

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT  
BOARD OF DIRECTORS

MINUTES OF THE REGULAR BOARD MEETING OF  
June 7, 2006  
1:30 P.M.

President Cheryl Tubbs called the Regular Meeting of the Board of Directors to order at 1:30 p.m. All present stood for the pledge of allegiance, led by President Tubbs.

ROLL CALL:

BOARD MEMBERS PRESENT:

Cheryl Tubbs, President  
Manuel Aranda, Vice President  
Clare Henry Day, Director  
Glenda Douglas, Director  
Richard Corneille, Director  
Melody Henriques-McDonald, Director  
Arnold Wright, Director

BOARD MEMBERS ABSENT:

None

GENERAL COUNSEL PRESENT:

David B. Cosgrove, Esq.

STAFF PRESENT:

Lawrence M. Libeu, General Manager/Board Secretary  
Colleen Theuer, Assistant to the General Manager/Recording Secretary

GUESTS PRESENT:

Cindy Wang, Tetra Tech

1. PUBLIC PARTICIPATION

President Tubbs 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 proceeded with the published agenda items.

2. BOARD DISCUSSION ITEMS

Directors Douglas, McDonald, and Aranda reported that they attended the ACWA Conference in Monterey. President Tubbs and Directors Wright and Day reported that they attended the Administrative Committee meeting.

Director Aranda also reported that the Loma Linda Chamber of Commerce held their annual Business Showcase on May 18. The District participated again this year as a Gold Sponsor, with Randy Carlisle and Manuel Colunga manning the booth.

Director McDonald reported that she attended the Muni Advisory Committee meeting on May 4, the Special Districts dinner meeting, and the public scoping meeting regarding the Seven Oaks Dam.

Director Corneille reported that he attended the Muni Advisory Committee meeting on May 4, and that the next meeting would be on June 29. One of the items on the agenda would be regarding the Seven Oaks Dam.

3. APPROVAL OF THE MINUTES

The minutes from the April 28, 2006 meeting were briefly discussed. Minor changes were noted.

**It was moved by Director Day and seconded by Director Douglas to approve the minutes of the Regular meeting of April 28, 2006, as amended. The motion carried unanimously.**

4. BOARD COMMITTEE REPORTS

Mr. Libeu reported that the Administrative Committee met on May 19. He said discussion included the FY 2006-2007 budget, as well as the consultant contracts.

5. GENERAL MANAGER'S REPORT

Mr. Libeu summarized his written report. He discussed the two upcoming Wash Plan meetings to take place on June 9. He also spoke of a possible conflict of interest with Dudek, the engineering and environmental firm that is a consultant on the Wash Plan. The San Bernardino Valley Municipal Water District (SBVMWD) has solicited their services for a survey on their desire for consolidating with the District. A call had been

made to Dudek, advising them of the potential conflict of interest, but a reply had not yet been received. A letter also was hand-delivered to SBVMWD, advising them of the same and asking that they put a hold on their agenda item in which they request services from Dudek, scheduled for their Board meeting this date. Mr. Cosgrove said he also contacted LSA advising them of the possible conflict of interest.

6. OPERATIONS AND MAINTENANCE REPORT

Mr. Libeu reported that an amendment to the Integrated Management Program Demonstration Project Agreement (IMPDP) to adjust recharge targets had been signed by all parties to the Agreement except SBVMWD. However, it is anticipated that SBVMWD will sign the agreement at their Board meeting this date, according to an email sent to Mr. Libeu by Bob Reiter, General Manager of SBVMWD.

President Tubbs requested that a written flow report be included in future Board packages.

7. CONSENT CALENDAR

**It was moved by Director Day and seconded by Vice President Aranda to approve the Consent Calendar, consisting of the Warrant Table for May 2006 and the un-audited financial reports for May 2006. The motion carried unanimously.**

8. BOARD LETTERS, ACTION ITEMS, NEW BUSINESS, FYI

- A. Approve and Authorize Execution of Contract with Eadie & Payne, LLP for Annual Audit

Mr. Libeu advised the Board that this would be the fifth and last year the District would engage the services of Eadie and Payne, LLP for auditing services. In keeping with current market practices, an agency should not retain the same auditor for more than five years. He asked for approval of Eadie and Payne's proposed contract for auditing services for fiscal year 2005-2006, in the amount of \$19,000. A brief discussion ensued.

**It was moved by Director Corneille and seconded by Vice President Aranda to approve the contract for the annual audit for fiscal year 2005-2006 with Eadie & Payne, LLP, in an amount not to exceed \$19,000. The motion carried unanimously.**

- B. Approve and Authorize Execution of Special Consultant Contract Agreements

The proposed contracts for D. Burnell (Burnie) Cavender and Godber (Chris) Bahnsen as Special Consultants were discussed. Regarding Mr. Cavender's agreement as consultant for the Wash Plan, Mr. Cosgrove indicated a budget would be prepared

outlining the anticipated costs after they are able to evaluate the status of the Wash Plan. He said the mining company had indicated they would be willing to share in the cost of Mr. Cavender's contract.

**It was moved by Director McDonald and seconded by Director Corneille to approve and authorize execution of the Special Consultant Contract Agreements with D. Burnell Cavender and Godber C. Bahnsen. The motion carried unanimously.**

C. Approve and Adopt FY 2006-2007 Operating and Capital Budgets

Mr. Libeu discussed the Operating and Capital Budgets for FY 2006-2007. The budget had been discussed thoroughly at the Administration Committee meeting on May 19, and in accord with the committee, further cuts had been made in the budget, allowing a positive ending balance of \$5,900. The Administrative Committee then approved the budget for proposal to the Board of Directors. Further discussion ensued. Director Corneille said that he thought more cuts should be made in the operating budget and more capital projects could be implemented, using District reserves. He stated further that he could not support the proposed budget proposals.

Regarding the rebate checks, Director McDonald suggested presenting those checks in person to the producer agencies before the end of the fiscal year. A lengthy discussion ensued.

**It was moved by Director Day and seconded by Director Aranda to approve and adopt the proposed Operating and Capital budgets for Fiscal year 2006-2007; in addition, direct staff to personally deliver and present rebate checks to the producer agencies within this fiscal year, when possible, or otherwise by mail. The motion carried 6-1, with Director Corneille opposed.**

D. Special Districts Election for Regular and Alternate LAFCO Members

Mr. Libeu explained that the LAFCO Board had two positions vacant for the Special Districts Representative and an Alternate. Voting for these positions was to be done by mail as a quorum was not present for an election during a regular meeting of the San Bernardino Special Districts Association. The candidates' qualifications were discussed.

**It was moved by Director McDonald and seconded by Director Douglas to vote for Gerald Smith, from the Baldy Mesa Water District, as Regular Member, and James Curatalo Jr., from the Cucamonga Valley Water District, as Alternate Member of the LAFCO Board. The motion carried with a roll call vote, with all members of the Board voting affirmative.**

E. Request Office Closure for Monday, July 3, 2006

**It was moved by Director McDonald and seconded by Director Aranda to close the District office on July 3, 2006 due to the holiday on July 4, 2006. The motion carried unanimously.**

Mr. Libeu reiterated that staff would be taking a vacation day for the July 3 closure.

9. CLOSED SESSION

**It was moved by Director McDonald and seconded by Director Aranda to adjourn to Closed Session at 3:10 p.m., as provided by the authority of Government Code Section 54956.9(c), to determine whether to initiate litigation, Case # CVSS 136990. The motion carried unanimously.**

At 3:45 p.m., the meeting reconvened into Open Session. Under Government Code Section 54957.1, there was no reportable action taken.

10. ADJOURN MEETING

At 3:46 p.m., the meeting adjourned to the Board meeting scheduled for **July 5, 2006** at District Headquarters, 1630 W Redlands Blvd., Ste. A, Redlands, CA at 1:30 p.m.

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Board Secretary