

Approved March 14, 2018

**EAST VALLEY WATER DISTRICT
REGULAR BOARD MEETING**

January 24, 2018

MINUTES

The Chairman of the Board called the meeting to order at 4:30 p.m.

PRESENT: Directors: Carrillo, Coats, Morales, Smith

ABSENT: None

STAFF: John Mura, General Manager/CEO; Brian Tompkins, Chief Financial Officer; Jeff Noelte, Director of Engineering and Operations; Kelly Malloy, Public Affairs/Conservation Manager; Justine Hendricksen, District Clerk; Shayla Gerber, Administrative Assistant

LEGAL COUNSEL: Jean Cihigoyenetché

GUEST(s): Members of the public

PUBLIC COMMENTS

Chairman Carrillo declared the public participation section of the meeting open at 4:30 p.m.

There being no written or verbal comments, the public participation section was closed.

APPROVAL OF AGENDA

M/S/C (Coats-Morales) that the January 24, 2018 agenda be approved as submitted.

CLOSED SESSION

The Board entered into Closed Session at 4:31 p.m. as provided in the Ralph M. Brown Act Government Code Section 54956.8 to discuss the item(s) listed on the agenda.

THE BOARD RECONVENED THE MEETING AT 5:30 P.M.

Mr. Wayne Brown led the flag salute.

ROLL CALL

PRESENT: Directors: Carrillo, Coats, Morales, Smith

ABSENT: None

ANNOUNCEMENT OF CLOSED SESSION ACTIONS

With respect to Item #2: No reportable action taken.

PUBLIC COMMENTS

Chairman Carrillo declared the public participation section of the meeting open at 5:31 p.m.

Mr. Anthony Serrano asked that his public comment be deferred until agenda item #4.

There being no further written or verbal comments, the public participation section was closed at 5:31 p.m.

DISBURSEMENTS

M/S/C (Smith-Coats) that the General Fund Disbursements #251410 through #251530 which were distributed during the period of December 1, 2017 through December 31, 2017, bank drafts, and ACH Payments in the amount of \$3,185,714.67 and \$527,160.11 for payroll and benefit contributions, totaling \$3,712,874.78 be approved.

APPROVE THE FINANCIAL STATEMENTS FOR DECEMBER 2017

M/S/C (Smith-Coats) that the Board approve the financial statements for December 2017 as submitted.

ACCEPT AND FILE THE INVESTMENT REPORT FOR THE QUARTER ENDED DECEMBER 31, 2017

M/S/C (Smith-Coats) that the Board accept and file the investment report for the quarter ended December 31, 2017.

SAN BERNARDINO BASIN GROUNDWATER COUNCIL FRAMEWORK AGREEMENT

The General Manager/CEO stated that staff is asking that the Board consider entering into the final terms of the Groundwater Council Sustainability Agreement, which began formation in 2015; that the desire is to ensure water supply reliability and long-term groundwater sustainability.

Mr. Bob Tincher, Water Resources Manager for San Bernardino Valley Municipal Water District, gave a presentation: "Managing the San Bernardino Basin Area (SBBA) for Sustainability".

Mr. Anthony Serrano, 27-year resident, commented on the similarities of the Framework Agreement to the Regional Urban Water Management Plan; he stated that he would like to have had a five-year chart of what annual costs would be for the District and other agencies involved in the Groundwater Council Framework Agreement.

The General Manager/CEO thanked Mr. Serrano for his suggestions and replied to his comments.

Director Coats stated that this was a long time coming and makes it fair between the agencies.

Director Morales asked how quickly the process is expected to come together.

The General Manager/CEO responded to Director Morales: he stated that other agencies will need to make sure it's included in their budget and the agreement is expected to go to the first meeting in March. He noted that if there are substantial changes to the agreement, it will be brought to the Board for approval.

Vice Chairman Smith stated that he is in favor of the agreement; he asked if it is possible that other agencies will decide not to adopt the agreement.

The General Manager/CEO responded to Vice Chairman Smith: he stated that it is possible that not all agencies will adopt the agreement and it would have to be redone if that were the case.

Chairman Carrillo commented that it's nice that the District is taking a proactive approach in terms of groundwater sustainability within the basin.

M/S/C (Coats-Morales) that the Board authorize the General Manager/CEO and Legal Counsel to execute the San Bernardino Basin Groundwater Council Framework Agreement.

REVIEW AND APPROVE UPDATE TO CAPITAL ASSET POLICY 7.4

The Chief Financial Officer stated that the Capital Assets Policy was due for review this year; he noted three changes: on page 2 of the policy, section "B", asset types were organized into financial reporting categories; and page 3, section "C", language was changed and the policy now refers back to Policy 7.1.1.; and on page 4, definitions were added to the policy.

The General Manager/CEO stated that the policy was presented to the Finance & Human Resources Committee for review in November 2017.

M/S/C (Morales-Smith) that the Board approve the Capital Asset Policy 7.4 as submitted.

REJECT BOARDROOM RENOVATION PROJECT

The General Manager/CEO stated that the boardroom was initially designed as a public space, and after reevaluating the use of the room, staff decided it was necessary to make improvements; the renovation of the boardroom was put out to bid; the District received one bid, higher than anticipated; and due to the lack of comparative bids, staff is asking that the single bid be rejected.

Director Morales agreed that the bid should be rejected due to a single bid and no competition.

M/S/C (Morales-Coats) that the Board reject all contract bids for the Boardroom Renovation Project.

UPDATE TO THE BOARD OF DIRECTORS EVALUATION POLICY AND GENERAL MANAGER/CEO EVALUATION POLICY

The General Manager/CEO presented the update to the Board of Directors Evaluation Policy and General Manager/CEO Policy; he stated that the Board of Directors Evaluation Policy needed to be updated due to a recent change in the election cycle; and the General Manager/CEO Evaluation Policy needed slight adjustments as to align with the District's strategic initiatives. The General Manager/CEO stated that the revisions to the policies were reviewed by the Finance & Human Resources Committee.

Director Morales commented that the revisions keep with the spirit that was meant in the original document.

Director Coats concurred with Director Morales' comment.

Chairman Carrillo expressed that he is comfortable with the revisions made to the policy.

M/S/C (Morales-Coats) that the Board approve revisions made to the Board of Directors Evaluation Policy and the General Manager/CEO Policy.

BOARD OF DIRECTORS' REPORTS

Director Coats reported on the following: on January 16 he attended the San Bernardino Valley Municipal Water District meeting; on January 18 he attended the North Fork Water Company Special meeting where they reviewed the draft Summary Valuation report; on January 22 he attended the Association of San Bernardino County Special Districts meeting where the Chino Basin water storage bank was discussed; and on January 23 he attended the Finance & Human Resources Committee meeting where they discussed changes to two policies.

Director Morales reported on the following: on January 17 he attended the Local Agency Formation Commission of San Bernardino (LAFCO) where they held a special hearing; and on January 22 he attended the Association of California Water Agencies Region 9

meeting which was held at the District and it was announced that he was selected as an alternate Chairman for Region 9.

Vice Chairman Smith reported on the following: on January 16 he attended at special meeting at the District regarding the Board vacancy; and on January 19 he met with the General Manager/CEO to review the agenda; and on January 23 he attended the Highland Chamber of Commerce monthly meeting.

Chairman Carrillo reported on the following: on January 18 he attended the North Fork Water Company Special meeting; on January 22 he attended the Association of San Bernardino County Special Districts meeting where the Chino Basin water storage bank was discussed; and on January 23 he attended the Highland City Council meeting with nothing to report.

Information only.

GENERAL MANAGER/CEO REPORT

The General Manager/CEO reported that he attended the Inland Empire Economic Partnership annual awards reception with the HR/Risk Safety Manager; he stated that the District held a North Fork Water Company special meeting to present the draft valuation/appraisal report to shareholders.

The General Manager/CEO informed the Board of upcoming meetings and events:

- The General Manager/CEO will be attending the Highland Historical Society meeting on January 25 @ 7:00 p.m. at the Highland Senior Center, to provide an overview of the District and highlight opportunities to preserve local history through the Sterling Natural Resource Center.
- On January 28, the District will have a booth at the YMCA 35th Annual Run; the event starts at Arroyo Verde Elementary School at 6:00 a.m.
- The General Manager/CEO will be out of the office beginning January 31 and will return February 13.

Information only.

LEGAL COUNSEL REPORT

Nothing to report at this time.

BOARD OF DIRECTORS' COMMENTS

Director Coats stated: "Help ensure your water future by supporting the Sterling Natural Resource Center".

Director Morales stated that he previewed the hydro-generator project; and thanked the Public Affairs/Conservation Manager for her assistance with the ACWA Region 9 meeting.

Vice Chairman Smith thanked the distinguished members of the community for attending the meeting tonight.

Chairman Carrillo echoed Vice Chairman Smith's comment; and reminded the public of the deadline to apply for the Board position is Friday, February 9.

Information only.

ADJOURN

The meeting adjourned at 6:30 p.m.



John Mura, Secretary



Chris Carrillo, Board President