

# MINUTES OF A BOARD WORKSHOP

January 8, 2019 at 4:00 P.M.

Directors Present:

Bruce Granlund, Vice President  
Lonni Granlund, Director  
Chris Mann, Director  
Joyce McIntire, Director

Staff Present:

Jennifer Ares, Water Resource Manager  
Allison Edmisten, Chief Financial Officer  
Chelsie Fogus, Engineering Technician I  
Kathryn Hallberg, Implementation Manager  
Dustin Hochreiter, Senior Engineering Technician  
Mike Kostelecky, Operations Manager  
Kevin Lee, Interim Operations Manager  
Matthew Porras, Implementation Manager  
Mike Rivera, Public Works Supervisor  
Joseph Zoba, General Manager

Directors Absent:

Jay Bogh, President

Consulting Staff Present:

David Wysocki, Legal Counsel

Guests and Others Present:

Linda Shelton  
Jeff Stroud  
Lisa Stroud  
Leonard Stephenson, San Gorgonio Pass Water Agency

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- I. Call to Order - 4:00 p.m.
  - II. Public Comments - Lisa Stroud discussed the Septic Tank Elimination Program and requested consideration for reducing the 60 foot minimum lot frontage as stated in the policy to 50 foot minimum frontage.
  - III. Staff Report - General Manager Joseph Zoba provided information about the following topics:
    - The District will be hosting an Ethics Training Program for Local Government Elected Officials, Managers and Supervisors on January 9, 2019 at the Yucaipa Valley Regional Water Filtration Facility.
    - The next San Bernardino Valley Municipal Water District Advisory Commission on Water Policy is scheduled for January 10, 2019 at 6:30 pm.
    - The City of Yucaipa will be hosting a Ground Breaking Ceremony for the Fremont Street Bridge Project on Monday, January 14, 2019.
    - The next Yucaipa Valley Water District Financing Corporation meeting is scheduled for January 15, 2019 at 5:30 pm.
    - Information was provided about the historical growth of recycled water production at the Wochholz Regional Water Recycling Facility.
    - The District staff will be presenting a rain barrel incentive program for water conservation at the next board meeting.

#### IV. Strategic Planning

- A. Discussion of the Strategic Planning Process and the Establishment of Capital Improvement Priorities [Workshop Memorandum No. 19-001] - General Manager Joseph Zoba and Implementation Manager Kathryn Hallberg provided information about strategic planning and proposed capital improvement projects. A strategic planning workshop will be scheduled in the future to discuss these items in greater detail.

#### V. Capital Improvement Projects

- A. Status Report on the Construction of an 8-Inch Sewer Mainline in Yucaipa Boulevard [Workshop Memorandum No. 19-002] - Implementation Manager Matthew Porras provided an overview of the sewer mainline construction in Yucaipa Boulevard.
- B. Status Report on the Construction of the Replacement of Drinking Water Pipelines on Douglas Street, Cornell Drive, Auburn Avenue, Citibank / Yucaipa Boulevard and Oak Glen Road [Workshop Memorandum No. 16-003] - Implementation Manager Matthew Porras provided an overview of the water mainline replacements.

#### VI. Public Policy

- A. Discussion Regarding the Establishment of a Septic Tank Elimination Program to Facilitate the Connection of Existing Homes and Businesses to the Sewer Collection and Sewer Treatment Infrastructure [Workshop Memorandum No. 19-004] - General Manager Joseph Zoba provided an overview of the proposed policy elements and received input from the Board of Directors and the public.
- B. Discussion Regarding the Establishment of a Sewer Offset Program for New Development [Workshop Memorandum No. 19-005] - General Manager Joseph Zoba provided an overview of the proposed policy.
- C. Discussion Regarding the Proposed Imported Water Rate Methodology for the San Gorgonio Pass Water Agency [Workshop Memorandum No. 19-006] - General Manager Joseph Zoba discussed the status of the proposed imported water rate increase by the San Gorgonio Pass Water Agency.

#### VII. Development Projects

- A. Overview of a Proposed Development Agreement with Meritage Homes for the Summerwind Development - Calimesa [Workshop Memorandum No. 19-007] - Implementation Manager Matthew Porras discussed the proposed development agreement with Meritage Homes.

#### VIII. Administrative Items

- A. Presentation of the Unaudited Financial Report for the Period Ending on December 31, 2018 [Workshop Memorandum No. 19-008] - Chief Financial Officer Allison Edmisten provided an overview of the Unaudited Financial Report.
- B. Discussion Regarding Resolution No. 2019-xx Approving an Investment Policy and Appointment of the General Manager as the District Investment Officer [Workshop Memorandum No. 19-009] - Chief Financial Officer Allison Edmisten provided an overview of the Investment Policy.

- C. Discussion Regarding the Notification of Unclaimed Funds [Workshop Memorandum No. 19-010] - Chief Financial Officer Allison Edmisten provided an overview of the Notification of Unclaimed Funds.
- D. Review of Proposed Meter Installation Costs for 2019 [Workshop Memorandum No. 19-011] - Implementation Manager Matthey Porras provided an overview of the proposed meter installation costs for 2019.
- E. Discussion Regarding the Use of Specific Percentages for the Preparation of the Monthly Unaudited Financial Reports [Workshop Memorandum No. 19-012] - Chief Financial Officer Allison Edmisten provided an overview of the percentages used for the monthly unaudited financial reports.
- F. Consideration of Purchasing Temporary Pipe Materials for the Calimesa Lakes Recharge Study [Workshop Memorandum No. 19-013] - Implementation Manager Matthey Porras provided an overview of the proposed purchase of pipe material for the groundwater recharge study in Calimesa.
- G. Consideration of Agreement No. 2019-01 - Infrastructure Construction and Coordination Agreement with Western Heights Water Company [Workshop Memorandum No. 19-014] - Implementation Manager Matthey Porras provided an overview of the proposed agreement with Western Heights Mutual Water Company.
- H. Presentation of the Annual Continuing Disclosure Annual Report (CDAR) [Workshop Memorandum No. 19-015] - Chief Financial Officer Allison Edmisten provided an overview of the Annual Continuing Disclosure Annual Report.
- I. Overview of a Revised Policy for Members of the Board of Directors Regarding Expense Reimbursement, Meeting Attendance, Compensation, and Benefits [Workshop Memorandum No. 19-016] - General Manager Joseph Zoba provided an overview of the proposed board member policy.
- J. Updates to the Office of Emergency Services Designation on Behalf of the Yucaipa Valley Water District for Emergency Assistance [Workshop Memorandum No. 19-017] - General Manager Joseph Zoba provided an overview of the Office of Emergency Services Designation.
- K. Discussion Regarding the Review of Statement of Facts Required by Government Code Section 53051 [Workshop Memorandum No. 19-018] - General Manager Joseph Zoba provided an overview of the Statement of Facts.
- L. Discussion Regarding the Assignment of Individuals to Represent the District in Small Claims Court [Workshop Memorandum No. 19-019] - General Manager Joseph Zoba provided an overview of the Assignment of Individuals to Represent the District in Small Claims Court
- M. Appointment of a Representative to the San Gorgonio Pass Regional Water Alliance [Workshop Memorandum No. 19-020] - Following a brief overview by General Manager Joseph Zoba, Director Bruce Granlund moved the appoint Joyce McIntire as the primary representative to the San Gorgonio Pass Regional Water Alliance. Director Chris Mann seconded the motion.

The motion was approved by the following vote:

Director Jay Bogh - Absent  
Director Bruce Granlund - Yes  
Director Lonni Granlund - Yes  
Director Chris Mann - Yes

Director Joyce McIntire - Yes

Director Lonni Granlund moved the appoint Bruce Granlund as the alternate representative to the San Gorgonio Pass Regional Water Alliance. Director Chris Mann seconded the motion.

The motion was approved by the following vote:

Director Jay Bogh - Absent  
Director Bruce Granlund - Yes  
Director Lonni Granlund - Yes  
Director Chris Mann - Yes  
Director Joyce McIntire - Yes

- N. Appointment of a Primary and Alternate Representative to the City of Yucaipa Economic Development Advisory Committee [Workshop Memorandum No. 19-021] - Following a brief overview by General Manager Joseph Zoba, Director Chris Mann moved the appoint Lonni Granlund as the primary representative and Bruce Granlund as the alternate representative to the City of Yucaipa Economic Development Advisory Committee. Director Joyce McIntire seconded the motion.

The motion was approved by the following vote:

Director Jay Bogh - Absent  
Director Bruce Granlund - Yes  
Director Lonni Granlund - Yes  
Director Chris Mann - Yes  
Director Joyce McIntire - Yes

- O. Appointment of a Primary and Alternate Representative to the San Bernardino Valley Municipal Water District's Advisory Commission on Water Policy [Workshop Memorandum No. 19-022] - Following a brief overview by General Manager Joseph Zoba, Director Bruce Granlund moved the appoint Bruce Granlund as the primary representative and Lonni Granlund as the alternate representative to the San Bernardino Valley Municipal Water District's Advisory Commission on Water Policy. Director Lonni Granlund seconded the motion.

The motion was approved by the following vote:

Director Jay Bogh - Absent  
Director Bruce Granlund - Yes  
Director Lonni Granlund - Yes  
Director Chris Mann - Yes  
Director Joyce McIntire - Yes

- P. Reorganization of the Members of the Board of Directors [Workshop Memorandum No. 19-023] - Following a brief overview by General Manager Joseph Zoba, Director Lonni Granlund moved the select Chris Mann as President and Bruce Granlund as Vice President. Director Joyce McIntire seconded the motion.

The motion was approved by the following vote:

Director Jay Bogh - Absent  
Director Bruce Granlund - Yes  
Director Lonni Granlund - Yes  
Director Chris Mann - Yes  
Director Joyce McIntire - Yes

- IX. Director Comments - None.
- X. Announcements - The future meetings were referenced on the workshop agenda.
- XI. Closed Session - Director Bruce Granlund, Director Lonni Granlund, Director Chris Mann, and Director Joyce McIntire were present in closed session with Legal Counsel David Wysocki, General Manager Joseph Zoba, and Chief Financial Officer Allison Edmisten to discuss the following items:
- B. Conference with Real Property Negotiator(s) - Government Code 54956.8  
Property: Assessor's Parcel Numbers: 413-380-001 - 009, and 013  
Agency Negotiator: Joseph Zoba, General Manager  
Negotiating Parties: Johnson Brothers Partnership  
Under Negotiation: Terms of Payment and Price
- The Board Members reconvened out of closed session into open session and Legal Counsel David Wysocki reported that direction was provided to the General Manager but no reportable action was taken in closed session.
- XII. Adjournment - The meeting was adjourned at 6:10 p.m.

Respectfully submitted,

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Joseph B. Zoba, Secretary