

**AGENDA FOR MEETING OF BOARD OF DIRECTORS
OF
SAN BERNARDINO VALLEY CONSERVATION TRUST,
a California Nonprofit Public Benefit Corporation**

Thursday, October 10, 2019 – 10:00 A.M.

Location--1630 West Redlands Boulevard, Suite A, Redlands, California

Note: Copies of staff reports and other documents relating to the items on this agenda are on file at the San Bernardino Valley Water Conservation District office and are available for public review during regular District business hours. New information relating to agenda topics listed, received, or generated by the District after the posting of this agenda, but before the meeting, will be made available upon request. The San Bernardino Valley Conservation Trust intends to follow California Open Meeting laws and the Americans with Disabilities Act (ADA) in all respects. If you need special assistance with respect to the agenda or other written materials forwarded to the members of the Board for consideration at the Board meeting, or if as an attendee or a participant at this meeting you will need special assistance, the District will attempt to accommodate you in every reasonable manner. Please contact Athena Monge at (909) 793-2503 at least 48 hours prior to the meeting to inform her of your particular needs and to determine if accommodation is feasible. Please advise us at that time if you will need accommodations to attend or participate in meetings on a regular basis.

**CALL TO ORDER
ROLL CALL**

1. PUBLIC PARTICIPATION

Members of the public may address the Board of Directors on any item that is within the jurisdiction of the Board; however, no action may be taken on any item not appearing on the agenda unless the action is otherwise authorized by Subdivision (b) Section 54954.2 of the Government Code.

2. APPROVAL OF MINUTES FROM JULY 11, 2019

Presenter: Daniel Cozad

Recommendation: Review and approve minutes from July 11, 2019, as presented.

3. INTRODUCTION OF VALLEY DISTRICT DESIGNATED BOARD DIRECTOR

Presenter: Daniel Cozad

Recommendation: Review purpose of Conservation Trust and introduce new Trust Board Member designated by Valley District.

4. FINANCIAL STATUS UPDATE

Presenter: Daniel Cozad

Recommendation: Review and approve quarterly financial report

5. WASH PLAN PROGRESS UPDATE

Presenter: Betsy Miller

Recommendation: Receive update on Wash Plan

6. COMMUNITY MITIGATION

Presenter: Daniel Cozad

Recommendation: Receive update on Community Mitigation Requests

ADJOURN MEETING

The next regular scheduled Board of Directors Meeting will be on _____, 2019 at _____, at 1630 W. Redlands Blvd., Redlands, CA.

**MINUTES FOR MEETING OF BOARD OF DIRECTORS
OF
SAN BERNARDINO VALLEY CONSERVATION TRUST,**
a California Nonprofit Public Benefit Corporation

Thursday, July 11, 2019 – 10:00 a.m.

CALL TO ORDER – 10:00 a.m.

ROLL CALL

David E. Raley, SBV Water Conservation District (District)
Paul Williams, Inland Empire Resource Conservation District
John Longville, SBV Water Conservation District
Daniel Cozad, SBV Water Conservation District
Angie Quiroga, SBV Water Conservation District
Jeff Beehler, SBV Water Conservation District
David Cosgrove, Rutan & Tucker, LLP

GUESTS PRESENT

Bob Stewart, SBV Water Conservation District
Mandy Parkes, Inland Empire Resource Conservation District

1. PUBLIC PARTICIPATION -None
2. APPROVAL OF MINUTES FROM FEBRUARY 19, 2019

It was moved by Vice President Williams and seconded by Director Longville to approve the meeting minutes from February 19, 2019, as presented. The motion carried 3-0 with all directors present voting in the affirmative.

Ayes: Raley, Williams, Longville

Noes:

Absent:

Abstain:

3. DESIGNATION OF BOARD OF DIRECTORS

Mr. Cozad advised the Board that David Raley's term of office has expired, but he may be re-designated for a subsequent term of office. Mr. Cozad stated San Bernardino Valley Municipal Water District (Valley District) paid the first half of their mitigation fees as required in the 2019 Partnership Agreement for Joint Active Recharge Project Development which allows them to designate a Valley District board member to the Trust's Board. Valley District will probably designate their new Board member at the next Trust meeting. Mr. Cozad asked the Board if they would like to approve having a 5th Board member. Director

Longville stated he did not see the need at this time for a 5th Board member. President Raley agreed.

It was moved by Director Raley and seconded by Vice President Williams to approve President Raley to a subsequent term of office. The motion carried 3-0 with all directors present voting in the affirmative.

Ayes: Raley, Williams, Longville

Noes:

Absent:

Abstain:

It was moved by Director Longville and seconded by President Raley to send notice to Valley District to appoint their new Board member. The motion carried 3-0 with all directors present voting in the affirmative.

Ayes: Raley, Williams, Longville

Noes:

Absent:

Abstain:

It was moved by Director Longville and seconded by Vice President Williams to defer adding a 5th Board member until a future time. The motion carried 3-0 with all directors present voting in the affirmative.

Ayes: Raley, Williams, Longville

Noes:

Absent:

Abstain:

4. APPOINTMENT OF OFFICERS

It was moved by Director Longville and seconded by President Raley to continue all positions of the current officers for another term. The motion carried 3-0 with all Directors present voting in the affirmative.

Ayes: Raley, Williams, Longville

Noes:

Absent:

Abstain:

5. FINANCIAL STATUS UPDATE

Mr. Cozad directed the Board to the financial status statement on package page 7. He stated it provides the last quarter financials for FY 18/19 through June 30, 2019. Nothing remarkable has changed to bring to the Board's attention at this time. He reviewed the expenses and current investment status. The Trust carries a future liability to the Conservation District, and it will be paid back once the Wash Plan HCP is complete and issuance permits have been provided. Director Raley asked if the Trust is only invested in bank stocks. Mr. Cozad

advised that the Trust is invested per policy in a 70% Growth/30% Income portfolio. Returns are in the 5-6%.

It was moved by Director Longville and seconded by Vice President Williams to approve the financials as presented. The motion carried 3-0 with all Directors present voting in the affirmative.

Ayes: Raley, Williams, Longville

Noes:

Absent:

Abstain:

6. WASH PLAN PROGRESS UPDATE

Mr. Beehler stated the Wash Plan is essentially complete. Environmental documents have addressed all comments. The last thing that needs to happen is the solicitor needs to approve the HCP and the EIR/EIS documents. She has not yet seen the reduced version. A massive re-write was completed with help from the USFWS and District staff. It is on her desk, and she is to review it this week. After her review, we are expecting relatively minor changes. We will then be able to schedule a secretarial briefing. A 45-day comment period will follow. Once completed, we can begin writing the permits. In the interim, a consultant has been hired for technical assistance. We are not anticipating a lot of changes. Due to federal legislation ordering the Bureau of Land Management (BLM) to transfer land to the District, there is no longer a need to change the land use. This puts us back to the 45-day CEQA/NEPA process. We are currently very dependent on the solicitor in Sacramento. But we are very close to completion. President Raley thanked Mr. Beehler for all of his work on the Wash Plan and congratulated him on his upcoming retirement.

This item was received and filed.

7. COMMUNITY MITIGATION

Mr. Cozad provided the Board an update on the mitigation credits the Trust holds for two residential projects. The Woodbridge project on Greenspot Road is likely near term. USFWS has finalized its conservation easement requirement in the amount of 36 acres. Woodbridge intends to dedicate listing the land in the Wash Plan area as their source of mitigation land to cover this requirement. The endowment amount will become an agreement between the Trust, USFWS, and Woodbridge. Mr. Cozad estimates it will be between \$800,000-\$850,000. The total cost for Woodbridge to mitigate for that development will be about \$6 million. SP Deerfield- Blossom Trails is the other proponent in which the Trust holds mitigation credits. They are still deciding how many acres they will provide for mitigation. They are proposing 11.5 acres, but Mr. Cozad believes it will be closer to 15 upon finalization. Valley Municipal has paid for 1/2 of the 295 acres they needed for mitigation. Once the endowment amount is determined, it will be in the range of \$3-\$4 million. If the other two projects move forward, the Trust we will have approximately another 50-75 acres available. The District purchased another 25 acres of land from 7W, adjacent to District property, which can be utilized for mitigation after some safety and liability issues are fixed and the habitat is brought up to a quality that will be acceptable. These projects are all waiting on federal permits either through FEMA or the Corps of Engineers. They will then go into the Federal Register unless they can get a low effect HCP. President Raley inquired

about the rat ramp discussed at the District's Board of Director's meeting that could affect the Trust. Mr. Beehler explained there are two projects that are ongoing. They are Wash Plan HCP mitigation projects. One is the Plunge Creek project, the construction of it is a District and grant-funded priority project. The long term habitat and maintenance monitoring will be appropriate for the Trust. There is a long dike across the District's property. District staff is proposing building a 40 ft. ramp to allow small mammal movement when the Plunge Creek project is being constructed. This will prevent the best K-Rat habitat from being isolated by a moat. It's a matter of laying some pipe to allow the water to flow through regularly and easily. There isn't any take involved, so no additional permitting is needed. Also, the Greenspot levee is not permitted but cutting some notches to allow flow back to Mill Creek will refresh that habitat. These are the projects the Trust will talk about because they are part of the HCP. This item was received and filed.

8. ADJOURN MEETING – 10:32 A.M.

Action: Motion was made by Director Longville and seconded by Vice President Williams to adjourn the meeting. The next regular Board of Directors Meeting will be held on Thursday, October 10, 2019, at 10:00 AM at 1630 W Redlands Blvd, Suite A, Redlands, CA 92373. The motion carried 3-0 with all Directors present voting in the affirmative.

Ayes: Raley, Williams, Longville

Noes:

Absent:

Abstain:

Daniel B. Cozad
Secretary/CFO

San Bernardino Valley Conservation Trust

Financial Status as of September 30, 2019

Wash Plan MOU-Exhibit D (Approved July 22, 2016) Expected Income

Covered Party (Participant)	Total			Paid
	Estimated Land and Species Total	Issuance Cost /Land Buy-In	Total	
San Bernardino Valley Water Conservation District	\$ 51,427	\$ 2,616	\$ 54,042	\$ 54,042
East Valley Water District	\$ 49,286	\$ 2,507	\$ 51,792	\$ 51,792
City of Highland	\$ 193,134	\$ 9,823	\$ 202,957	\$ 202,957
Robertson's and Cemex	\$ 7,843,563	\$ 398,940	\$ 8,242,503	\$ -
City of Redlands	\$ 28,063	\$ 1,427	\$ 29,490	\$ 29,490
San Bernardino Valley Municipal Water District	\$ 1,665,027	\$ 709,687	\$ 2,374,714	\$ 2,374,714
Expected Total:	\$ 9,830,500	\$ 1,125,000	\$ 10,995,500	\$ 2,712,995
Current Total Received:	\$ 1,986,935	\$ 726,060	\$ 2,712,995	

Total Independent Contributions	\$ 20.00
Total Deposits For Mitigation Credit	\$ 20,000.00

California Credit Union Account Balance (Account Opened July 21, 2016)

As of:	Deposits	Interest Earned	Fees	Expenses	Withdrawals /Transfers	Balance
Prev FY End 6/30/2019	\$ 10,000.00	\$ 164.89	\$ -	\$ 4,454.46	\$ -	\$ 327,896.88
7/31/2019	\$ -	\$ 13.92	\$ -	\$ -	\$ -	\$ 327,910.80
8/31/2019	\$ -	\$ 13.92	\$ -	\$ -	\$ -	\$ 327,924.72
9/30/2019	\$ -	\$ 13.48	\$ -	\$ -	\$ -	\$ 327,938.20
YTD TOTALS	\$ -	\$ 41.32	\$ -	\$ -	\$ -	\$ 327,938.20

US Bank Investments Balance (Account Opened April 25, 2018)

As of:	Deposits	Accrued Income & Interest	Fees	Unrealized Gain/Loss	Realized Gain/Loss	Market Value
Prev FY End 6/30/2019	\$ -	\$ 36,376.40	\$ (10,635.50)	\$ 110,434.01	\$ 5,097.15	\$ 2,522,107.99
7/31/2019	\$ -	\$ 1,868.51	\$ (1,522.42)	\$ 6,021.64		\$ 2,528,475.72
8/31/2019	\$ -	\$ 2,290.16	\$ (658.62)	\$ (24,164.74)		\$ 2,505,942.52
9/30/2019	\$ -	\$ 1,829.03	\$ (670.41)	\$ 35,103.86		\$ 2,542,205.00
YTD TOTALS	\$ -	\$ 5,987.70	\$ (2,851.45)	\$ 16,960.76	\$ -	\$2,542,205.00

Liability to SBVWCD

As of:	Expenses	Balance
6/30/2019	\$ 43,094.17	\$ 850,387.59
7/31/2019	\$ 24,821.65	\$ 875,209.24
8/31/2019	\$ 34,029.76	\$ 909,239.00
9/30/2019	\$ 39,090.95	\$ 948,329.95

Community Mitigation Request

Preliminary Discussions and Deposit Agreements

Entity/Owner	Project	Deposit Agreement Date	Preliminary Acres Dedication
SP Deerfield LLC	Blossom Trails Residential	3/1/2018	11.5
Highland -Fifth-Orange Partners LLC	Woodbridge Residential	7/20/2018	36
Redlands and Highland	Orange Street Bike Trail	Wash Plan Project	0.5
San Bernardino County Trans Authority	Rail to Redlands	Inactive	0.15
SBVMWD/River HCP	Partnership Agreement Transfer Projects	MOU 1/22/19 147 AC paid 6/19	295
Mitigation Land Specalists (Broker)	Developer Fontana	100AC too costly	
TREH Partners - Ed Horovitz	Highland Triangle Comm.	??	25
Greenspot Partners	Heather Glenn	TBD	36
SBVWCD Plunge Creek and Etc	Plunge	NA	1.5
7- W Enterprises	East 25 Acres Acquisition	P&SA	-25
Total			369.15

Total potentially available		470
Santa Ana non Wash Plan	125K+ per Acre 95 to River HCP	195
Mill Creek estimated	125K+ per acre River HCP	250
Seven W (non District)	140K	25

District CE	Estimated Endowment	Trust OH	Estimated Treat/Report	Total
\$ 130,000	\$ 23,000	\$ 5,000	\$ 8,500	\$ 166,500
\$ 1,495,000	\$ 264,500	\$ 57,500	\$ 97,750	\$ 1,914,750
\$ 4,680,000	\$ 828,000	\$ 180,000	\$ 306,000	\$ 5,994,000
\$ 62,500	\$ 11,500	\$ 2,500	\$ 4,250	\$ 83,250
\$ 60,000	\$ 30,000	\$ 5,000	\$ 15,000	\$ 110,000
\$ 36,875,000	\$ 6,785,000		\$ 2,507,500	\$ 49,117,500
\$ 3,250,000	\$ 575,000	\$ 125,000	\$ 212,500	\$ 4,162,500
\$ 4,680,000	\$ 828,000	\$ 180,000	\$ 306,000	\$ 5,994,000
\$ 195,000	\$ 34,500	\$ 7,500	\$ 12,750	\$ 249,750
\$ 47,989,500	\$ 8,490,450	\$ 1,845,750	\$ 3,137,775	\$ 61,463,475
\$ 11,114,500	Unobligated			

Years 1-5 Restoration

Property Analysis Report (PAR)
Blossom Trails Project Site
Habitat Mitigation and Monitoring Plan

Task List	Specification	Unit	Total Units	Cost (\$) per Unit	Annual Cost (\$)	Instances per Term	Total Cost (\$)
SITE SECURITY							
Access	Barriers/Access Control	Activity	1	2,500.00	2,500.00	1	2,500.00
Subtotal					2,500.00		2,500.00
RESTORATION							
Year 1	Removal of Non-native Grasses	Activity	11.5	1,200.00	13,800.00	1	13,800.00
Years 2 & 3	Removal of Non-native Grasses	Activity	11.5	900.00	10,350.00	2	20,700.00
Years 4 & 5	Removal of Non-native Grasses	Activity	11.5	600.00	6,900.00	2	13,800.00
Subtotal					31,050.00		48,300.00
BIOLOGICAL MONITORING							
Baseline Inventories	Vegetation	Activity	1	5,500.00	5,500.00	1	5,500.00
	San Bernardino Kangaroo Rat	Activity	1	7,500.00	7,500.00	1	7,500.00
	GIS Database	Activity	1	2,000.00	2,000.00	1	2,000.00
	Annual Reports	Activity	1	6,500.00	6,500.00	1	6,500.00
					21,500.00		21,500.00
ADMINISTRATION							
	Administrative Costs	Activity	1	10,000.00	10,000.00	1	10,000.00
	Adaptive Management (20%)	Activity	1	15,450.00	15,450.00	1	15,450.00
Subtotal					25,450.00		25,450.00
Restoration Costs							97,750.00



Years 6+ Long-Term Management

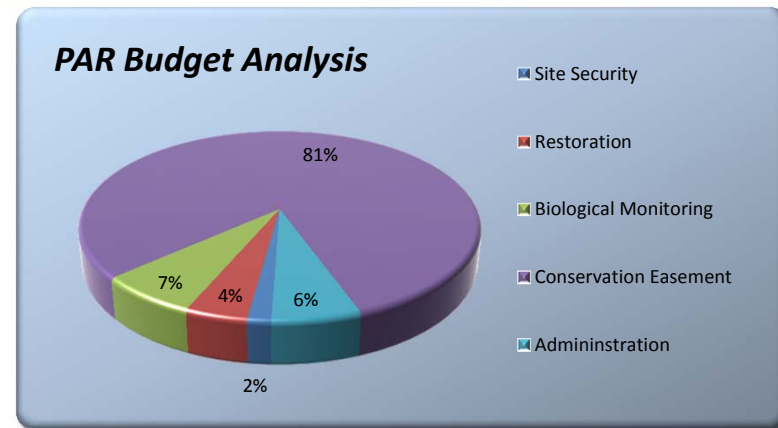
Property Analysis Report (PAR) Blossom Trails Project Site Habitat Mitigation and Monitoring Plan							
Task List	Specification	Unit	Total Units	Cost (\$) per Unit	Annual Cost (\$)	Instances per Term	Total Cost (\$)
GENERAL MAINTENANCE							
Site Monitoring	Annual Inspection/Monitoring Form	Activity	11.5	2,500.00	28,750.00	1	28,750.00
Management Activities	Grazing/Thinning site every five years	Activity	11.5	15,000.00	172,500.00	0.2	34,500.00
Subtotal							63,250.00
BIOLOGICAL MONITORING (per Wash Plan Standards)							
Qualitative Assessment	Annual Inspection/Monitoring Form	Activity	11.5	3,000.00	34,500.00	1	34,500.00
Vegetative Inventory/Mapping	Quantitative Documentation - 5 year	Activity	11.5	5,000.00	57,500.00	0.2	11,500.00
SBKR Survey	Survey for SBKR - 3 year	Activity	11.5	10,000.00	115,000.00	0.33	37,950.00
SARWS Survey	Survey for SARWS - 3 year	Activity	11.5	7,500.00	86,250.00	0.33	28,462.50
Subtotal							112,412.50
ADMINISTRATION							
	Site Management	Activity	11.5	6,000.00	69,000.00	1	69,000.00
	Contingency (Seeding, Erosion Control, Etc., 25%)	Activity	1				23,316.20
Subtotal							92,316.20
Long-Term Management Costs							267,978.70



Summary of Tasks

Property Analysis Report (PAR) Blossom Trails Project Site Habitat Mitigation and Monitoring Plan

Site Security	\$2,500.00
Restoration	\$48,300.00
Biological Monitoring	\$21,500.00
Administration	\$25,450.00
Restoration Costs	\$97,750.00
General Maintenance	\$63,250.00
Biological Monitoring	\$112,412.50
Administration	\$92,316.20
Long-Term Management Costs	\$267,978.70



Restoration Costs	\$97,750.00	\$8,500.00
Long-Term Management Costs (endowment)	\$267,978.70	\$23,302.50
Conservation Easement and Trust Costs	\$1,552,500.00	\$1,552,500.00
TOTAL COSTS	\$1,918,228.70	

*The SBV Conservation Trust has partnered with the SBVWCD to record a conservation easement for mitigation in exchange \$135,000.00 per acre. Applicants are then eligible to participate in the Santa Ana River Wash Plan Preserve Program.