raley to approve the Strategic Plan for 2024-2028. Vice President Stewart was noted absent from the vote.**

**President McDonald: Yes  
Vice President Stewart: Absent  
Director Corneille: Yes  
Director Longville: Yes**

**Director Raley: Yes**

## **6. INFORMATION ITEMS**

### **A. ENGINEERING UPDATE**

Ms. Scholte presented this item, noting its inclusion on package page 175. She reported that staff is awaiting remaining permits from the County for the Mentone Shop improvements. The building has been ordered and is anticipated to be received this month. Once staff has the County permit they will begin work on the foundation. The water line was installed, and the fire hydrant is installed and operational.

Ms. Scholte reviewed the Mill Creek Diversion and Debris Management Improvement Project. She presented photos of the project via Zoom. She said that it has been a busy month at the construction site. President McDonald asked if water was flowing in Mill Creek. Ms. Scholte said that flows are being diverted around the project site. President McDonald asked for a video of the first flows. Ms. Scholte noted that adjustments were made to the gates, and the consultant reviewed the modifications. She said that the new purchase of the F-250 will help ensure that field staff can have generators on their truck to lift the gates. She reviewed the catwalk and trash rack installations. The last working day for the project is December 14. Ms. Scholte summarized the project, noting that there were 27 submittals, 12 RFI's, 3 Field Directives, and 20+ onsite changes; the engineering team was onsite every day for at least four hours. The total project is anticipated to be on time and approximately \$130,000 under budget. The Board thanked staff for their outstanding performance.

Ms. Scholte reviewed the Enhanced Recharge Project, indicating that staff continues to work closely with the San Bernardino Valley Municipal Water District (SBVMWD). Staff toured the progress of construction on Monday. Based on construction progress, it is expected that some basins may be operational by early next year. Staff has had to adjust its operations and how much water can be taken at Santa Ana Low.

Ms. Scholte reviewed the current status of the PERC projects as follows:

- Waterman and Twin Creek – The basin routing and sediment transport models are underway. They are both dependent upon FCD accepting the hydraulics. We are waiting for FCD to finish their review, which may take several months. Once approved, we can tie those models to the basin routing model.
- Plunge and Oak Creek – Staff has received concurrence on the cross sections following four months of review by FCD. The sediment transport model is being set up; we are working with the geotechnical team to see if we can do more onsite testing once the land transfer is complete.
- Mill and Bledsoe Creek – An average annual flow calculation is complete for Bledsoe, and the site does not appear to be viable. Mill Creek has been progressing well, with staff integrating and developing new concepts. Staff have looked at data for the last ten years to study how flows move within Mill Creek. Staff has noted significant inter-annual changes within the system. This item was received and filed.



## B. PERC STATUS REPORT NO. 16

This item is included on package page 178. Staff combined the update with engineering report. This item was received and filed.

## C. ENVIRONMENTAL UPDATE

Mr. Mitrovich introduced this item for discussion, noting its inclusion on package page 182. He said that staff has been able to advance the work being performed on the San Bernardino Kangaroo Rat (SBKR). USGS has been working through their analysis of the SBKR data from 2021 and 2022, and habitat data from 2022. Mr. Mitrovich reviewed the Slender-horned Spineflower (SHSF) activities. He stated that we were able to harvest approximately 260,000 seeds during the bulking efforts. This is the first-ever translocation of SHSF seeds. Mr. Mitrovich reviewed Wash Plan Implementation efforts, noting that the 2023 Wash Plan Annual Report has been presented to FWS for review. He reviewed the Mill Creek Debris Management Project and thanked Anna Frey, Assistant Biologist, and the interns for their work supporting the project. He reviewed Partnership Activities as noted on package pages 184 to 185. The District will support the Santa Ana River Science Symposium hosted by SBVMWD at the ESRI headquarters on February 15 and 16. Director Harrison of SBVMWD spoke on the benefits of attending the annual National Habitat Conservation Planning Conference, which will be held in Coachella in 2024. Director Corneille said that he would like to see the District present at ACWA. Ms. Miller said that the District has been asked to present on the Safe Harbor Agreement, but we are waiting until it is completed. This item was received and filed.

## D. GENERAL MANAGER'S REPORT AND MONTHLY RECHARGE REPORT

Ms. Miller indicated that the written General Manager's Report was included on package pages 186 through 189. She stated that as of this morning, the District has recharged 87,097 AF for this water year, noting that this beats the District's record of 84,981 AF of recharge from 1923. She said the District will have the ability to recharge more water following the completion of the FIRO process and construction of the Enhanced Recharge facilities. She provided an overview of recent basin maintenance and cleaning efforts. She noted that Erwin Fogerson, PERC Engineer, has announced his retirement effective December 31, 2023. Ms. Miller has begun the process of filling the PERC Engineer role, and is evaluating consultant support and hiring in-house staff alternatives. She will bring back related items to the Board in early 2024 to limit the effects on project timelines. She noted that the District has received ACWA/JPIA's President's Special Recognition Award for the Liability and Worker's Compensation programs. The District 2023 Annual Report was provided to the Board as a handout. Ms. Miller reviewed the Board Priorities for 2023, noting that items 1, 3, 4, 7, 9, and 10 have been completed. She thanked the team and the Board for their support. President McDonald thanked Ms. Miller for her update on the 2023 tasks. She expressed her appreciation for staff and the Board.

Ms. Miller noted that the Secretary of the Interior's visit has been rescheduled to Saturday, December 16. Attendees should be on site by 10:45 a.m. at the Borrow Pit. The Monthly Recharge Report was shown on package page 190. This item was received and filed.

## E. FUTURE AGENDA ITEMS AND STAFF TASKS

Director Longville requested a white paper be developed on the history and purpose of the District to be used to enhance outreach efforts. Director Corneille asked that an outreach plan be developed on how to share the updated Strategic Plan with the public.

### 7. MONTHLY BOARD MEMBER MEETING REPORTS AND/OR BOARD MEMBER COMMENTS

Director Corneille attended the PERC Policy Committee on November 14, the Ad Hoc Audit Committee on November 16, and the ACWA Fall Conference from November 28 through November 30. He attended the Redlands Rise N Shine on December 1 and the Exchange Plan Committee on December 6.

Director Raley attended the Redlands Rise N Shine on December 1, signed expenditures on December 11, and the ACWA Fall Conference from November 28 through November 30. He attended the Finance & Administration Committee on November 15.

Director Longville attended the ACWA Fall Conference from November 28 through November 30, the Finance & Administration Committee on November 15, and the SBVMWD Board meeting on December 5.

President McDonald attended the Inland Empire Resources Conservation District (IERCD) presentation at Dominquez Elementary School on December 12. She noted that Laura Torres, Assistant Engineer, attended and presented the District's groundwater model. President McDonald attended the Basin Technical Advisory Committee (BTAC) on December 11, the SBVMWD Policy & Administration Workshop on December 7, and the ACWA Fall Conference from November 28 through November 30. She attended the SBVMWD Board meeting on December 5, the Association of the San Bernardino County Special Districts (ASBCSD) dinner on November 20, and the ASBCSD board meeting on November 13. She attended the SBVMWD Resources & Engineering Workshop on November 14,

### 8. UPCOMING MEETINGS

There were none discussed.

### 9. CLOSED SESSION

**It was moved by Director Corneille and a second by Director Longville, adjourned to Closed Session. Vice President Stewart was noted absent from the vote.**

**President McDonald: Yes  
Vice President Stewart: Absent  
Director Corneille: Yes  
Director Longville: Yes  
Director Raley: Yes**

Mr. Cosgrove announced that the meeting would adjourn to Closed Session to discuss all posted agenda items.

At 11:58 a.m., the meeting reconvened into an open session. Mr. Cosgrove noted that there was no reportable action during the closed session, under Government Code section 54957.1.

10. ADJOURN MEETING

**It was moved by Director Corneille and a second by Director Longville, adjourn. Vice President Stewart were noted absent from the vote.**

**President McDonald: Yes**

**Vice President Stewart: Absent**

**Director Corneille: Yes**

**Director Longville: Yes**

**Director Raley: Yes**

At 11:59 a.m., the meeting adjourned to the Board meeting scheduled for 1:30 p.m. on January 10, 2024, in-person, teleconference, and Zoom meeting.



Betsy Miller  
General Manager