

MINUTES OF A BOARD WORKSHOP

October 25, 2011 at 4:00 P.M.

Directors Present:

Jay Bogh, President
Ian Cuthbertson, Director
Lonni Granlund, Director
Hank Wochholz, Director

Staff Present:

Joseph Zoba, General Manager
Jack Nelson, Assistant General Manager
Vicky Elisalda, Controller
Jennifer Ares, Resource Sustainability Manager
John Hull, Public Works Manager
Brent Anton, Engineering Project Integrator
Matt Harward, Deputy Manger of Water Resources
Kevin King, Operations Manager
Peggy Little, Administrative Supervisor

Directors Absent:

Bruce Granlund, Vice President

Consulting Staff Present:

David Wysocki, Legal Counsel
Roger Alfaro, VTD
Kyle Stuckey, VTD

Registered Guests and Others Present:

Katie Hallberg
Richard Siegmund

The items listed below were presented for discussion.

- I. Call to Order - 4:00 p.m.
- II. Public Comments - General Manager Joseph Zoba recognized the members of the public in attendance. No public comments were provided.
- III. Staff Comments - No staff comments were provided.
- IV. Presentations
 - A. Audited Financial Statements for Fiscal Year Ending June 30, 2011 [Workshop Memorandum No. 11-161] - Controller Vicky Elisalda introduced the District's financial auditors Roger Alfaro and Kyle Stuckey with VTD who provided an overview of the District's audited financial statements. Several questions were asked by the board members related to the management letter and clarification of the audited financial documents. Appropriate modifications will be made to the financial report to provide more consistent terminology throughout the report when presented at the board meeting on November 2, 2011.
 - B. Oak Glen Watershed Sanitary Survey [Workshop Memorandum No. 11-162] - Deputy Manager of Water Resources Matt Harward provided a summary of the topic and an introduction of Katie Hallberg who provided an overview of her internship project which was the preparation of the Oak Glen Watershed Sanitary Survey for the Yucaipa Valley Water District.
 - C. Wilson Creek Turnout Project by the San Bernardino Valley Municipal Water District [Workshop Memorandum No. 11-163] - General Manager Joseph Zoba provided an overview of the proposed improvements at the Wilson Creek

Spreading Basins by the San Bernardino Valley Municipal Water District and the resulting outage from December 1, 2011 to July 1, 2012.

V. Capital Improvement Projects

- A. Status Report on the Construction of the Yucaipa Valley Regional Brineline [Workshop Memorandum No. 11-164] - Engineering Project Integrator Brent Anton provided an update on the construction of the Yucaipa Valley Regional Brineline.
- B. Status Report on the Construction of Recycled Water Projects [Workshop Memorandum No. 11-165] - General Manager Joseph Zoba provided an update on the numerous elements of the recycled water infrastructure planned for construction including a proposal received by Krieger and Stewart for the design of the Recycled Water Booster Facility B-12.1.

VI. Development Issues

- A. Proposed Sewer Service Connection for Commercial Development at Yucaipa Boulevard and 15th Street [Workshop Memorandum No. 11-166] - The proposed agreement is currently in the process of being prepared as was not available for presentation at the board workshop.
- B. Sewer Mainline Reimbursement for Commercial Development Located on 5th Street, Calimesa (APN 411-180-025) - Bill Dickinson [Workshop Memorandum No. 11-167] - The proposed agreement is currently in the process of being prepared as was not available for presentation at the board workshop.

VII. Administrative Issues

- A. Contract for Annual Inspection and Cleaning of Various Reservoirs [Workshop Memorandum No. 11-167] - Deputy Manager of Water Resources Matt Harward provided an overview of the cleaning process used by the District on an annual basis

VIII. Director Comments - None

IX. Closed Session

- A. Conference with Labor Negotiator (Government Code 54957.6)
District Negotiator: Joseph Zoba, General Manager
Employee Organization: Supervisor Bargaining Unit
- B. Conference with Labor Negotiator (Government Code 54957.6)
District Negotiator: Joseph Zoba, General Manager
Employee Organization: Exempt Employee Bargaining Unit
- C. Conference with Real Property negotiator(s) (Government Code 54956.8)
Property: Assessor's Parcel Number: 301-201-29
Agency Negotiator: Joseph Zoba, General Manager
Negotiating Parties: Palmer General Corporation
Under Negotiation: Terms of Payment and Price
Director Jay Bogh, Director Ian Cuthbertson, Director Lonni Granlund, and Director Hank Wochholz were present in closed session along with Legal Counsel David Wysocki and General Manager Joseph Zoba.

The Board members reconvened out of closed session into open session and Legal Counsel reported that direction was provided to the General Manager but no reportable action was taken in closed session.

X. Adjournment - The meeting was adjourned at approximately 5:42 p.m.

Respectfully submitted,

Joseph B. Zoba, Secretary

(SEAL)