

Bighorn-Desert View Water Agency

Board of Directors

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A Public Agency

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THE BOARD OF DIRECTORS FINANCE/PUBLIC RELATIONS/EDUCATION AND PERSONNEL COMMITTEE SPECIAL MEETING AGENDA

BOARD MEETING OFFICE
1720 N. Cherokee Trail, Landers, CA 92285
Wednesday, August 18, 2010 - 12:45 PM

The BDVWA Finance/Public Relations/Education & Personnel Committee meeting is noticed as a joint meeting with the Board of Directors for the purpose of strict compliance with the Brown Act. Members of the Board not assigned to the Finance/Public Relations/Education & Personnel Committee may participate as observers at the meeting.

- **CALL TO ORDER**
- **PLEDGE OF ALLEGIANCE**
- **ROLL CALL**
- **APPROVAL OF THE AGENDA**

Public Participation - Public is invited to comment on any item on the agenda during discussion of that item. You may wish to submit your comments in writing to assure that you are able to express yourself adequately. When giving your public comment, please first state your name and have your information prepared. Due to time constraints, a three-minute time limit may be imposed. Per Government Code Section 54954.2, any person with a disability who requires a modification or accommodation, including auxiliary aids or services, in order to participate in the meeting, should contact the Board Secretary at 760-364-2315 during Agency business hours.

- 1. PUBLIC PARTICIPATION** - Any person may address the Board on any matter within the District's jurisdiction on items not appearing on this agenda.

2. CONFERENCE CALL WITH MOJAVE WATER AGENCY'S LEGAL/LEGISLATIVE AND PUBLIC INFORMATION COMMITTEE -

Committee to participate via teleconference for an update by the State Advocate of Issues at the State Level, as well as an update by the Federal Advocate of Issues at the Federal Level.

3. DISCUSSION AND ACTION ITEMS - The Committee and Staff will discuss the following items and consider taking action, if so inclined.

a. REVIEW OF "PRINCIPLES OF AGREEMENT" DRAFT BETWEEN BIGHORN-DESERT VIEW WATER AGENCY, HI DESERT WATER DISTRICT, COUNTY SPECIAL DISTRICTS (W-1 AND W-4) AND MOJAVE WATER AGENCY REGARDING FUTURE GROUNDWATER MANAGEMENT PLAN FOR THE AMES/RECHE GROUNDWATER SUBBASIN

RECOMMENDED ACTION:

- 1) Committee to review updated information, receive public input and provide feedback to staff regarding project Public Relations.

b. CONSIDER INCREASE IN CREDIT CARD LIMITS FOR AUTHORIZED STAFF

RECOMMENDED ACTION:

- 1) Committee to review and discuss options; and
- 2) Committee to consider making a recommendation to the full Board.

c. OVERVIEW OF UPCOMING PUBLIC RELATIONS / PUBLIC OUTREACH EFFORTS

RECOMMENDED ACTION:

- 1) Committee to discuss Orchid Festival, AWAC Landscaping Seminar, Johnson Valley Survey Results, and Boardroom Conduct

d. PROVIDE COMMITTEE UPDATE REGARDING THE AGENCY'S ANCILLARY BENEFITS PACKAGE PROVIDED BY THE ASSOCIATION OF CA WATER AGENCIES HEALTH BENEFITS AUTHORITY (ACWA)

- 1) Committee to review and discuss options; and
- 2) Provide further direction to staff.

4. CONSENT ITEMS - The following is expected to be routine and non-controversial and will be acted on by the Committee members at one time without discussion, unless a member of the Public or a Committee member requests that an item be held for discussion or further action.

a. Committee Report from the May 12, 2010 Special Meeting

RECOMMENDATION:

- 1) Approve as presented

END OF THE CONSENT CALENDAR

5. ITEMS FOR NEXT AGENDA

6. ADJOURNMENT

In accordance with the requirements of California Government Code Section 54954.2, this agenda has been posted in the main lobby of the Bighorn-Desert View Water Agency, 622 S. Jemez Trail, Yucca Valley, CA not less than 72 hours prior to the meeting date and time above. All written materials relating to each agenda item are available for public inspection in the office of the Agency Secretary. Backup material for the Agenda is available at the Agency offices for public review and can be viewed online at the Agency's website: www.bdvwa.org.

As a general rule, agenda reports or other written documentation has been prepared or organized with respect to each item of business listed on the agenda, and can be reviewed at www.bdvwa.org. Copies of these materials and other discloseable public records distributed to all or a majority of the members of the Board of Directors in connection with an open session agenda item are also on file with and available for inspection at the Office of the Agency Secretary, 622 S. Jemez Trail, Yucca Valley, California, during regular business hours, 8:00 A.M. to 4:30 P.M., Monday through Friday. If such writings are distributed to members of the Board of Directors on the day of a Board meeting, the writings will be available at the entrance to the Board of Directors meeting room at the Bighorn-Desert View Water Agency.



LEGAL/LEGISLATIVE AND PUBLIC INFORMATION COMMITTEE MEETING

AGENDA

Note: *Changed Meeting
Date and Time*

**Mojave Water Agency
Board Room
22450 Headquarters Drive
Apple Valley CA 92307**

**August 18, 2010
1:00 p.m.**

NO ACTION WILL BE TAKEN – STUDY SESSION ONLY

1. Approval of Agenda
2. Adopt Actions from the Legal/Legislative and Public Information Committee Meeting of July 15, 2010
3. Update on State Advocate and Issues at the State Level (teleconference)
4. Update on Federal Advocate and Issues at the Federal Level (teleconference)
5. Presentation by Logan Olds, Victor Valley Wastewater Reclamation Authority
6. Public Information Update (oral report)
7. General Manager's Report (oral report)
8. Public Participation
9. Comments/Discussion Items for Next or Future Agendas
10. Adjournment

Pursuant to Government Code Section 54954.2(a), any request for a disability-related modification or accommodation, including auxiliary aids or services, that is sought in order to participate in the above-agendized public meeting, should be directed to the Agency's General Manager's office at (760) 946-7008 at least 24 hours prior to said meeting.



LEGAL/LEGISLATIVE AND PUBLIC INFORMATION COMMITTEE MEETING

ADOPTED COMMITTEE ACTIONS JULY 15, 2010

CALL TO ORDER:

Chairperson Art Bishop called the meeting to order at 9:08 a.m.

ATTENDANCE:

- + Committee - Chairperson Art Bishop, Director Beverly Lowry, and Director Doug Shumway
- + Absent - None
- + Staff - General Manager Kirby Brill; Chief Financial Officer Kathy Cortner, Community Liaison Officer Michael Stevens; and Senior Administrative Assistant Gloria Golike
- + Consultants - State Advocates Pilar Onate-Quintana and Ed Manning, KP Public Affairs; and Federal Advocates Heather Hennessey and Letitia White, Innovative Federal Strategies, LLC joined by teleconference
- + Others - Five visitors were in the audience and five WebEx participants

1. **Approval of Agenda**

Action: The agenda was approved as presented.

2. **Adopt Actions from the Legal/Legislative and Public Information Committee Meeting of June 17, 2010**

Action: The actions of the June 17, 2010 meeting were adopted as submitted.

3. **Update on State Advocate and Issues at the State Level**

Ms. Onate-Quintana gave a brief update on a few water-related bills. Mr. Manning provided an update on the Water Bond and the decision to try and move it to the 2012 election ballot. He also addressed updates on some of the Delta bills.

Action: Informational purposes only. No action taken.

4. **Update on Federal Advocate and Issues at the Federal Level**

Ms. Hennessey stated there wasn't really anything new to report. She mentioned the calendar schedule for Congress, and that there isn't much time left before the November election. She commented briefly on the Climate Change Bill and the Supplemental Appropriations Bill for 2010. Ms. White spoke about a "lame duck" session after the November election.

***Action:** Informational purposes only. No action taken.*

5. **Public Information Update**

Mr. Stevens gave an update of meetings and events that have either occurred or will occur this month; such as, the ABC's of Water, AWAC workshop, PR Coalition, and the E-Newsletter. He also mentioned that the Association of California Water Agencies (ACWA) held their Region 9 meeting in the High Desert for the first time ever, and it was well attended.

6. **General Manager's Report**

No report noted.

7. **Public Participation**

None noted.

8. **Comments/Discussion Items for Next or Future Agenda**

Director Lowry gave a report on the Barstow College Foundation scholarship fund amount donated in her name.

Director Shumway made some comments on the Feingold Bill.

Chairperson Bishop stated that the ACWA Region 9 meeting was a success and thanked staff for their planning efforts. He also commented on the great attendance at the last AWAC workshop for contractors.

9. **Adjournment**

Chairperson Bishop adjourned the meeting at 10:08 a.m.

Submitted by: _____

Gloria Golike
Senior Administrative Assistant,
Public Information

Attachments on-file:

Item No. 3 – State Legislative Update PowerPoint

Item No. 5 – Draft Agenda for 50th Anniversary Celebration

Sign-in sheet

**Audio recording of this meeting available upon request.*

Mojave Water Agency Special Purpose Bill List as of 8/12/2010

Delta Related Bills

- AB 2092** (Huffman) Delta Plan: financing. (A-08/02/2010 [html](#) [pdf](#))
Introduced: 02/18/2010
Last Amend: 08/02/2010
Status: 08/09/2010-In committee: Set, first hearing. Hearing canceled at the request of author.
Is Fiscal: Y
Is Urgency: N
Location: 08/02/2010-S APPR.
Calendar: 08/12/10 Upon adjournment of session - John L. Burton Hearing Room (4203) SEN APPROPRIATIONS
- Summary: Would require the council to develop a long-term finance plan to pay for the costs of implementing the Delta Plan by January 1, 2013. The bill would prohibit the council from adopting new fees for these purposes unless authorized by statute. The bill would authorize the council, before adopting and collecting long-term revenue sources, to seek to obtain early funding contributions from entities that may benefit from implementation of the Delta Plan and to track those contributions to provide credit against future funding requirements.
- AB 2336** (Fuller) Delta Stewardship Council. (A-05/17/2010 [html](#) [pdf](#))
Introduced: 02/19/2010
Last Amend: 05/17/2010
Status: 07/02/2010-Failed Deadline pursuant to Rule 61(b)(13). (Last location was N.R. & W. on 6/3/2010)
Is Fiscal: Y
Is Urgency: N
Location: 07/02/2010-S DEAD
- Summary: Would require the council, in the course of developing and adopting the Delta Plan, to direct the board to conduct an assessment of certain stressors on populations of native fish species in the Delta, the Sacramento and San Joaquin rivers, and the tributaries to those rivers below the rim dams of the central valley, and recommend changes in statute and actions by state agencies to remedy the situation in as timely a manner as possible.
- AJR 38** (Caballero) Public resources: Two-Gates Fish Protection Demonstration Project. (A-05/24/2010 [html](#) [pdf](#))
Introduced: 02/25/2010
Last Amend: 05/24/2010
Status: 08/10/2010-Be adopted as amended.
Is Fiscal: N
Is Urgency: N
Location: 08/10/2010-S N.R. & W.
- Summary: Would request the United States Department of the Interior to prioritize completion of its study of the Two-Gates Fish Protection Demonstration Project in the Sacramento-San Joaquin Delta.
- SB 1450** (Simitian) Water: Delta Stewardship Council: contracts. (A-08/02/2010 [html](#) [pdf](#))
Introduced: 02/19/2010
Last Amend: 08/02/2010
Status: 08/09/2010-Read second time. To third reading.
Is Fiscal: Y
Is Urgency: N

Location: 08/09/2010-A THIRD READING

Calendar: 08/12/10 227 ASM SENATE THIRD READING FILE

Å **Summary:** Would expressly authorize the council to contract for consultant services and architectural and engineering services to assist with preparation of the Delta Plan and performance of certain responsibilities of the council. The bill would exempt these contracts from specified provisions of law governing public contracting, but would require the contracts to be entered into on a competitive bid basis, as specified. The bill would require the council to establish procedures for contracting for consultant services and architectural and engineering services. This bill contains other existing laws.

Other Key Legislation

AB 1793 (Saldana) Common interest developments: artificial turf. (A-04/20/2010 [html](#) [pdf](#))

Introduced: 02/10/2010

Last Amend: 04/20/2010

Status: 06/17/2010-Read second time. To third reading.

Is Fiscal: N

Is Urgency: N

Location: 06/17/2010-S THIRD READING

Calendar: 08/12/10 57 SEN ASSEMBLY BILLS-THIRD READING FILE

Å **Summary:** Would provide that a provision of any of the governing documents of a common interest development would be void and unenforceable if it prohibits, or includes conditions that have the effect of prohibiting, the use of artificial turf or any other synthetic surface that resembles grass. This prohibition would not prohibit an association from applying landscape rules and regulations established in governing documents that establish design standards and quality standards for the installation of artificial turf, or any other synthetic surface that resembles grass, to the extent the rules and regulations do not prohibit the use of artificial turf or any other synthetic surface that resembles grass. This bill contains other existing laws.

AB 1834 (Solario) Rainwater Capture Act of 2010. (A-07/15/2010 [html](#) [pdf](#))

Introduced: 02/12/2010

Last Amend: 07/15/2010

Status: 08/02/2010-In committee: Set, first hearing. Referred to APPR suspense file.

Is Fiscal: Y

Is Urgency: N

Location: 07/15/2010-S APPR. SUSPENSE FILE

Calendar: 08/12/10 Upon adjournment of session - John L. Burton Hearing Room (4203) SEN APPROPRIATIONS SUSPENSE

Å **Summary:** Would enact the Rainwater Capture Act of 2010, which would authorize a landowner to install, maintain, and operate, on the landowner's property, a rainwater capture system meeting specified requirements. The bill would require the state board to initiate a stakeholder process to develop recommendations for policies for state and local agencies to encourage and facilitate the voluntary installation and use of rainwater capture systems, as defined, for specified nonpotable uses, and capture of stormwater by public agencies. The bill would require the state board to publish those recommendations on its Internet Web site by December 31, 2011. The bill would require the state board, if the stakeholder process results in recommendations for building standards, to submit those recommendations to the California Building Standards Commission and the Department of Housing and Community Development by December 31, 2011, and would require the commission and the department to consider the recommendations for building standards for adoption in a specified update of the California Building Standards Code by July 1, 2013. This bill contains other related provisions and other existing laws.

AB 1929 (Hall) Invasive aquatic species: mussels. (E-08/10/2010 [html](#) [pdf](#))

Introduced: 02/17/2010

Last Amend: Å

Status: 08/10/2010-Enrolled and to the Governor at 4:50 p.m.

Is Fiscal: Y
Is Urgency: N
Location: 08/10/2010-A ENROLLED

Summary: Would provide that an operator of water delivery and storage facilities, who has prepared, initiated, and is in compliance with a plan to control and eradicate dreissenid mussels in accordance with the above existing provisions of law, would not be subject to any civil or criminal liability for the introduction of dreissenid mussel species as a result of operations of those facilities. The bill would provide that neither the director's enforcement activities, nor the prohibition on a person possessing, importing, shipping, or transporting dreissenid mussels in the state would apply to an operator who has prepared, initiated, and is in compliance with a plan to control and eradicate dreissenid mussels, unless the department had required the operator to update its plan and the operator failed to do so. This bill contains other existing laws.

AB 1975 (Fong) Building standards: water charges and meters: multiunit structures. (A-

08/02/2010 [html](#) [pdf](#))

Introduced: 02/17/2010

Last Amend: 08/02/2010

Status: 08/09/2010-In committee: Placed on APPR suspense file.

Is Fiscal: Y

Is Urgency: N

Location: 08/09/2010-S APPR. SUSPENSE FILE

Calendar: 08/12/10 Upon adjournment of session - John L. Burton Hearing Room (4203) SEN APPROPRIATIONS SUSPENSE

Summary: Would require a water purveyor that provides water service to a multiunit residential structure or mixed-use residential and commercial structure that is subject to specified building standards, to either adopt a general policy to require the installation of either a water meter, as defined, or a submeter, as defined, to measure water supplied to each individual dwelling unit, or to inform, on an individual basis, an applicant for new water service as to whether a water meter or submeter is required to be installed for each individual dwelling unit. The bill would require the owner of the structure to ensure that a water submeter installed for these purposes complies with laws and regulations governing installation, certification, maintenance, reading, billing, and testing of water submeters. The bill would prohibit a water purveyor from imposing specified fees related to the installation of submeters, and would prohibit the owner of a rental structure, as specified, from assessing or collecting charges or fees related to water usage based on a submeter reading, from the occupants of the structure. This bill contains other related provisions and other existing laws.

AB 2304 (Huffman) Groundwater management plans: components. (A-08/03/2010 [html](#) [pdf](#))

Introduced: 02/19/2010

Last Amend: 08/03/2010

Status: 08/03/2010-Read second time and amended. Ordered to third reading.

Is Fiscal: Y

Is Urgency: N

Location: 08/03/2010-S THIRD READING

Calendar: 08/12/10 136 SEN ASSEMBLY BILLS-THIRD READING FILE

Summary: Would require the local agency, upon written request, to provide a copy of the proposed groundwater management plan to an interested person. The bill would require the local agency to provide each of those interested persons with a specified notice at least 30 days prior to the commencement of the second hearing to determine whether to adopt the plan. The bill would require the Department of Water Resources to post on its Internet Web site the information the department possesses regarding the local agencies that have jurisdiction to develop groundwater management plans. This bill contains other related provisions and other existing laws.

AB 2776 (Huffman) Transfers of water: agricultural use to municipal use. (A-07/15/2010 [html](#) [pdf](#))

Introduced: 03/01/2010

Last Amend: 07/15/2010

Status: 08/10/2010-From committee without further action pursuant to Joint Rule 62(a).

Is Fiscal: Y

Is Urgency: N

Location: 07/15/2010-S APPR.

Summary: Would prohibit the department, with respect to a contractual entitlement to water from the State Water Project, and the state board, with respect to any other transfer of water or water rights, from approving the transfer of surface water or water rights, or a portion of a contractual entitlement to water from the State Water Project, from agricultural use to municipal use for a period of 20 years or more, unless the water user provides to the department or the state board, as applicable, a written evaluation of the economic, social, and environmental effects of the transfer upon the service area from which the water is to be transferred. The bill would prohibit a water user from replacing specified surface water that is transferred from agricultural use to municipal use with groundwater, unless the groundwater basin of the service area from which the water is to be transferred is monitored and managed in accordance with specified requirements. The bill would require the department and the state board to charge specified fees to a water user that is subject to these provisions. This bill contains other existing laws.

SB 565 (Pavley) Water resources. (A-08/02/2010 [html](#) [pdf](#))

Introduced: 02/27/2009

Last Amend: 08/02/2010

Status: 08/05/2010-Set, first hearing. Referred to APPR. suspense file.

Is Fiscal: Y

Is Urgency: N

Location: 08/05/2010-A APPR. SUSPENSE FILE

Calendar: 08/12/10 Upon adjournment of Session - State Capitol, Room 4202 ASM
APPROPRIATIONS SUSPENSE

Summary: Would expand the exemption to other provisions relating to water use, including provisions that require the payment of fees to the State Water Resources Control Board (board) for official services relating to statements of water diversion and use. This bill contains other related provisions and other existing laws.

SB 918 (Pavley) Water recycling. (A-06/01/2010 [html](#) [pdf](#))

Introduced: 02/01/2010

Last Amend: 06/01/2010

Status: 08/05/2010-Set, first hearing. Referred to APPR. suspense file.

Is Fiscal: Y

Is Urgency: N

Location: 08/05/2010-A APPR. SUSPENSE FILE

Calendar: 08/12/10 Upon adjournment of Session - State Capitol, Room 4202 ASM
APPROPRIATIONS SUSPENSE

Summary: Would require the State Department of Public Health to adopt uniform water recycling criteria for indirect potable water reuse for groundwater recharge, as defined, by December 31, 2013 . The bill would require the department to develop and adopt uniform water recycling criteria for surface water augmentation, as defined, by December 31, 2016 , if a specified expert panel convened pursuant to the bill finds that the criteria would adequately protect public health . The bill would require the department to investigate the feasibility of developing uniform water recycling criteria for direct potable reuse and to provide a final report on that investigation to the Legislature by December 31, 2016. The bill, from July 1, 2011, to June 30, 2017, inclusive, would require funds generated by the imposition of specified liabilities for violations of water quality requirements to be made available, upon appropriation by the Legislature, to the department for purposes of developing and adopting the water recycling criteria .

SB 972 (Wolk) Indemnity: design professionals. (A-08/02/2010 [html](#) [pdf](#))

Introduced: 02/08/2010

Last Amend: 08/02/2010

Status: 08/03/2010-Read second time. To third reading.

Is Fiscal: N

Is Urgency: N

Location: 08/03/2010-A THIRD READING

Calendar: 08/12/10 176 ASM SENATE THIRD READING FILE

Summary: Would further provide with respect to all contracts and amendments to contracts entered into by a public agency for design professional services, that all provisions, clauses, covenants, and agreements contained in, collateral to, or affecting these contracts or amendments to contracts that purport to require the duty defend to under an indemnity agreement are unenforceable.

SB 1173 (Wolk) Recycled water. (A-08/02/2010 [html](#) [pdf](#))

Introduced: 02/18/2010

Last Amend: 08/02/2010

Status: 08/05/2010-Set, first hearing. Referred to APPR. suspense file.

Is Fiscal: Y

Is Urgency: N

Location: 08/05/2010-A APPR. SUSPENSE FILE

Calendar: 08/12/10 Upon adjournment of Session - State Capitol, Room 4202 ASM
APPROPRIATIONS SUSPENSE

Summary: Would define rainwater and raw water for purposes of the act. This bill contains other related provisions and other existing laws.

Total rows: 15

Strange politics coalesce around water bond's delay

By Jennifer Chaussee and Anthony York | 08/12/10 12:00 AM PST

There is no issue more complicated, more emotional and more fundamental to California politics than water.

So perhaps it was only fitting that a simple procedural vote to delay a vote on the state's \$11 billion water bond was embroiled in political fights that pitted the Assembly Speaker against the governor, the Assembly against the Senate, and Gov. Arnold Schwarzenegger against the strident conservative wing of his own party – a conservative group that had banded with environmentalists and Central Valley Democrats to fight against the governor.

Nothing, it seems, is easy in Sacramento these days.



In the end, Schwarzenegger and Senate leader Darrell Steinberg got what they wanted. The bond is now scheduled to appear on the June 2012 ballot. Even Assembly Speaker John Pérez, D-Los Angeles, went along with the program, helping his two Big 5 counterparts – and some-time rivals – guide their proposal off the Assembly floor.

Steinberg and Schwarzenegger had called for the delay in hopes of saving the bond. The agreement that placed the measure on the ballot in the first place was hard-fought, and happened only after hours of negotiating and cajoling by Steinberg and others. But faced with a huge budget deficit and an increasing general obligation debt, proponents of the plan thought the best way to save the bond was to delay the vote.

But it also gave opponents of the original deal another chance to kill it. Only water could unite conservatives like Assemblyman Dan Logue, R-Chico, with liberals like Nancy Skinner, D-Berkeley.

Everyone had their own reason for wanting to save or kill the water bond. Contra Costa County members say the proposal will lead to the construction of a peripheral canal that will take water out of the Sacramento-San Joaquin River Delta. Conservatives argued that keeping the measure on the ballot might limit the governor's fundraising ability to fight Proposition 23, a suspension of the state's greenhouse gas law. If Schwarzenegger had to raise money to save the bond, the reasoning went, he would not be able to spend as much on the No on 23 campaign.

"The bottom line is that the governor wanted to move the bond measure to 2012 because he can't pass the water bond and defeat Prop. 23 at the same time," said Logue. "That's what's behind the whole thing."

Steinberg said he simply wanted to protect the hard-fought compromise reached last year, which was one of the few major legislative achievements of the last two years.

Some who had supported the original bond were now waffling on the proposal. Several members said they would only vote to move the bond if the policy could be renegotiated. And Pérez, a new speaker who is still establishing his role in the Big 5, seemed eager to make Schwarzenegger sweat for any little perceived concession from the Assembly.

The Monday-night Assembly vote was full of drama. It involved Pérez calling individual members into his office – both Democrats and Republicans. A past skeptic was now playing the role of speaker, twisting arms and extracting votes to move the bill out of his house. In the end, the bill received the required 54 votes to pass when two assemblymen, Pedro Nava, D-Santa Barbara, and Sandre Swanson, D-Alameda, changed their votes from "no" to "aye."

"It was my intention to vote against the delay," explains Swanson, who opposes the water bond. Some of the measure's opposition increasingly agreed that removing it from the ballot could be for the better. "It made sense to me...to remove it from the ballot so there could be new discussion and maybe a chance at correcting some of the measure's flaws," says Swanson.

In the end, Pérez said, delaying the bond was the right thing to do. "I voted for the delay because I believe the water bond is crucial to the economic future of the state of California," said Perez in a press release Monday night.

Those in support of Proposition 18 share the Speaker's philosophy.

Proponents expressed concern that the \$11 billion plan wouldn't appeal to voters in the heat of current economic contentions. Although it takes the water bond off this year's ballot, AB 1265 was authored by Senator Cogdill, R-Modesto, in an attempt to save the bond from predicted failure in 2010, gain more support within the next two years, and have it passed in 2012.

“Timing’s everything,” said Cogdill in a press release Monday. “Mindful of the current economic slowdown, I support the move to give voters more time to understand this critical investment and give the state’s economy more time to rebound.”

Lois Wolk was one of seven senators who refused to support the plan to salvage Proposition 18. She consistently voted against its delay, saying that merely suspending the measure is not enough. “It needs to be taken off the ballot entirely and revised.”

Revision could happen during the next two years but Wolk is skeptical, “I can’t say whether it will happen.”

Assembly member Mariko Yamada, D-Davis, agrees. A member of the Assembly Water, Parks, and Wildlife Committee, which passed the AB 1265, Yamada’s district flanks crucial areas of the Delta. Like many environmental groups, Yamada is concerned that the infrastructure plans funded by the water bond do not protect the Delta.

She voted against the delay in both the committee hearing and the assembly floor. “Proposition 18 should not be delayed, it should be repealed,” says Yamada. “The same majority who put this bond on the ballot wants to wait another two years, without any promise of revision.”

« Done

Innovative Federal Strategies LLC

Comprehensive Government Relations

MEMORANDUM

To: Kirby Brill, Kathy Cortner and Mike Stevens,
Mojave Water Agency

From: Letitia White and Heather Hennessey

Date: July 30, 2010

Re: July Monthly Legislative Update

During July, IFS was pleased that we could continue to be helpful in making connections between MWA and staff for Senator Feinstein. It is very encouraging that her staff is willing to make an additional trip to Apple Valley for continued interaction with MWA leadership. We were also happy to update you about ongoing Congressional oversight of the Bureau's distribution of ARRA funding and to provide specific information about the Feingold Clean Water Restoration Act to the Board.

The Congress picked up the pace during the month of July with forward motion on several pieces of major legislation that Democratic leaders were unable to move during June. Congress sent the President the following bills: financial reform legislation, legislation to extend unemployment insurance benefits and the fiscal year 2010 Supplemental Appropriations bill. It is important to note that the final version of the Supplemental was "clean" and only provided funding for shortfall in the Iraq and Afghanistan wars and some additional FEMA disaster relief funding. It did not include any extra domestic funding for teacher salaries, police or firefighters that had doomed earlier versions of the supplemental bill because they triggered deficit concerns.

A number of other major bills that leaders hoped to pass in July did not advance through the Senate and to the President before the August recess. For example, a small business bill which would create a \$30 billion small-business lending fund, offer about \$12 billion in tax breaks and enhance federal programs designed to assist small companies passed the House but could not break through the filibuster in the Senate. Another priority, legislation to extend a variety of expiring tax breaks, could not make it through on the Senate side either.

As of today, the House begins the extended August recess. They will not return to Washington until the week of September 13th, after which only three weeks of legislative work remain before they recess again prior to the November elections. Meanwhile, the Senate will be in session next week. They must confirm Supreme Court nominee Elena Kagan in order for her to be in office before the Court begins a new term after Labor Day. The Senate may also use next week to attempt to pass oil spill legislation, the lagging small business bill or additional domestic spending. But each of those measures pose a host of problems for Senate leadership, and the Senators will certainly want to join their House counterparts in recess as quickly as they can.

Innovative Federal Strategies LLC

Assistance, Quality and Affordability Act Passes the House

In mid-May, we notified you about the Assistance, Quality and Affordability Act of 2010, which had been introduced by Congressmen Waxman and Markey as an amendment to the Safe Drinking Water Act. Earlier this week, the non-controversial bill passed the House floor under an expedited vote. However, it will now join the huge backlog of legislation pending in the Senate, where it faces an uncertain future in the fall.

The bill aims to provide technical assistance to small public water systems for help in achieving and maintaining compliance with federal drinking water laws and regulations. It also would steer additional State Revolving Fund monies to disadvantaged communities. We are encouraged by this recognition of the mounting burden that water agencies face in complying with federal mandates. The legislation makes a distinction between the compliance needed for pipes used for potable water, and lessens the restrictions on lead, solder and flux for pipes which are used exclusively for nonpotable water. It also contains some provisions for testing of endocrine disruptors and mandates Davis-Bacon prevailing wage rules for all projects funded through the State Revolving Fund.

FY 2011 Appropriations

House and Senate Appropriations Committees made progress on their twelve bills. At this point, the full House Appropriations Committee has marked up two bills - - Military Construction-Veterans Affairs and Transportation-Housing and Urban Development. These two bills have also passed the full House. All of the other appropriations bills, with the exception of Legislative Branch Appropriations, have been marked up at the House Subcommittee level. With a couple of notable exceptions, Republican earmarks are absent from all of the bills.

While the full Senate chamber has not passed any of the FY11 bills off of the Senate floor, the full Senate Appropriations Committee has marked up the following nine bills: Agriculture, Commerce-Justice-Science, Energy and Water, Homeland Security, Military Construction/Veterans Affairs, Labor-Health and Human Service-Education, Foreign Operations, Financial Services and Transportation-Housing and Urban Development. Only Defense and Legislative Branch remain.

So far, we have only seen summaries of the House and Senate versions of the Energy and Water Appropriations bills rather than the actual bill text. As soon as the committees release additional information, we will send you an analysis of the spending provisions in each version.

Despite the progress, the majority of the fiscal year 2012 bills will not be ready by October 1st, the start of the 2011 fiscal year. House and Senate leaders will have to move a continuing resolution (CR) and will likely have it go from October 1st through mid-November.

Politics

Speaking of November, political tensions on Capitol Hill remained very high this month and will continue to escalate until after the November elections. House Republicans are very hopeful that November will bring a change in House leadership. Republican's hopes were further buoyed this month by the President's own press secretary who announced that House Republicans have a chance of success. In addition, this month a special ethics subcommittee charged Representative

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Charlie Rangel (D-NY), a senior member of the Democratic Party, with thirteen counts of violating House rules, including conduct reflecting discredibly on the chamber. Congressman Rangel will face a rare, public ethic trial in September. Republicans are planning to use the August recess to attack Democrats' images even further to achieve success at the polls. Democratic leaders are giving their Members positive talking points to use in defense of their agenda and to tout success despite bad economic forecasts. Both sides are gearing up for a busy couple of months before the elections!

As always, we will continue to keep you posted!

**BIGHORN DESERT VIEW WATER AGENCY STANDING COMMITTEE
FINANCE/PUBLIC RELATIONS/EDUCATION/PERSONNEL
AGENDA ITEM SUBMITTAL**

Meeting Date: August 18, 2010

To: Financial/PR/Education/Personnel Comm.
of the Board of Directors

Budgeted: N/A

Budgeted Amount: N/A

Cost: N/A

Funding Source

From: Marina D. West

General Counsel Approval: Reviewed
w/counsel

CEQA Compliance: Completed

Subject: Final Draft Principles of Agreement Between Bighorn Desert View Water Agency, Hi Desert Water District, County Special Districts (W-1 and W-4) and Mojave Water Agency Regarding Providing Governance Structure to the Future Groundwater Management Plan for the Reche Groundwater Subbasin

SUMMARY

Bighorn Desert View Water Agency has been in discussions with managers from Hi Desert Water District, County Special Districts representing W-1 (Landers) and W-4 (Pioneertown) and Mojave Water Agency regarding cooperative management of the Reche Groundwater Subbasin for the past six years. The primary focus of the new Groundwater Management Plan and governance structure is groundwater basin sustainability. In addition, the new management structure involves all municipal producers whereas the Ames Valley Water Basin Agreement does not. The attached final draft Principles of Agreement (POA) provides a foundation for the new Groundwater Management Plan and associated governance documents. The draft was originally presented to the PLEGS on March 19, 2010 and the full Board on March 23, 2010. This final draft represents changes since the March presentations and is being brought before the Public Relations Committee to address community concerns that have been raised to date.

RECOMMENDATION

That the Committee review the information, receive public input and provide feedback to staff.

BACKGROUND/ANALYSIS

Attached are a set of draft Principles of Agreement (POA) for future management of the Reche Groundwater Subbasin. California Environmental Quality Act (CEQA) process is complete for the Groundwater Management Plan. National Environmental Policy Act (NEPA) compliance is not required. These POA are to be the foundation of the proposed Groundwater Management Plan (GWMP) and court administered amendment to the existing

Ames Valley Water Basin Agreement. Funding for the construction of the spreading grounds is contingent upon some level of assurance to Mojave Water Agency that imported water will be purchased, delivered and stored at the facility. The GWMP along with an associated Memorandum of Understanding and court administered amendment to the Ames Valley Water Basin Agreement will satisfy this contingency and lead to the completion of this project at very little cost to the Agency customers.

The final draft POAs are based on the intent by all parties to fairly and adequately, through physical monitoring and technical analysis, sustainably manage the Reche Groundwater Subbasin. The first step is reasonable allocation of available native water. All additional demands must be met via recharge of State Water Project supplies. These supplies are available to us through the Morongo Basin Pipeline and ID "M" Agreement. The next step beyond the POA document is to incorporate these points into a draft legal document for the various governing bodies to formally approve.

The foundational points of the formal agreement are:

- Sets an allowable baseline for each municipal producer beginning with the five-year average groundwater production. Provides for 25% over baseline for years one (1) to five (5).
- Every five years the monitoring data will be evaluated and baselines may be adjusted down, or up, by an across the board percentage deemed to be necessary to allow for basin recovery or to access additional native supplies.
- The monitoring area includes all of the Pipes and Reche Groundwater Subbasins with a buffer area just outside those boundaries. The monitoring area is essentially the same as the existing Ames Valley Water Basin Monitoring Agreement.
- Baseline as well as purchased water can be transferred between parties. All agencies are autonomous over their baseline allocations.
- Storage accounts will be established for each entity. There can be no restrictions on the use of water that a party brings into the basin, such as the State Water Project purchases.
- There is a stipulation that water deliveries to the BDVWA facility require that 5% of that water be transferred to the BDVWA storage account.
- MWA assumes responsibility for groundwater monitoring on behalf of the producers which results in an annual cost savings to the Agency. MWA will also operate and maintain the spreading grounds facility.

As discussed at the January 26th Board of Directors meeting, the existing Ames Valley Water Basin Agreement has a number of shortcomings that the new Groundwater Management Plan seeks to eliminate:

1. The baseline production allocated to HDWD ($800 + 0.5 \text{ AF/yr/connection}$) cannot be reasonably accommodated by natural recharge.
 - Under the POA, Hi Desert Water District is capped at 703 AF of native baseline allocation.

2. Water level monitoring documents that basin drawdown exceeds Ames Agreement parameters.
 - The solutions are less pumping or conjunctive use groundwater storage and recovery. Since the Morongo Basin Pipeline was constructed to provide the supplemental supply that is the more logical solution with a cap on pumping. In the future the baselines could also be reduced.
3. Water quality monitoring documents changes in water chemistry exceeding the Agreement parameters.
 - Options become wellhead treatment or blending with State Water Project supplies. Continued operation under the existing Ames Valley Water Basin Agreement parameters will not provide a solution to the existing threat to groundwater quality.
4. County Special Districts is not a party to the Ames Valley Water Basin Agreement which means they are under no obligation to assist in managing the basin. However, they do understand the need for a sustainable GWMP.
 - The new GWMP and associated governance document includes County Special Districts and provides a legitimate mechanism to assist the CSA-70/W-4 get potable water to Pioneertown.
5. The new plan also relies on artificial recharge of State Water Project deliveries through the Morongo Basin Pipeline to meet current and future water demands of the three municipal producers tapping the Reche Groundwater Subbasin. A formal agreement enables the tracking of water purchases since all three entities will pump and recharge the same basin at different times.
 - The facilities are located in BDVWA's Sphere of Influence and the POA provides for a 5% transfer of stored water from a participant to BDVWA's storage account.

Recently there have been a number of questions and comments raised regarding the new GWMP and the actual need for spreading grounds to mitigate groundwater overdraft and declining groundwater quality in the Reche Groundwater Subbasin. The following statements have been drafted from our understanding of public input to date:

- Levels in my private well have not changed; there is no need for a groundwater recharge facility in the Reche Basin.
 - The well in question is not monitored under the Ames Valley Water Basin Agreement and no data has been submitted for comparison. However, across the Reche Groundwater Subbasin, water levels are monitored monthly. Since 1991, cumulative water level declines range from 6 to 30+ feet. The 2009 Ames Valley Water Basin Monitoring Report, prepared by an independent third

party consultant, includes all available monitoring data for the Reche and Pipes Groundwater Subbasins. The data shows that continued pumping without artificial recharge will result in further declines in water level and the potential to degrade water quality as well.

- Adoption of the GWMP and construction of the Ames/Reche Spreading Grounds will eventually lead to a pumping tax on private well owners.
 - The final draft POA is based on a set of locally created goals and policies. The document does not discuss private well owners and no party has ever promoted or suggested a pump tax on private well owners. From a legal perspective, groundwater wells serving single parcels have overlying water rights which are more senior to the Agency's rights. In addition, the total production from such groundwater wells is probably less than one acre-foot per year and inconsequential to the sustainable management strategy needed for the municipal producers taking nearly 1,600 AF/year. In contrast, however, should private well owners discover that their own pumping causes their wells to go dry, they might then be able to consider the benefits of long term basin sustainability and voluntary participation in a conjunctive use storage arrangement. This is the case in Orange County where all private well owners pay a pump tax to cover their share of water purchased for basin replenishment.
- Adoption of the GWMP and construction of the Ames/Reche Spreading Grounds will eventually lead to a take-over of BDVWA by MWA.
 - This concern is inconsistent with the mission and legal mandate of MWA. The concern would appear to be unfounded without further details regarding where the concern arises from.
- MWA pledged \$1M to the Ames/Reche Project with "no strings attached" and now they are putting conditions on that pledge.
 - The MWA Board action of 5/15/2006 read: "Motion made, seconded and the Board unanimously approved a minimum contribution to potential future Morongo Basin projects of \$1 million each (Ames/Means and Joshua Basin Water District Pipeline Extension and Recharge Facility projects)". With respect to Ames/Means (is. Ames/Reche) the MWA Board of Directors cannot be asked to make such a financial commitment unless all parties are in agreement on how the project will be built, financed and operated as well as some level of assurance that imported water will indeed be purchased, delivered and stored in the proposed recharge facility.
- The Principles of Agreement document forces BDVWA to give up its control of the Ames/Reche groundwater basin.

- BDVWA does not currently have “control” over the Ames/Reche groundwater basin. In the Stipulated Judgment, paragraph 19, it states, “Full jurisdiction, power and authority is retained and reserved by the Court for the purpose of enabling the Court, upon application of either HDWD or BDVWA by motion carrying out of this Judgment in a case where a dispute arises which cannot be resolved by the parties by arbitration.” There are three municipal appropriators in the basin, one of which is not a party to the existing Ames Agreement therefore the Stipulated Judgment doesn’t really provide enough “control”. Staff believes that the final draft POA resolve a number of open issues regionally, allowing BDVWA to gain water supply certainty while limiting the ability of others to negatively impact the water supplies that BDVWA relies upon now and into the future. The final Groundwater Management Plan and governance documents will result in a formal amendment to the Ames Valley Water Basin Agreement. County Special Districts do not want to become a party to the Ames Valley Water Basin Agreement but they are willing to be part of the GWMP and signatory to the new governance document.
- How much water does MWA intend to store in Ames/Reche and how do they intend to utilize the water they store?
 - According to MWA, water would be stored consistent with MWA’s 12/14/2006 Water Banking Policy (attached).
 - Access and use of the stored water, according to MWA, will be consistent with POA and the subsequent formal agreement that will signed by all participating parties.
 - Lastly, MWA’s main goal with all of its storage agreements is to provide an alternative means of delivering water to meet the needs of customers within their service area. The proposed recharge facility would give MWA the means of delivering pre-stored water to the BDVWA and other ID M participants, consistent with the ID M Agreement and the POA, during times when imported water supplies available to MWA from the Department of Water Resources may be limited. This form of conjunctive use would greatly expand the imported water available from MWA to BDVWA and other project participants.

The POA is a final draft document and staff is asking that the Committee review the information, receive public input and provide feedback to staff. Staff intends to then forward the document to the Board on August 24th for the same purpose. Thereafter, the intent is to mover to the legal agreement stage. The final agreement(s) will be brought before the board for approval and execution.

PRIOR RELEVANT BOARD ACTION(S)

3/23/2010 Motion by Board of Directors to accept draft Principles of Agreement between Bighorn Desert View Water Agency, Hi Desert Water District, County Special Districts (W-1 and W-4) and Mojave Water Agency regarding Future Groundwater Management Plan for the Reche Groundwater Subbasin.

3/19/2010 FPREP Standing Committee presented draft Principles of Agreement between Bighorn Desert View Water Agency, Hi Desert Water District, County Special Districts (W-1

and W-4) and Mojave Water Agency regarding Future Groundwater Management Plan for the Reche Groundwater Subbasin.

1/26/2010 Overview of the Ames Valley Water Basin Agreement

DISCUSSION POINTS FOR DRAFT PRINCIPLES OF AGREEMENT

Purpose of MOU: While this MOU does not define, assign, or otherwise acknowledge or make a determination of water rights within the Reche Basin Management area, this MOU does attempt to provide for a reasonable settlement of an allowance for pumping of water from the basin and obligations of each party to work cooperatively to avoid basin overdraft and to provide for mitigating measures to bring the basin into balance should overdraft occur. Parties are identified as Bighorn Desert View Water Agency, Hi-Desert Water Agency, and County of San Bernardino Service Area 70.

Boundary for Reche Basin Management Area: ~~Attached as Exhibit A~~ Not completed as of 8/16/2010

Baseline Usage: The Baseline Usage amount was calculated based on prior usage beginning with calendar year 2003 and ending in calendar year 2008. The pumping averages shall apply to wells commonly referred to as 24E for the High Desert Water Agency, wells 1, 2 and 3 from the County, and 2, 3, 4, 6, 7, 8 and 9 for Bighorn Desert View Water Agency. Verification of well production can be in the form of meter readings, if available, or pumping data verified through energy usage data from the pumps.

Based on production data provided by the County of San Bernardino, Hi-Desert Water District and the Bighorn Desert View Water Agency, the Baseline Usage is established as:

	<u>Baseline Amount</u>
• CSA 70 IZ W -1 (Landers)	230 acre-feet
• CSA 70 IZ W -4 (Pioneer Town)	-0- acre-feet
• Hi-Desert Water District	703 acre-feet
• Bighorn Desert View Water Agency	<u>641 acre-feet</u>
○ Total Baseline Usage Amount	1,571 acre feet

Administration and Verification: Each agency agrees to supply MWA no later than July 10th each year the meter readings and/or pumping data for all wells within the boundary for the prior twelve months (July 1st to June 30th). In order to ensure recovery of the basin and still allow for withdrawals, the Baseline Usage amount may be reduced by an across the board percentage deemed to be necessary to allow for recovery. This amount will be determined every five years by the General Manager's of the parties to this agreement after an analysis of the basin levels through a monitoring program managed by the Mojave Water Agency (MWA). The monitoring program will consist of the monitoring wells mentioned in the 1991 Ames Agreement at a minimum. Additional monitoring wells may be added to increase the completeness of the monitoring network in the Reche basin. MWA will include the appropriate monitoring wells into their monitoring network and their staff will take ground water level measurements on a schedule determined by MWA.

Storage Accounts: Each agency agrees to the following:

- Each agency shall have the right to withdraw from the basin the Baseline Usage amounts. Amounts withdrawn above the Baseline Usage amount must be mitigated by importing State Water Project water from the Mojave Water Agency via the Morongo Basin pipeline or purchasing unused Baseline Usage amount or excess storage from one of the other parties to this agreement.
- Each agency's Storage Account will be tracked by Mojave Water Agency and reported to each agency on an annual basis. Storage may go negative, depending upon the availability of imported water.
- Each agency may pre-store water for future use
- Amounts withdrawn below the Baseline Usage amount may be carried over for a maximum of two years.
- 5% of all water stored will accrue to the Bighorn Desert View Water Agency.

Construction and Maintenance of Recharge Facilities: The Mojave Water Agency will construct, maintain and operate the recharge facilities at a cost not to exceed \$ 1 million for the construction costs. In exchange, Mojave Water Agency may store water in the basin without accruing system water losses. The ownership of the land will remain with BDVWA. The facilities will reside with MWA.

Replacement of 1991 Agreement: This Principles of Agreement, when finalized as a formal agreement, will replace the 1991 agreement and amendments between Hi-Desert Water District and the Bighorn Desert View Water Agency. Neither the County of San Bernardino nor the Mojave Water Agency will become a party to the court filings as a result of this agreement.

MOJAVE WATER AGENCY WATER BANKING POLICY

Adopted by Board of Directors
December 14, 2006

Purpose. It is the intent of the Mojave Water Agency to utilize this policy to guide the Agency in determining where water will be “banked” (as defined below).

1. The Agency defines “water banking” as the purchase of imported State Water Project water for storage in the various ground water basins within the MWA for future use. This water is in excess to the annual water demand that the Agency is/will be required to meet under the various current and future water supply obligations of the Agency.
2. Water supply obligations of the Agency currently include:
 - Entitlement transfers to the Antelope Valley-East Kern Water Agency for delivery to an existing customer within the MWA
 - Replacement Water and Makeup Water Obligations under the Judgment for the Mojave Basin Area (Riverside County Superior Court Case No. 208568)
 - Ordinance No. 9 annual water sales
 - Water sales under the “Agreement for Construction, Operation and Financing of the Morongo Basin Pipeline Project”
3. The MWA has established a fund to purchase water for storage within the groundwater basins within the Agency.
 - The funds available will be used when favorable water availability, system capacity and fiscal circumstances indicate that it will be advantageous to purchase water for storage in the ground water basins within the MWA
 - MWA staff will seek approval from the Board of Directors prior to making purchases under this Policy.
4. When recommending purchases and banking locations to the Board, staff will consider the potential for the banked water to be purchased from the Agency in the future and the needs of the area where water is proposed to be banked.
5. Banking targets (maximums) have been established for each ground water basin where banking may occur under this Policy to assist determination of where available water will be banked. The targets are generally based upon the calculation of three times the non-agricultural water demand (production) within the Subarea. The targets are as follows:
 - Alto Subarea – 261,000 acre-feet
 - Centro Subarea – 33,000 acre-feet
 - Baja Subarea – 31,000 acre-feet
 - Este Subarea – 5,000 acre-feet
 - Oeste Subarea – 6,000 acre-feet
 - Morongo Basin - 21,000 acre-feet
6. The MWA will update the targets in this Policy every 3 years, or sooner if circumstances warrant (significant changes to demand patterns, availability of new delivery capability, changes to local hydrology, etc.).

**BIGHORN DESERT VIEW WATER AGENCY STANDING COMMITTEE
FINANCE/PUBLIC RELATIONS/EDUCATION/PERSONNEL
AGENDA ITEM SUBMITTAL**

Meeting Date: August 18, 2010

To: Financial/PR/Education/Personnel Comm.
Board of Directors

Budgeted: No

Budgeted Amount: N/A

Cost: N/A

Funding Source: N/A

From: Marina D. West

General Counsel Approval: N/A

CEQA Compliance: N/A

Subject: Request to Increase Credit Card Limit for Two Agency Credit Cards

SUMMARY

Oftentimes the Agency needs to make a purchase with a credit card over the phone or internet. This is to avoid the time and paperwork of setting up an account for a single or one time transaction. Currently the Agency has two credit cards with a purchasing limit of \$1,000 and \$1,500 respectfully. Staff is requesting these limits be raised to \$2,000 and \$2,500 to avoid credit card denials between credit card billing cycles. Approval of an increase in the credit card limits would have no effect on the existing Purchasing Policy limiting the General Manager's approval limit of \$1,500 per transaction.

RECOMMENDATION

Agendize for the August 24 Board Meeting:

1. Authorize General Manager to increase First Bank Card credit limits from \$1,000 to \$2,000 and \$1,500 to \$2,500 with no change Policy No. 04P-02 Purchasing Manual Policy.

BACKGROUND/ANALYSIS

No further analysis completed.

PRIOR RELEVANT BOARD ACTION(S)

3/23/2004 Policy Statement No. 04P-02 Establishing a Purchasing Manual Policy.

Bighorn-Desert View Water Agency



Board of Directors

Terry Burkhart, President
J. Larry Coulombe, Vice President
Michael McBride, Director
David Larson, Director
Director Vacancy

Agency Office

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Marina D West, P.G., General Manager
Joanne L Keiter, Board Secretary

A Public Agency

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BOARD OF DIRECTORS' SPECIAL MEETING REPORT FOR THE FINANCE/PUBLIC RELATIONS EDUCATION & PERSONNEL COMMITTEE

BOARD MEETING OFFICE
1720 N. Cherokee Trail, Landers, CA 92285
Wednesday, May 12, 2010 - 1:00 PM

• CALL TO ORDER

Meeting convened by Director McBride at 1:01 PM

• PLEDGE OF ALLEGIANCE

Led by Mary Coulombe

• ROLL CALL

Directors Present: Michael McBride, Director
J. Larry Coulombe, Director

Staff Present: Marina West, General Manager

Public Present: 4 noted (Director Oswalt attended as an observer)

APPROVAL OF AGENDA - Committee approved, as presented

1. PUBLIC PARTICIPATION - None

2. COMMITTEE TO REVIEW AND DISCUSS DRAFT RESOLUTION NO. 10R-XX ESTABLISHING A POLICY FOR COMPENSATION OF THE BOARD OF DIRECTORS FOR PERFORMANCE OF OFFICIAL DUTIES AND REIMBURSEMENT OF ACTUAL AND NECESSARY EXPENSES ("POLICY")

GM West discussed the draft Resolution (outlining the compensation for Directors' performance and reimbursement of their actual and necessary expenses). She also introduced the "Official Duties" policy being proposed.

She stated that previously Counsel Trager had requested the Board consider a revision to Policy No. 05P-01, which defined the criteria for reimbursement of expenses, to eliminate any discrepancies or confusion regarding the Board's intent, official duties, Agency policies, and reimbursement procedures. During the February 16, 2010 meeting, the Board announced its intent to revise the "per diem" Ordinance and Duties Policy.

She said that staff had drafted a new "Official Duties Policy", which was being presented for the Committees' review, and was looking for their input and direction before taking to the full Board for their consideration.

The Committee members then requested that staff distribute a copy to each Director of the proposed "Exhibit A" of the Official Duties Policy so that their input could be solicited for the final version of the draft Resolution before going to the Board on June 15, 2010.

3. COMMITTEE TO REVIEW AND DISCUSS DRAFT ORDINANCE NO. 100-XX PROVIDING FOR COMPENSATION OF THE BOARD OF DIRECTORS AND ESTABLISHING PROCEDURES RELATED THERETO -

GM West mentioned that this issue was being addressed upon the recommendation of Counsel Trager.

In 2008, Counsel reviewed the Agency Ordinance (No. 05O-01) regarding payment of Directors' per diem. The results of the review concluded that the existing procedure for paying per diem was inadequate. There was too much confusion as to what meetings were covered and what process was required to obtain per diem. Additionally, it was stated that the Ordinance should be changed to eliminate any suggestion that committee membership provided "blanket" authorization for paid attendance at non-Agency meetings.

At the direction of the full Board (during the February 16, 2010 meeting), staff had prepared a new Ordinance draft that provided for compensation of the Board of Directors and established related procedures. GM West reiterated that this Ordinance was strictly limited to the issue of compensation and that *no changes had been made* regarding amounts or days of service from the current Ordinance (No. 05O-01). She suggested that the Committee review the draft and obtain answers to any outstanding questions regarding the purpose of the Ordinance before asking the Board to consider adoption on June 15, 2010.

Next, GM West briefly described the process of notifying the public about the proposed Ordinance if the Committee determined that this should be brought before the full Board. For example, if the members agreed, staff would proceed to advertise the date and times for the Ordinance public hearing by placing two separate legal notifications in the Hi Desert Star newspaper. Following the public hearing, the full Board could deliberate and then vote on the approving the Ordinance. If it were approved, the new Ordinance would formally take effect 60 days later.

There were no comments from the Committee or the public, so Director McBride continued to the next agenda item.

4. COMMITTEE TO REVIEW DRAFT RESOLUTION ESTABLISHING PROCEDURES FOR THE SALE AND DISPOSAL OF SURPLUS PROPERTY

GM West began by stating that the Agency did not have a procedure for the sale and disposal of surplus property. This proposed Resolution would simply establish a process for this, if and when necessary.

There were no comments from the Committee or the public.

5. LIEN PROCESS UPDATE

GM West provided the Committee with a brief overview of the procedure.

The Committee asked for clarification in two areas:

- If the liens would be written off as bad debt in the current Fiscal Year; and
- Once paid, if the funds would be posted to general revenue.

GM West said that she would follow up with auditor and report to the Committee

6. UPDATE ON FY10/11 BUDGET

For Information and discussion purposes only, GM West made a presentation pertaining to the preliminary Budget for Fiscal Year 2010/2011.

She highlighted several items of interest:

- Line item for the Ames Monitoring - where amounts may be reduced, if the revised Principles of Agreement would be signed and if the Mojave Water Agency began to monitor the wells;
- Line item for Staff Benefits - amounts estimated 10% higher until confirmation received from the insurance providers;
- Line item for Fuel - currently under budget; however increases probable;
- Line item for Building Maintenance - projections slightly higher due to some planned improvements.

Director McBride asked if the Budget would be ready for the Board to adopt at the June Board meeting. GM West responded that although she was waiting to verify a few other amounts, this would be agendized for the June 29, 2010 meeting.

7. CONSENT ITEMS - Committee approved, as presented

END OF THE CONSENT CALENDAR

8. STANDING COMMITTEE PROJECT LIST - No changes noted

9. VERBAL REPORTS

- No General Manager's Report
- Committee Members' Comments/Reports

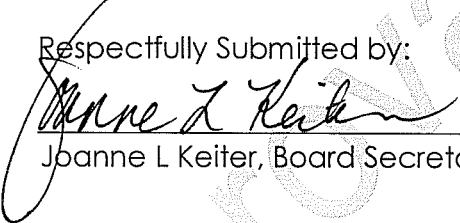
- Director Coulombe reported that the Ad Hoc Committee on Financial Matters would have its first meeting at the Agency's Business Office on Jemez Trail, on May 26, 201 at 2 PM.
- Director McBride - Nothing to Report

10. ITEMS FOR NEXT AGENDA

- FY10/11 BUDGET

11. ADJOURNMENT - adjourned the meeting @ 2:01 PM

Respectfully Submitted by:


Joanne L Keiter, Board Secretary