

**SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
AND
SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT
BOARDS OF DIRECTORS**

SPECIAL JOINT BOARD MEETING

Minutes of September 10, 2018
3:00 p.m.

President Bulot called the Meeting of the Board of Directors of San Bernardino Valley Municipal Water District to order at 3:00 p.m.

Vice President McDonald called the Meeting of the Board of Directors of San Bernardino Valley Water Conservation District to order in the absence of President Corneille.

ROLL CALL:

SBWWCD BOARD MEMBERS PRESENT:

Melody McDonald, Vice President
T. Milford Harrison, Director
John Longville, Director (Arrival 3:09 p.m.)
David E. Raley, Director

BOARD MEMBERS ABSENT:

Richard Corneille, President

GENERAL COUNSEL PRESENT:

David B. Cosgrove, Rutan & Tucker, LLP

STAFF PRESENT:

Daniel Cozad, General Manager
Athena Monge, Board Secretary
Jeff Beehler, Land Resources Manager
Katelyn Scholte, Assistant Engineer

SBVMWD BOARD MEMBERS PRESENT:

Mark Bulot, President
June Hayes, Vice-President
Gil Navarro, Director

SBVMWD BOARD MEMBERS ABSENT:

Susan Longville, Director
Steve Copelan, Director

SBVMWD GENERAL COUNSEL PRESENT:
Brendan Brandt

SBVMWD STAFF PRESENT:
Douglas Headrick, General Manager
Lillian Hernandez, Board Secretary
Heather Dyer, Water Resources Project Manager
Bob Tincher, Deputy General Manager – Resources
Ron Merckling, Manager Water Use Efficiency/External Affairs
Wen Huang, Chief Engineer

GUESTS PRESENT:
David E. Smith, East Valley Water District
Ronald Coats, East Valley Water District
Joshua Monzun, Representative of Senator Mike Morrell
James Folmer, Highland Community News

All present stood for the pledge of allegiance, led by Vice President McDonald.

1. PUBLIC PARTICIPATION

Vice President McDonald announced this is 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 to the posted agenda.

ACTION ITEMS

A. STATUS OF ENHANCED RECHARGE AGREEMENT

Katelyn Scholte and Bob Tincher presented a joint PowerPoint presentation on the current status of the Enhanced Recharge Project. Ms. Scholte provided a brief history of the cooperative agreement reached between the Conservation District, Valley District and Western Municipal Water District that was executed in October 2012. The goal of the agreement was to collaboratively utilize each entity's unique set of skills and resources and replenish the local groundwater supply more effectively. Under the terms of the agreement, the Conservation District leased their land and existing facilities and Valley District planned to expand recharge facilities to increase the overall capacity.

Mr. Tincher provided an overview of Valley District's storm water capture program. Mr. Tincher also reviewed the Enhanced Recharge Project which has been designed to capture up to 98% of the water being released from the Seven Oaks Dam by building

additional recharge basins. The facilities have been designed to capture 500 cubic feet per second and up to 80,000 acre-feet per year (AFY). Phase 1A of the project was recently completed. Future phases will be permitted under the Wash Plan HCP and Upper Santa Ana River HCP. This item was received and filed.

B. WASH PLAN AND UPPER SANTA ANA RIVER HCP COLLABORATION

Mr. Beehler presented a PowerPoint presentation on the Wash Plan Santa Ana River Wash Habitat Conservation Plan (HCP). The Wash Plan will result in an agreement between the Conservation District and U.S. Fish and Wildlife Service describing how the Wash will be managed for species and allowing covered activities to be undertaken. There are nine partners in the Wash Plan; activities include mining, water conservation, transportation trails, and others. Mr. Beehler indicated that the Wash Plan facilities are on top of an alluvial fan which supports a wide variety of endangered species. The Wash Plan is currently in the Sacramento office of the Bureau of Land Management and the U.S. Fish and Wildlife Service awaiting publication in the Federal Register. Mr. Beehler reviewed the map of the Wash Plan HCP Species Protection and Project Development.

Ms. Dyer provided a PowerPoint presentation on the Upper Santa Ana River Habitat Conservation Plan (River HCP). She said that the difference between the Wash Plan and the River HCP is that the Wash Plan focuses primarily on the terrestrial impacts and the River HCP analyzes the hydrologic impacts on the Santa Ana River and tributaries. The River HCP will be permitting up to 70,000 AFY of water on average. Ms. Dyer said they would be seeking a 50-year permit. The plan area includes 863,000 acres and included 69 covered activities and 22 covered species. It will likely be implemented in 2020. This item was received and filed.

C. ACTIVE RECHARGE PARTNERSHIP AGREEMENT DEVELOPMENT

Mr. Cozad introduced the Board Letter and a resolution for discussion, noting its inclusion in the package beginning on page 3. He reviewed the benefits of the collaborative partnership. A primary benefit of the River HCP is that there is a cost saving to the partners who receive mitigation to implement their projects in the river without having to go to an outside mitigation bank or other sources. A benefit for the Conservation District is that it can utilize District resources for revenue. The revenue the District will receive supports planning and implementation of recharge projects. Mr. Cozad indicated that the District has approximately 295 acres that can be used for a conservation easement for endangered species mitigation toward SBVMWD and River HCP project needs.

Mr. Headrick reviewed the elements of the joint resolution, included in the Board package on page 9. The joint resolution, if approved, will give staff the authority to prepare the partnership agreement for the active recharge projects in connection with the proposed River HCP. Mr. Headrick reviewed some of the elements included in the resolution that will be incorporated into a Partnership Agreement:

- The Conservation District will provide up to 295 acres of Conservation Easement lands to the River HCP including a portion of the active recharge projects.
- Valley District will provide funding to the Conservation District for use of mitigation acreage.
- The Conservation District will commit to utilize revenue to fund active recharge projects as listed on the Conceptual Active Recharge Projects map.
- Valley District will provide additional funding to ensure the land can be maintained in perpetuity, and the funds will be overseen by the Conservation Trust.

Mr. Headrick said that the primary benefits of joining into a partnership agreement are a higher level of cooperation, lower costs and consolidated management. Both Boards spoke in support of the proposed joint resolution.

It was moved by Director Hayes and seconded by Director Navarro to approve Resolution No. 1076 of Valley District. The motion was carried 3-0 with Directors Longville, and Copelan noted absent from the vote.

**President Bulot: Yes
Vice-President Hayes: Yes
Director Longville: Absent
Director Copelan: Absent
Director Navarro: Yes**

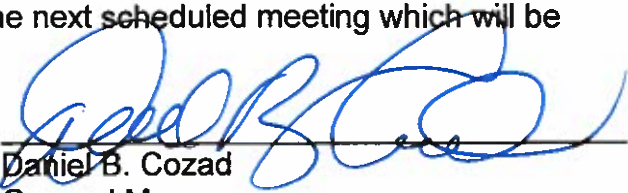
It was moved by Director Raley and seconded by Director Harrison to approve Resolution No. 561 of the Conservation District. The motion was carried 4-0 with President Corneille noted absent from the vote.

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

3. ADJOURN MEETING

It was the consensus of the Boards of Directors of Valley District and the Conservation District to adjourn the meeting.

At 4:15 p.m., the meeting adjourned to the next scheduled meeting which will be announced at a later date.



Daniel B. Cozad
General Manager