

**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 5<sup>th</sup> 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 5<sup>th</sup> 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 ½ 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.

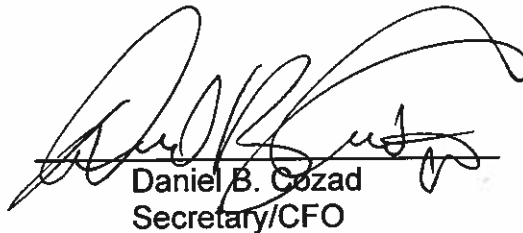
*Action:* Motion was made by Director Longville and seconded by Vice President Williams to adjourn the meeting. The next regular Board of Directors Meeting will be held on Thursday, October 10, 2019, at 10:00 AM at 1630 W Redlands Blvd, Suite A, Redlands, CA 92373. The motion carried 3-0 with all Directors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

Ayes: Raley, Williams, Longville

Noes:

Absent:

Abstain:



Daniel B. Cozad  
Secretary/CFO