

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS MEETING

MINUTES OF NOVEMBER 8, 2023
1:30 p.m.

President McDonald called the Board of Directors meeting to order at 1:30 p.m. by in-person, teleconference, and Zoom meeting. All those in attendance stood for the pledge of allegiance led by President McDonald.

ROLL CALL:

BOARD MEMBERS PRESENT:

Melody McDonald, President (Departure: 3:34 p.m.)
Robert Stewart, Vice President
Richard Corneille, Director
David E. Raley, Director (Arrival: 1:34 p.m.)
John Longville, Director

BOARD MEMBERS ABSENT:

None

STAFF PRESENT:

Betsy Miller, General Manager
Katelyn Scholte, Principal Engineer
Angie Quiroga, Senior Administrative Analyst
Athena Laroche, Administrative Specialist
David Cosgrove, District Counsel
Erwin Fogerson, PERC Engineer
Laura Torres, Assistant Engineer

GUESTS PRESENT:

Paul Kielhold, 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

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

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

4. CONSENT CALENDAR

It was moved by Director Corneille and seconded by Vice President Stewart to approve the Consent Calendar: Item A: Board Minutes, October 11, 2023; Item B: Expenditure Report, October 2023; and Item C: Report of Excused Absences for Director Longville for September 13, 2023, President McDonald for October 11, 2023, and Vice President Stewart for December 13, 2023, Board meetings. The motion carried 4-0, with all Board members present voting in the affirmative. Director Raley was noted absent from the vote.

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

5. COMMITTEE REPORTS/ACTION ITEMS

A. UNAUDITED FINANCIAL REPORTS, OCTOBER 2023

Ms. Quiroga introduced this item for discussion, noting its inclusion on package page 24. She provided a revised handout for Graph Financials. She said the PERC obligation is -\$34,789,874.71, and the cash position is \$2,929,867.56. GL 6320 General Liability Insurance expenses were higher than budgeted due to increased payroll from last year and a 10% rate increase. The District made a progress payment to Empire Equipment Services in the amount of \$433,723. Director Corneille asked how the invoice for Enhanced Recharge in the amount of \$479,961 was calculated. Ms. Quiroga said that the amount increases annually based on the CPI. Director Corneille asked if GL 4017 PERC Capital Income is the interest earned on the \$36 million received from San Bernardino Valley Municipal Water District (SBVMWD). Ms. Quiroga confirmed in the affirmative. Director Corneille inquired about GL 4043 Project Salary Reimbursement. Ms. Quiroga indicated that reimbursement for work done by the District on grants or on behalf of the San Bernardino Valley Conservation Trust (Trust) would be applied to GL 4043 Project Salary Reimbursement. Director Corneille asked why GL 4999 Trust Reimbursement Wash Plan is over budget. Ms. Quiroga said that the amount of \$351,000 was budgeted for last fiscal year but

received this fiscal year. The budgeted amount for this year is \$225,000, which will not be reimbursed until the end of this fiscal year. The Board thanked Ms. Quiroga for her report.

It was moved by Director Corneille and seconded by Director Longville to approve the Unaudited Financial Reports for October 2023. The motion carried 5-0, with all Board members present voting in the affirmative.

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

B. ENGINEERING INVESTIGATION PLAN FOR 2024

Ms. Scholte presented this item for discussion, noting its inclusion beginning on package page 30. She indicated that the District plans to utilize the Engineering Investigation (EI) Plan that it has utilized since 2012. She said the data requests will be sent out to partner agencies in early December, and the draft EI will be presented to the Board at its February meeting. Director Corneille asked Ms. Scholte to expand on the Quality Assurance/Quality Control (QA/QC) process. Ms. Scholte stated that the data is entered by staff and cross-checked by another staff member or intern. Director Corneille suggested the Operations Committee review the EI prior to it being brought to the Board. Discussion ensued.

It was moved by Director Corneille and seconded by Vice President Stewart to approve the 2024 Engineering Investigation Plan. The motion carried 5-0, with all Board members present voting in the affirmative.

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

C. DETERMINATION THAT SAND AND DEBRIS REMOVAL FROM BASIN MAINTENANCE IS A MINISTERIAL PROJECT

Mr. Cosgrove presented this item for discussion, noting its inclusion on package page 37. The District regularly removes sand and debris from its operations to maximize groundwater recharge capacity. In the past, the District has stockpiled these materials on its land. He said that staff proposes that the removal of sand and debris from the groundwater basins be deemed a ministerial project. The California Environmental Quality Act (CEQA) allows for ministerial exceptions under certain conditions. He stated that this would cover materials that have been stockpiled and materials removed during the cleaning of existing basins. This would not cover new excavation or expansion of facilities. The materials would need to be loaded at District-designated locations, which would be in previously disturbed areas, and hauling would occur on existing, previously-designated roads.

Resolution No. 617 was reviewed and shown on package pages 39 to 40. Vice President Stewart asked if the resolution would need to be adopted annually. Mr. Cosgrove indicated that the resolution has no sunset clause and therefore would only need to be adopted once.

It was moved by Director Corneille and seconded by Vice President Stewart to approve Resolution No. 617, a resolution exercising the District's discretion to determine that removing sand and debris from groundwater basins is, subject to certain restrictions, a ministerial project under the California Environmental Quality Act. The motion carried 5-0, with all Board members present voting in the affirmative.

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

D. YEAR 4 AMENDMENT TO CONSERVATION SERVICES AGREEMENT WITH INLAND EMPIRE RESOURCES CONSERVATION DISTRICT FOR IMPLEMENTATION OF PERMIT CONDITIONS FOR THE PLUNGE CREEK CONSERVATION PROJECT

Ms. Miller introduced this item for discussion, noting its inclusion on package page 41. She provided background on the Plunge Creek Conservation Project, including permits that were required for construction. The District contracted with Inland Empire Resources Conservation District (IERCD) to fulfill the state and federal permit requirements, including: Collection and spreading of seeds of native plant species from the Wash to restore habitat quality in areas that were temporarily disturbed by the Project; Spreading of Santa Ana River woolly star seed collected prior to project construction; Monitoring of the Santa Ana River woolly star seeding locations and restoration areas; Wetland monitoring using the California Rapid Assessment Method; and Treatment of invasive plants within the project area and a significant buffer area. Ms. Miller noted that since contracting with IERCD, they have successfully completed all of these tasks. Staff would like to extend the agreement for the fourth post-project year. Ms. Miller stated that the cost to complete these tasks is \$57,977 per the agreement, funded through GL 5123 Wash Plan Implementation. This is an increase of \$7,800 from the previous year.

Vice President Stewart asked if we would continue this type of work in the Plunge Creek area in year six. Ms. Miller confirmed that work will continue in this area under the Wash Plan. Director Corneille asked how much of the district staff's time is spent performing tasks associated with the ones listed. Ms. Miller said that IERCD provides a report of their tasks which is used by Assistant Biologist Anna Frey to prepare a complete annual report that is provided to regulatory agencies. Director Corneille requested the cost of staff time spent on this project. Ms. Miller estimated that it is approximately \$7,000 for District staff time to complete this work.

It was moved by Vice President Stewart and seconded by Director Longville to authorize the General Manager to execute the Conservation

Services Agreement. The motion carried 5-0, with all Board members present voting in the affirmative.

President McDonald: Yes

Vice President Stewart: Yes

Director Corneille: Yes

Director Longville: Yes

Director Raley: Yes

E. RESERVE ACCOUNT FOR REDLANDS PLAZA PROPERTY MANAGEMENT

Ms. Miller introduced this item for discussion, noting its inclusion on package page 52. She stated that the District recently hired Hudson Property Management (Hudson) to manage Redlands Plaza. Hudson will need access to District funds to pay for items related to the management of Redlands Plaza, such as upkeep and maintenance of the HVAC system, graffiti removal, etc. Following a discussion with Hudson on the most cost-effective options, staff proposes that the District open a separate Citizens Business Bank (Citizens) account to provide Hudson with access to up to \$25,000 in funds to manage District property, which the District would oversee. Hudson would have the authority to spend up to \$5,000, with any items over \$5,000 requiring written pre-authorization from the District. President McDonald stated that this is a normal procedure in property management.

Director Corneille asked how much Hudson was getting paid. Ms. Miller indicated that it is \$900 per month. Director Corneille asked why Hudson could not pay the expenditures out of their account and request reimbursement from the District at the end of each month. He asked why the District would need to open a separate bank account. Mr. Cosgrove indicated that it is the industry practice not to have property managers advance those funds. He noted that property managers provide administrative services. Vice President Stewart said that Hudson could hold rent for a period of time or hold a deposit in a trust account, noting that the proposed method is generally equivalent to that option. Vice President Stewart suggested asking Hudson for an annual report on repairs and expenditures. President McDonald asked if the District would receive a reconciliation. Ms. Miller stated that a monthly reconciliation report would be required. She said the District could advance \$25,000 for Hudson to hold in their own account if that is the method the Board prefers, noting that the District would not have access to funds or direct oversight of the account. Director Corneille expressed his discomfort with Hudson having access to a District-owned bank account. Discussion ensued regarding various methods. Director Raley and President McDonald spoke in support of staff's recommended method.

It was moved by Director Longville and seconded by Director Raley to authorize the General Manager to establish a new disbursement bank account with Citizens' Business Bank for use by the District's contracted property manager, Hudson Property Management, to pay recurring and routine expenditures, subject to the terms stated above. The motion carried 4-1, with President McDonald, Vice President Stewart, Director Longville, and Director Raley voting in the affirmative and Director Corneille voting in opposition.

President McDonald: Yes
Vice President Stewart: Yes
Director Corneille: No
Director Longville: Yes
Director Raley: Yes

F. CONTENT AND POTENTIAL FINAL APPROVAL FOR THE STRATEGIC PLAN UPDATE

This item was included on package page 54. Ms. Cross asked if the Board had feedback on the Strategic Plan. Vice President Stewart said that the printed format seems to be printing outside of the margins. Ms. Pascoal noted that she will coordinate with a professional print shop to have printed copies made and a smaller version that can be uploaded onto the District website. President McDonald thanked the Board and Strategy Driver for their efforts. Director Corneille said that Vice President Stewart's title should be listed within the text. He opposed approving the final Strategic Plan today, and requested additional time to review. Director Corneille inquired about the use of 2028+. Ms. Cross said that the plus is not an exact time frame and is used to indicate that there may be goals or projects in the document that will be completed after 2028. The Board requested the plus sign be removed. Director Corneille said that on page 5 under 1A, under the second bullet point, it should state, "under the Districts LAFCO boundary." President McDonald requested, in an effort to keep December light, to give the Board the option to approve the final Strategic Plan. Ms. Cross indicated that the Board members could approve the final today with non-substantive changes if they wish to move forward with final approval. Director Corneille asked if comments can be provided to Strategy Driver before December Board meeting. Ms. Miller requested that any feedback be delivered by November 30. Director Longville noted that in a few cases, as an example, on page two, there are dashes where there should be hyphens with no spaces.

It was moved by Director Corneille and seconded by Director Longville to approve the content included within the Board Packet with the suggested revisions discussed today and defer approval of the final version of the Strategic Plan until the December 13 Board meeting with any additional comments to be provided by the Board to the General Manager by November 30. The motion carried 5-0, with all Board members present voting in the affirmative.

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

G. DISTRICT BOARD AND STANDING COMMITTEE MEETING CALENDAR REVIEW FOR 2024

This item was included on package page 69. President McDonald mentioned that the September meeting conflicts with California Joint Powers Insurance Authority, but she will make the determination to attend at a later date. Ms. Miller thanked Ms. Laroche for preparing the draft calendar, and taking the time to review external and internal meetings to avoid conflicts.

It was moved by Director Longville and seconded by Director Raley to approve the District Board and Standing Committee Meeting Calendar for 2024 as presented. The motion carried 5-0, with all Board members present voting in the affirmative.

President McDonald: Yes
Vice President Stewart: Yes
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 71. She reviewed the Mentone Shop Improvement Project: staff has resubmitted items for a new septic system at Mentone House and will be obtaining new quotes. The City of Redlands has begun installing the waterline at Flume St., and they will install the hydrant shortly. Mr. Fogerson noted that the slab would be poured next month when the building permit was obtained. He said that compaction testing would need to be done first. The plans have been approved; the only item that needs to be reviewed by the city is the new septic system.

Mr. Fogerson reviewed the Mill Creek Diversion and Debris Management Improvement Project. Ms. Scholte presented photos of the project via Zoom. The project remains on schedule and on budget. The site is nearly floodproof, and there may be a slight delay in the catwalk order. The gate manufacturer has been out before installation and will come back after installation to inspect the gates and provide staff training on gate operation. Mr. Fogerson reviewed the earthwork and rock placement. He reviewed the finishing of the 12-inch slab that was poured, and bypass berm. The bypass berm was shortened; this allows for more access to enable operators to gain access to clean it out. The 5x5 and 17x17 gate installations were reviewed. Staff presented aerial photos received from the contractor. Field staff has been involved in the entire process during the project's duration. The Board thanked staff for providing a tour of the site and other District facilities on November 6.

Ms. Scholte reviewed the Enhanced Recharge Project, indicating that staff continues to work closely with the San Bernardino Valley Municipal Water District (SBVMWD). Their staff is working on drop structures, and the project is progressing well. District staff continues coordinating with SBVMWD to store materials in the Borrow Pit.

Mr. Fogerson and Ms. Scholte reviewed the current status of the PERC projects. Mr. Fogerson stated that staff has performed additional research on the Waterman Basins. They were built in 1937 by the San Bernardino County Water Conservation predecessor to the San Bernardino County Flood Control District (FCD). The property was obtained for water conservation purposes. Staff is reviewing the hydraulics; some initial modeling has been received. The initial concept plan was to rebuild the diversion. Mr. Fogerson said that the diversion itself is adequate, but the basins need to be improved to accept and percolate water. Ms. Scholte noted that basin routing and sediment transport models are in process.

Mr. Fogerson reviewed Plunge and Oak Creek, noting staff's progress on the hydraulics for the existing storm drain systems. The existing systems will be used to divert into Oak Creek basins. Plunge Creek is a long-term project that will depend on the mining operations which tie back to the Wash Plan. This is a longer lead-time project.

Mr. Fogerson reviewed Mill, Bledsoe, and Cook Creeks. Basin routing is being done, as well as finalizing soils information. He said the percolation rates are very good at Mill Creek. Ms. Scholte discussed fifty-foot borings that are planned to provide information on liquefaction. The contractor is determining whether they can do borings because of the amount of rock on the site. Mr. Fogerson noted that an average annual study has been completed at Bledsoe, with the preliminary findings indicating that there is limited runoff at the site because upstream basins capture much of the water. Mr. Fogerson pointed out that all three contracts include before and after groundwater modeling, which will be conducted after the hydrology and basin routing have been completed. President McDonald said she was thankful for the tour and noted the tremendous work and project oversight. She expressed her deep appreciation for staff's hard work. This item was received and filed.

B. WASH PLAN TRAILS STATUS REPORT

Ms. Miller introduced this item for discussion, noting its inclusion on package page 73. Staff is awaiting feedback from the City of Redlands; there is no update at this time. Vice President Stewart suggested adding this item to the General Manager report rather than having a separate report. Director Longville asked if the staff needs the Board to communicate with the City Council. Ms. Miller said that she and Director Corneille plan to meet with the City Manager if no response is forthcoming. Director Longville suggested making a formal request to the City Council to help move this item forward. Director Corneille said that he has worked with the City Manager in the past on other projects and is interested in speaking with him, whether it be formal or informal. The City Attorney is reviewing the five-party agreement at this time. This item was received and filed.

C. ENVIRONMENTAL UPDATE

Ms. Miller introduced this item for discussion, noting its inclusion on package page 74. She said that work required by Wash Plan SBKR Objective 7 has been completed for 2022: This included trapping of one hundred grids in the Wash Plan area. USGS has shared the early results from their analysis of the data. Staff is reviewing dates to bring to this information to the Board at an environmental workshop. This will likely take place in early 2024. The early results were shared with the Preserve Management Committee. Ms. Miller reviewed progress on Wash Plan Objectives 3 and 4, including seed collection and seed bulking. The seed bulking efforts with 480 plants led to the collection of 250,000 seeds. The viability of the produced seed is 70%. Seeds have been placed at six outplanting locations, which is required under the Wash Plan Slender Horn Spineflower Objective 4. She noted the environmental team's support of the engineering team on the Mill Creek Diversion Project. 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 in the Board package on pages 77 through 79. She stated that as of this morning, the District has recharged 7,905 AF for this water year, noting that this is more than the total amount recharged in 55 of the 111 years the District has recharged groundwater. Ms. Miller said the team has been working diligently with the rented loader on

field maintenance and preparation for the upcoming rain. She noted that Anna Frey, Assistant Biologist, reached her 2-year anniversary of employment on November 4.

Ms. Miller thanked the Board for allowing her to attend the Financial Data Analysis for Leaders Training. Staff plans to present the draft Audit Report to the Ad Hoc Audit Committee on November 16. The Program for the Expansion of Recharge Capacity (PERC) Amendment will be presented to the PERC Policy Committee at its November 14 meeting and, with their recommendation, will be brought to the Board in December for final approval. The work funded by the Bureau of Land Management grant is expected to begin soon, following the Conservation Trust's approval of the consultant contract on October 24. Ms. Miller noted the submission of a U.S. Bureau of Reclamation WaterSmart Grant application on October 16 with support from Professor Dokou and WSC. Ms. Miller expressed her appreciation to Ms. Torres, Ms. Scholte, and Mr. Fogerson for their efforts on the Mill Creek Diversion Project and appreciates Ms. Scholte serving as the field lead on this project. The Monthly Recharge Report was provided as a handout. This item was received and filed.

E. FUTURE AGENDA ITEMS AND STAFF TASKS

Director Raley asked for a review of the cost-benefit of ownership of the Mentone House. President McDonald asked for the Finance & Administration Committee to review the Mentone House, and requested the General Manager to examine alternatives to thank staff for their work during this historic recharge year with a recommendation brought to the Board at their December meeting.

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

Director Longville attended the SBVMWD Board meeting on November 7, the Conservation Trust on October 24, and the Association of the San Bernardino County Special Districts dinner meeting (ASBCSD) on October 23. He attended the SBVMWD Board meeting on October 17.

Director Raley attended the ASBCSD dinner meeting on October 23, signed expenditures on October 12, and attended the Conservation Trust on October 24. He attended Redlands Rise N Shine on November 3 and the Facilities Tour on November 6.

Director Corneille attended the ASBCSD dinner meeting on October 23, Redlands Rise N Shine on November 3, and the Facilities Tour on November 6.

Vice President Stewart attended the SBVMWD Water Forum on September 28, Operations Committee on October 10, and Bear Valley Mutual Water Company Board meeting on October 17. He attended the Conservation Trust on October 18 and the SBVMWD Policy & Administration Workshop on November 2. He attended the Facilities Tour on November 6 and the Sunrise Ranch meeting on October 18.

President McDonald attended the SBVMWD Board meeting on October 3, the SBVMWD Policy & Administration Workshop on October 5, and the SBVMWD Resources & Engineering Workshop on October 10. She attended the Sunrise Ranch meeting on October 18, the ASBCSD Board meeting on October 16, and the SBVMWD Board meeting on October 17. She attended the ACWA State Legislative meetings on October 19 & 20, the ASBCSD dinner meeting on October 23, and the Highland Area

Chamber of Commerce Luncheon on October 24. She attended the SBVMWD Policy & Administration Workshop on November 2 and the Facilities Tour on November 6.

The Board reviewed the ACWA Fall Conference travel request submitted by Director Raley shown on package page 80.

It was moved by Director Longville and seconded by Vice President Stewart to approve the ACWA Fall Conference travel request in the amount of \$2,387.52 for Director Raley. The motion carried 5-0, with all Directors present voting in the affirmative.

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

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. The motion carried 5-0, with all Directors present voting in the affirmative.

**President McDonald: Yes
Vice President Stewart: Yes
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 3:35 p.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 Raley and seconded by Director Longville to adjourn. The motion carried 4-0, with all Directors present voting in the affirmative. President McDonald was noted absent from the vote.

President McDonald: Absent

Vice President Stewart: Yes
Director Corneille: Yes
Director Longville: Yes
Director Raley: Yes

At 3:36 p.m., the meeting adjourned to the Board meeting scheduled for 9:30 a.m. on December 13, 2023, in-person, teleconference, and Zoom meeting.



Betsy Miller
General Manager